

BRIAN HIGGINS
27TH DISTRICT, NEW YORK

COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON SELECT REVENUE
MEASURES
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REVITALIZING OLDER CITIES
TASK FORCE
Co-CHAIR

GREAT LAKES TASK FORCE

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Congress of the United States
House of Representatives
Washington, DC 20515-3227

June 23, 2009

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Mr. Jack Davis
President
I Squared R Element Co., Inc.
12600 Clarence Center Rd.
P.O. Box 390
Akron, NY 14001

Dear Jack:

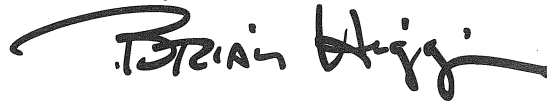
Thank you for contacting me to express your support of H.R. 2378, the Currency Reform for Fair Trade Act of 2009. It's good to hear from you.

Jack, I am a proud co-sponsor of this legislation. Foreign currency misalignment, particularly in our ever-growing interdependent global economy, is a major problem for the health of our economy and employment. As you know, currency misalignment occurs when foreign countries align their currency to the U.S. dollar for an extended period of time below true market rates. No one is more guilty of this manipulation than China. Estimates determine that the Yuan is consistently undervalued, relative to the U.S. dollar, by 30%. The health and sustainability of global markets rest on the assumption that exchange rates are determined by market forces. China has weighed the scale in their favor, pegging the fluctuation of their currency solely to that of the United States, making fair exchange rates nonexistent.

This manipulation has had a negative effect on the U.S. economy, with particular regard to manufacturing jobs. In the last eight years, the U.S. has lost nearly five million manufacturing jobs, with that number increasing by the tens of thousands each month. Western New York suffers from a higher rate of unemployment than that of New York and the national average. Effective currency reform that applies a universally fair standard for establishing exchange rates that reflect the true wellbeing of markets is vital to ensuring a level playing field in the global economy. Please rest assured that I will continue to fight for trade policies that are beneficial to the economy of Western New York and the United States.

Thank you again for contacting me. Please feel free to contact me again with any other issue or matter that concerns you.

Sincerely,

A handwritten signature in black ink that reads "Brian Higgins". The signature is written in a cursive style with a large, sweeping initial "B" and a long horizontal flourish at the end.

BRIAN HIGGINS
Member of Congress