

# Obama, Clinton back Senate trade bill on China currency

Reuters  
May 1, 2008

WASHINGTON - Democratic presidential candidate [Barack Obama](#) said on Thursday he supported a Senate bill to offset China's "currency manipulation," one day after his rival [Hillary Clinton](#) added her name to the list of legislation's co-sponsors.

"The Bush administration has failed to act on China's currency manipulation," Obama said in a statement endorsing legislation proposed by Sen. Debbie Stabenow, a Michigan Democrat, and Sen. Jim Bunning, a Kentucky Republican.

"This is unacceptable and allows China to continue inaccurately valuing its goods in a manner that mirrors a subsidy," Obama said.

The Stabenow-Bunning bill would define currency manipulation as a subsidy under U.S. trade laws, opening the door for the Commerce Department to impose countervailing duties on a broad array of Chinese goods.

Individual companies or industries would still have to petition for the relief before duties are imposed.

"This bill would allow a domestic producer harmed by this practice to seek redress through our fair trade laws," Obama, a Democratic senator from Illinois, said.

"That is why I co-sponsored the Currency Exchange Rate Oversight Reform Act earlier this year, and that is why I am co-sponsoring the Fair Currency Act today," he said.

Clinton, a Democratic senator from New York, signed on as co-sponsor of the legislation on Wednesday.

The two senators are in a tight race for their party's presidential nomination, with a pair of state contests in Indiana and North Carolina on Tuesday.

A U.S. manufacturing group said they hoped Obama and Clinton's support for bill would jump start currency legislation in Congress, which has been stalled after a spurt of activity in the Senate Banking Committee and Senate Finance Committee last year.

"Domestic manufacturing has been pressing hard for passage of these bills and it looks like our message is beginning to be heard," said Auggie Tantillo, executive director of the American Manufacturing Trade Action Coalition.

*(Reporting by Doug Palmer, editing by Jackie Frank)*