

**UNDERGRADUATE THESIS**

**THE UNITED STATES POLICY IN ISSUING  
SANCTION BILL TOWARD CHINA 2010**



Written by:

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**INTERNATIONAL CLASS  
INTERNATIONAL RELATIONS  
FACULTY OF SOCIAL AND POLITICAL SCIENCE  
UNIVERSITY MUHAMMADIYAH YOGYAKARTA  
2011**

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Presented in Partial Fulfillment of the Requirement for the Degree  
Sarjana Ilmu Politik (S.IP) in the Department of International  
Relations, Faculty of Social and Political Science of  
Universitas Muhammadiyah Yogyakarta

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2011**

## **ENDORSEMENT PAGE**

This undergraduate thesis entitled:  
**THE UNITED STATES POLICY IN ISSUING  
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This undergraduate thesis has been examined and endorsed by the Board of Examiners from the Department of International Relations, Faculty of social and Political science University Muhammadiyah Yogyakarta

On:

Day/date : Friday, April 15, 2011  
Time : 08.00 – 09.30  
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*Dedicated to My Beloved Parents*

*(H. Wahono bin Merto Tular & Hj. Muji Rahayu bin Den Buhari)*

*By: Toni Rohman*

## ACKNOWLEDGEMENT

Assalamualaikum Warahmatullahi Wabarakatuh

- Thanks to Allah SWT, who has given me an opportunity to accomplish my undergraduate thesis under title THE UNITED STATES POLICY IN ISSUING SANCTION BILL TOWARD CHINA 2010 in University Muhammadiyah Yogyakarta.
- Thanks to Prophet Muhammad SAW who has brought us from the darkness to the brightness era in the world.
- To my advisor, H. Djumadi M. Anwar., Drs, M.Si, I will not know where my thesis direction will be without your help. Thank you very much Mr. Djumadi
- To my first examiner, Ratih Herningtyas., S.IP, M.A, I met you and found many fault in my thesis when you examined the first chapter. Every part you mention very detailed and carefully.
- To my second examiner, Sidik Jatmika., Dr. M.Si, Thank you very much for advise me to make a thesis looked comfortable and beautiful.
- To Mrs. Mariska Intan Sari, it's the different thing that I met you first time, it was very nice and kindly you receive me as your student thank you.
- To all people who spend much all of things until I could finish it in the right time, especially for the wonder women in the world, my Mom, and kindest man in the world, my Dad, my brothers & sisters, mas Arif Agus Mujiono & mbak Yanti, mas Johan Hindra Kurniawan & mbak Iis, mas Iwan said Mubarak, Fitri Sinta Nur Azizah, Mira Permata Sari, Reni Rohmatul Azizah.
- My grandfather Mbah Yai, Mbah Kakung, Mbah Jamus. My aunts and uncles, Pak Yen & Mamah Bedah, Pak Ju & Mamah Oneng, Pak Yuk & Bibek Umi, Wo Jamus & Wo Lanang Jamus, Paman Slamet & Bibek Menuk, Pak Tuk & Bibek Tik, Bek War & Pak Tono, Paman Riyanto. My cousins, Mbak Yu Ju & Kang Tuarno, Kang Luli & his wife, Kang Sar & his wife, Alif, Hamzah, Sumi, Miyuk Ayu, Opik, Opan, Idris, Putri, Yudi & his wife, Deni & his wife, Dek Tri, Eli & her husband, Irma & her husband, latif, Ruroh & her husband, Mba'ul.
- To all my friends in Jogja, Rafika Nuri, Miftah, Kuncoro, Heru, Afan, Ulum, Fathal, Abduh, Reski Satri, Ilham Tonang, Paras Aulia, Ridho, Ading, Kamal, Amal, Jajang, Icu, Andika, and all students of IC 2007 who always stand in sorrow and happy time, thank you so much for becoming my friends.

- To all my friends in UKM KPM, KOMAHI, SEA, HMI MPO, has given me for many experiences that I can't found in the other place thank you.

Finally, there is no any words that I can say to you all the peoples has a big contribution in my life except thank you and I am sorry if I have any mistakes before.

Wassalamualaikum Warahmatullahi Wabarakatuh

May 04, 2011 Yogyakarta

**Toni Rohman**

**MOTTO**

*Never give up till the end*

*Ganbatte Kudasai*

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## ABSTRACT

*The current issue between China and the United States over currency policy of Yuan exchange rate has given an interesting case to discuss. Yuan undervalued exchange rates to the US dollar tend to increase trade protectionism by the United States. In this case the writer describes, the effect of Yuan undervalued exchange rate on trade protectionism in some points. First, the writer explains that trade protectionist movement in the United States (as measured countervailing duty and anti-dumping under trade legislation in Congress) is automatically related to the real problem of Yuan undervalued exchange rate. Second, the writer explains that the trade protectionist response to Yuan undervalued exchange rates. I argue that the United States movement to anticipate this problem by using export and import policy. Finally the quantity of export and import will influence the economic in the United States. The Yuan undervalued exchange was created unemployment around 9,6 % causing of industry bankruptcy in many companies. Third, the writer explains that conference and congressional voting in House of Representative under the bill H.R. 2378, The Currency Reform for Fair Trade Act, which would try to save the national interest of economic under misaligned currencies causing of Yuan undervalued exchange rates across industries. The exporters and importers industry of the United States agreed to advocate for the legislation of H.R. 2378 aim to achieve their interest by using the government trade protectionist policy. Finally the writer also explains that applying of bill H.R.2378 gives the contribution to the effect on economic sector in the United States.*