

economic situation. I am very frustrated. I am frustrated for the people of Tennessee and the fact that our economy is not showing the kind of growth we would all wish to see. I understand how politicians like to respond to things back home by making it look as if they are doing something to benefit the folks back home during this tough economy. I plan to speak at length on this throughout the week that this bill is being debated.

The bill that is going to be on the floor tonight is not the answer. I think most of you know that tonight we are going to begin debating a bill that would call China, in essence, a currency manipulator. And, by the way, they are a currency manipulator and I will agree to that. But the response that this bill wants to put in place is to put tariffs on Chinese imports, and what I believe will happen is it will begin a trade war.

What I wish to say is this is the U.S. Senate. I understand that sometimes a hot bill will make it out of the House for lots of reasons, due to its makeup. I understand that a lot of times a bill such as this comes forth for messaging. What I would say is we are actually playing with fire here. This is something that is originating in the Senate. It is a place where typically things are to cool and we are to think through things.

I am hopeful we will have a vigorous debate on this, and many amendments, because my concern is that at a time in our country when we have had a financial crisis which has led to the type of economy we have here where we wish to see many people in our country have greater and more full employment, at a time when we come off high energy prices a few years ago that sucked a lot of life out of this economy, at a time when the global economy is slowing much due to the financial crisis that is occurring right now in Europe, I think the response we want to put forth is not to create a trade war with China.

I think most of us know China has been a currency manipulator. They have a managed float for their currency. We wish to see that rise much more quickly than it has. It has risen about 30 percent in the last several years.

So the point is they are making changes. China has an antiquated financial system that has to be changed; it has to be liberated; it has to become more like what we have in this country. And those steps are happening. There is no doubt that importers—there is no doubt that the goods that come here from China come here at a lesser price than they otherwise would because of the currency float they put in place in China. I understand that. But that is changing. And the fact is that with a country of 1.3 billion and as their standard of living continues to grow, we have an opportunity to have even more trade with this country. Our exports to China have grown sixfold over the most recent time.

So here we have an opportunity in this Chamber very soon to take up the three free-trade agreements with South Korea, Panama, and Colombia, trade agreements we have wanted to have in place for a long time. Here we are, the Senate, a body that is supposed to act with cooler heads. And I understand the pressures back home. I have them too. Our State has tremendously high unemployment, much higher unemployment than I wish to see happen. I know when I go to townhall meetings, people talk about China, and I understand that. But I think people may be misreading what is in this bill. I think a lot of people think this bill is sort of a plaything because it actually gives the President a chance to waive tariffs on goods that happen to come here cheaper because of currency manipulation. But that is not the case. That is not what this bill says. A lot of people have misunderstood what this bill says. They think it is sort of a plaything and the President can make it all right. The President, if you will, can be the adult and not create a trade war. But that is not what the bill says. The bill says this country has to put in place tariffs on goods coming into this country, as long as they are not being dumped into this country. If they come in at a competitive advantage, we have to put in place tariffs.

Is this what the Senate wants to do today? We have had a tremendous financial crisis. We have high unemployment in this country. We are tremendously overregulated. We are not doing the things within our own country we should be doing, that many of us have been arguing, to cause our economy to grow. We have a financial crisis that is taking hold and taking root and actually moving in parts to this country and hurting us. The markets are down.

So the Senate, a body of 100 people who are elected for 6-year terms, wants to put in place tariffs on a major growing country that we have growing exports to, and create a trade war—a trade war between the two largest economies in the world? That is our response, instead of understanding the best thing we can do for this country right now is to deal with those long-term solutions in our own country and ask this deficit reduction committee to go big, to get \$3 trillion, to do tax reform, to do entitlement reform. These are the kinds of things we ought to be doing in this country: passing a 6-year highway bill; producing American energy; reducing regulations that are impeding our economy and not helping the country. Those are the kinds of things we ought to do. That is the response from the Senate, from people with 6-year terms who were elected to be the cooling of legislation, not to originate bills out of this body that we know, if passed, will likely create a trade war.

It is as though this country has lost its ability to see the fact that we are an exceptional country. It is as though we are cowering down now. It is as

though we know what to do but we won't do it, and, instead, now we have got to find a bogeyman.

Do I like what China is doing with their currency? No. But is it changing? Yes. Is our country putting pressure on China to change? Yes. Is it occurring? Yes. It is going to have to. The middle class in China is going to want access to the kinds of goods our country produces. It is naturally happening. So why would we as a country tamper at this time of a global slowdown with creating a trade war?

I understand and I know many of the Senators in this room hear the same things back home I hear back home. But the last thing we need to do at this point in world history, at this point with the global economy as it is today, is repeat the same mistakes that happened back in the 1930s with Smoot-Hawley. That is exactly the path we are going down. It is as if we don't learn from history. I urge all Senators to think about this.

I understand we are probably going to move to this bill tonight. I do hope we have a vigorous debate. I hope we change this bill dramatically, if not kill it. But I think Senators need to understand, in my opinion, we are playing with fire. This is not the right thing for us to do. We need to be focusing on how we make this great Nation, the greatest Nation of all times, grow. We can do that by dealing with our own issues here internally. We know how to do it, and we can do this by courageously dealing with the long-term issues that confront this country. That will be the short-term stimulus this economy needs.

Mr. President, I yield the floor, and I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SCHUMER. Mr. President, I ask we move from morning business to the pending legislation.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

CURRENCY EXCHANGE RATE OVERSIGHT REFORM ACT OF 2011—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to S. 1619, which the clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to the consideration of S. 1619, a bill to provide for identification of