

November 12, 2020

Office of the United States Trade Representative.
via Regulations.gov

RE: Initiation of Section 301 Investigation: Vietnam's Acts, Policies, and Practices Related to Currency Valuation

To Whom it May Concern:

The Alliance for American Manufacturing (“AAM”) submits the following comments in response to Office of the United States Trade Representative (USTR) investigation regarding Vietnam's acts, policies, and practices related to the valuation of its currency.

AAM is a non-profit, non-partisan partnership formed in 2007 by some of America’s leading manufacturers and the United Steelworkers. Our mission is to strengthen American manufacturing and create new private-sector jobs through smart public policies. We believe that an innovative and growing manufacturing base is vital to America’s economic and national security, as well as to providing good jobs for future generations. AAM achieves its mission through research, public education, advocacy, strategic communications, and coalition building around the issues that matter most to America’s manufacturers and workers.

AAM supports using all available tools, including Section 301, to deter and, if necessary, punish currency manipulation. When a foreign government manipulates or devalues its currency, their own companies benefit from an artificial price subsidy on products exported to the United States. At the same time, the exported goods of U.S. companies are effectively hit with an artificial tax making our goods more expensive when they are sold abroad. This combined impact erodes U.S. competitiveness, undermines manufacturers and farmers seeking to grow their export markets, and hurts those forced to compete against subsidized imports into our home market. Millions of jobs have been eliminated and working Americans have experienced depressed wages as a result of our government’s inaction on combatting currency misalignment and manipulation. To be clear, U.S. companies and American workers are entitled to prompt action when subjected to subsidized imports resulting from a foreign government’s actions to devalue its currency. Accordingly, AAM strongly urges you to proceed with this Section 301 investigation.

The USTR will undoubtedly receive comments from those who have an interest in producing goods abroad and shipping them back here or who are universally opposed to using U.S. trade enforcement tools under any circumstances. For instance, some will argue that the United States should lodge complaints at the WTO or IMF. While international rules on currency manipulation at these global institutions clearly reject the practice of currency manipulation, both are poorly equipped to take action as their rules lack the necessary teeth to ensure compliance. These organizations have refused to take action against clear and persistent currency manipulation and misalignment in past years. Meanwhile, some will argue that the United States should negotiate directly with Vietnam. We do not disagree. Government-to-government consultations are useful, but only if they are backed with the threat of real consequences. Do

not allow these red herring arguments to stand in the way of taking meaningful action. Action is long overdue.

We urge you to do what is right for American manufacturing, American farmers, and American workers and put our trade laws to work. Thank you for the opportunity to submit these comments in support of the Section 301 investigation regarding Vietnam's acts, policies, and practices related to the valuation of its currency.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott N. Paul". The signature is written in a cursive style with a large initial "S" and a long, sweeping tail.

Scott N. Paul
President
Alliance for American Manufacturing