

THE BIG FAIL

AN EXAMINATION OF THE FAILED OBAMA RECORD



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With Jobs On The Line, Obama Doesn't Want To "Embarrass" China

Obama Puts China's Feelings Ahead Of American Jobs



Asked About China's Currency Manipulation And Unfair Trade Practices, Obama Said That He Did Not Want To "Embarrass" China. "President Barack Obama, addressing questions Wednesday about China's alleged trade abuses and currency manipulation, said the United States must push back against unfair practices but not 'go out of our way to embarrass' the country. Doing so would risk 'an all-out trade war,' Obama told The Plain Dealer in an exclusive interview." (Henry Gomez, "President Barack Obama Warns Against Embarrassing China On Trade Complaints: Plain Dealer Interview," [Cleveland Plain Dealer](#), 9/27/12)

Obama Claimed That Labeling China As A Currency Manipulator Would Have No Effect On Their Trade Practices. "Asked if the tag would present the embarrassment he is hoping to spare China, Obama suggested that the designation would accomplish little. 'They'd have to push back, and there's no automatic trigger that results from it,' Obama said. 'So the only thing that happens is we then have to go back and negotiate with them. The key here is just constant pressure, and that's what we've applied in a much more aggressive way than the previous administration.'" (Henry Gomez, "President Barack Obama Warns Against Embarrassing China On Trade Complaints: Plain Dealer Interview," [Cleveland Plain Dealer](#), 9/27/12)

What Happened To Obama's "Straightforward Proposition" From 2008?

In 2008, Obama Said He Had A "Pretty Straightforward Proposition" For China, "You Guys Keep On Manipulating Your Currency, We Are Going To Start Shutting Off Access To Some Of Our Markets." OBAMA: "Now look, here's the thing I think people don't understand. China needs our market. Their economy is dependent on exports to the United States and we have bargaining power. The problem that

we've got with China is not that we couldn't work out a deal in which they are benefitting and we are benefitting. The problem is that through all the tough talk of George W. Bush, he is a patsy when it comes to negotiating these agreements. And, what we need to do is to just be better bargainers that say, 'Look, here's the bottom line, you guys keep on manipulating your currency, we are going to start shutting off access to some of our markets. If you are doing the right thing and not trying to manipulate your currency to disadvantage us, then you will have access.' It's a pretty, pretty straight forward proposition." (Senator Barack Obama, Q&A At The AAM Forum, [Pittsburgh, PA](#), 4/14/08)

Once In Office, Obama Retreated From His "Tough Talk" On The Campaign Trail And Decided Not To Label China A Currency Manipulator. "The Treasury Department on Wednesday declined to label China a currency manipulator, retreating from tough talk last year when a campaigning Barack Obama said Beijing had kept its currency's exchange rate unfairly low." (Glenn Somerville and Doug Palmer, "U.S. Again Declines To Brand China Currency Manipulator," [Reuters](#), 4/25/09)

- **In May 2012, The Treasury Department Said That China "Did Not Meet The Definition Of A Currency Manipulator Under Its Standards."** "The Treasury Department on Friday once again declined to name China a currency manipulator despite bipartisan calls for action from Congress. Treasury noted that China's currency has appreciated against the dollar since June 2010, and said it did not meet the definition of a currency manipulator under its standards." (Julian Pecquet, "Treasury: China Not Manipulating Currency," [The Hill's "Global Affairs" Blog](#), 05/25/12)

***The Washington Post*: "China's Policy Has Probably Cost Americans Hundreds Of Thousands Of Jobs And Contributed To China's Destabilizing Pile Of Trillions Of Dollars In Reserves."** "China's undervalued renminbi is a long-standing, bipartisan concern, and it is not a phony one: In pursuit of growth led by exports, China has held the renminbi down in relation to the dollar, rendering its goods artificially cheap in the U.S. market. The renminbi would gain about 20 percent against the dollar if it were allowed to float freely like other currencies, according to the Peterson Institute for International Economics. China's policy has probably cost Americans hundreds of thousands of jobs and contributed to China's destabilizing pile of trillions of dollars in reserves." (Editorial, "Breaking China? Last Thing Needed Is A Trade War," *The Washington Post*, 9/1/11)

- **Obama's Failure To Confront China Cost The United States 450,000 Jobs From 2008 To 2010.** "American jobs have been shifting to low-wage countries for years, and the trend has continued during Obama's presidency. From 2008 to 2010, U.S. trade with China alone cost about 450,000 American jobs because of the growth of Chinese exports, said Robert E. Scott, a pro-labor advocate at the liberal Economic Policy Institute. That figure was less than in previous years, but the decrease was probably tied to the U.S. economic slowdown, which crimped demand for imports. 'I think he has walked away from the campaign commitments,' said Scott, the institute's director of trade and manufacturing policy research. 'He has done far too little to improve U.S. trade.'" (Tom Hamburger, Carol D. Leonnig and Zachary A. Goldfarb, "Obama's Record On Outsourcing Draws Criticism From The Left," [The Washington Post](#), 7/9/12)