

Reps. Steil, Moolenaar, Emmons, Vander Veen, Bisbee, Huizenga and Kooiman offered the following resolution:

House Resolution No. 166.

A resolution to memorialize the Congress of the United States to take necessary actions, through the International Monetary Fund or otherwise, to ensure that foreign nations that trade with the United States do so fairly and do not manipulate their currency.

Whereas, Through international agreements and in the spirit of fair and balanced trade, the United States dollar is allowed to float freely, with little to no market intervention; and

Whereas, Many of the trade partners with the United States, including, but not limited to, the European Union, Canada, and Mexico, operate with a floating exchange rate within the international financial system; and

Whereas, There are nations that are able to sell goods at rates lower than the cost of production in the United States, in part, through a manipulation of their nation's currency. This contributes significantly to creating an unfair trade balance; and

Whereas, Foreign countries that manipulate their currency are able to sell goods in the United States at an artificial price, lower than the cost of domestically produced products. Doing so undercuts American manufactured products, and it may soon eliminate domestic manufacturing; and

Whereas, The loss of the domestic manufacturing industry poses a substantial threat to the nation's security by requiring the United States to depend on other nations to produce critical components for our defense programs.

Whereas, Currency manipulation has contributed to substantial trade deficits with certain nations. The increase in the trade deficit with China alone, one of the countries known for currency manipulation, represents about 15 percent of the decline in United States production since 2000; and

Whereas, Article IV of the International Monetary Fund Articles of Agreement states that members shall "avoid manipulating exchange rates or the international monetary system in order to prevent effective balance of payments adjustment or to gain an unfair competitive advantage over other members." Under IMF surveillance procedures, a principal indicator of such manipulation is "protracted large scale intervention in one direction in the exchange market"; now, therefore, be it

Resolved by the House of Representatives, That we memorialize the Congress of the United States to take the necessary actions, through the International Monetary Fund or otherwise, to ensure that foreign nations that trade with the United States do so fairly and do not manipulate their currency; and be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the United States Secretary of Commerce, and the members of the Michigan congressional delegation.