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OP-ED CONTRIBUTOR

## For Our China Trade Emergency, Dial Section 301

By SHERROD BROWN

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Washington

TEN years ago this fall the Senate sold out American manufacturing. By a vote of 83 to 15, [it established so-called permanent normal trade relations with China](#), paving the way for that country to join the World Trade Organization. As a result, Chinese imports to the United States fell under the same low tariffs and high quotas as those from countries like Canada and Britain.

Today, though, our trade relations with China are anything but normal. The 2000 agreement's proponents insisted it would enable a billion Chinese consumers to buy American products. Instead, our bilateral trade deficit has increased 170 percent, largely because China has undermined free-market competition through illegal subsidies and currency manipulation.

Unless the administration takes punitive steps in response to China's unfair trade practices, the American economy — and the American worker — will continue to suffer.

The old agreement on trade with China was never really about promoting American manufacturing. Rather, it was a cynical ploy on the part of many multinational companies. They lobbied Congress to approve it, promising a boost to American exports; then, once it passed, they closed domestic plants, moved production overseas and sold their products back to American consumers.

As for those billion Chinese consumers? We now know that what the companies were really so excited about was a billion inexpensive Chinese workers.

True, our exports to China have increased. But reporting only exports is like reporting just one team's score in baseball: the Cubs scoring five runs sounds good, until you hear that the Reds tallied 12.

Indeed, our exports pale in comparison to the torrent of artificially cheap Chinese imports. Economists, including free-traders, estimate that price manipulation keeps Chinese products 40 percent cheaper than comparable American-made goods.

Inexpensive products might sound nice, but we lose 13,000 net jobs for every \$1 billion

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increase in our trade deficit. Our \$226 billion deficit with China has meant shuttered factories, lost jobs and devastated communities across America.

And it's no longer just Chinese bicycles and electronics that are flooding our markets. China will soon make half the world's wind turbines and solar panels, most of which it plans to export to America. And, as usual, China's clean-energy industry relies on large government subsidies, in direct violation of international trade laws.

In response, the Obama administration recently accepted a petition, filed by the United Steelworkers under Section 301 of the 1974 Trade Act, to investigate China's state support for clean-energy exports. If the White House finds that the support violates international trade rules, Section 301 allows it to respond with a range of aggressive measures, including tariffs.

This strategy has worked before: in the 1980s and '90s, the United States used its 301 authority to combat Japanese and Korean subsidies and trade barriers. Though critics warned of bitter trade wars, the get-tough approach actually led to more balanced trade relationships, and even encouraged foreign investors, like Asian auto companies, to build plants in America.

In trying to get China to play fair, though, Washington has instead relied on rhetoric and moral suasion. It hasn't worked. Only rigorous enforcement of trade rules by the Obama administration can reverse the harm caused by the permanent normal trade relations agreement.

Congress has a role to play, too: when the Senate reconvenes next month, it should vote, as the House did in September, [to expand the president's authority to impose tariffs on China](#) or any other country that unfairly manipulates its currency.

Many politicians claim they support products "made in America." But the phrase is more than an empty slogan; it means standing up for American manufacturers. Only by learning the lessons of "normal" trade with China — and acknowledging buyer's remorse — can we reach a truly balanced bilateral relationship that works for America.

*Sherrod Brown, a Democratic senator from Ohio, is a member of the President's Export Council and the author of "Myths of Free Trade."*

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