

U.S. Sens. Baldwin and Hawley: Lead bipartisan effort to restore competitiveness to U.S. exports, boost American manufacturers and farmers

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Bipartisan legislation would realign U.S. dollar to close trade deficit

WASHINGTON, D.C. – For two decades, foreign countries, including China, have manipulated their currencies to boost their exports while making American products more expensive abroad. Foreign purchases of U.S. stocks, bonds and other assets have also led to an overvalued American dollar that has put our businesses and workers at a disadvantage. As a result, our trade deficit has exploded and 90,000 factories have closed down, thousands of family farms have gone bankrupt, and millions of manufacturing workers have lost their jobs.

Today, U.S. Senators Tammy Baldwin (D-WI) and Josh Hawley (R-MO) are introducing a bipartisan plan to make U.S. exports more competitive, boost American manufacturers and farmers, and reduce our trade deficit. The Competitive Dollar for Jobs and Prosperity Act would manage the U.S. dollar exchange rate and bring it into alignment by placing a “market access charge” on foreign purchases of U.S. stocks, bonds and other assets.

According to the Coalition for a Prosperous America (CPA), bringing the U.S. dollar into alignment could add nearly \$1 trillion to America's GDP, create more than five million new U.S. jobs and raise more than \$2 trillion in tax revenue over six years.

"For years, foreign actors like China have manipulated their currency, making American exports more expensive and Chinese imports cheaper, forcing our manufacturers and farmers to compete at a disadvantage and blowing up our trade deficit. Today, foreign investors have driven up the American dollar, helping Wall Street profit but holding back stronger economic growth," said Senator Baldwin. "We need reforms that create a competitive American dollar and an even playing field for manufacturers, farmers and workers. This bipartisan fix will increase American exports and boost our manufacturing and farming economy."

Senator Hawley said, "For decades, China and other currency manipulators have waged financial war on U.S. agriculture and manufacturing to devastating effect. This legislation creates a powerful new tool to fight back against foreign currency manipulators, encourage investment in American jobs, and make our exports more competitive around the world. Our farmers deserve a chance to earn a fair profit on their crops. Our factories deserve a level playing field. With this bill, they will get one."

The bipartisan Competitive Dollar for Jobs and Prosperity Act is supported by the Coalition for a Prosperous America (a coalition of manufacturers, organized labor, farmers, and ranchers), National Association of Pipe Fabricators, National Farmers Union, JOA Industries, Meyer Manufacturing, Lapham-Hickey Steel Operations in Oshkosh, Wisconsin, and Team Industries, Inc. in Kaukauna, Wisconsin.

Michael Stumo, CEO of the CPA, said, "This is a big deal, and we congratulate Senators Baldwin and Hawley for their intelligence and vision. A realigned dollar is the most important tool available to spur growth and job creation in the US economy. Their bill takes a major stand for working families and says that we will no longer allow the US dollar to be weaponized against America's Heartland. It's time to fundamentally change how we view the dollar."

"This is a groundbreaking piece of legislation to realign the dollar—and should be considered priority number one for domestic producers," said CPA Chair Dan DiMicco. "Dollar misalignment is the key obstacle to America's manufacturing competitiveness. The past several decades have shown that large foreign capital inflows from central banks and hedge funds are weaponizing the US dollar against

American goods, services, and labor. We congratulate Senators Baldwin and Hawley for their bold leadership in filing this important bill, and we look forward to getting it to the president's desk."

"The over-valued U.S. dollar puts American family farmers and ranchers on an uneven playing field with the rest of the world. Despite near record levels of agricultural exports, U.S. farmers and ranchers are now in the sixth year of depressed farm income, and low commodity prices are a big part of the problem. If the U.S. dollar were realigned, our agricultural exports would be more competitive on the world market, driving up prices. The Competitive Dollar for Jobs and Prosperity Act is needed to restore fairness to international trade markets and to provide opportunity for economic prosperity for family farmers and ranchers, and all of rural America," said National Farmers Union President Roger Johnson.

"Our manufacturing industry has long been harmed by currency misalignment. Senator Baldwin's bill is a crucial step towards fixing this issue," said Bill Hickey, President of Lapham-Hickey Steel Operations in Oshkosh, Wisconsin.

"Our company is a leader in the fabrication of industrial process piping and equipment for the power generation, petroleum, chemical and marine markets. Our business is harmed by the overvalued and noncompetitive dollar that provides an unfair advantage for our import competition. We are pleased to support Senator Baldwin's bill to realign the US dollar so we can hire more workers and invest more in Wisconsin and across the United States," said Tim Monday, Vice President of Technical Operations at Team Industries, Inc. in Kaukauna, Wisconsin.