

PRESS RELEASE

Alan Price Testifies at U.S.-China Economic and Security Review Commission's Hearing on China's Status as a Non-Market Economy

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Washington, DC — Alan H. Price, chair of Wiley Rein LLP's International Trade Practice, testified today before the U.S.-China Economic and Security Review Commission (USCESRC), participating in the panel entitled "Evaluation of China's Nonmarket Economy Status." In his presentation, Mr. Price concluded that whether you look at criteria in United States, European Union, or Canadian law—and each government's approach to China as a major trading partner—China is not a market economy.

In response to China's claim that it must be treated as a market economy in antidumping investigations after December 11, 2016, Mr. Price stated that China's interpretation of the relevant provisions of its Protocol of Accession to the World Trade Organization was erroneous. "This claim [by China] is unsupported by the actual language of the Protocol and is contrary to the underlying purpose of the relevant provision of the Protocol." Mr. Price referred the Commission to a paper he had co-authored last fall which examined the issue in detail.

Mr. Price emphasized that China is not in fact a market economy. "The Chinese state continues to control the allocation of resources and to influence or even set prices through a variety of mechanisms, including its domination of the financial system, as well as through

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direct and indirect ownership of individual enterprises," Mr. Price added.

In his concluding testimony, Mr. Price said: "Treating China as a market economy when it is not one would have a severely negative impact on the U.S. economy. It would give China a strong and unearned advantage in international trade. It would remove a major incentive for China to implement market-based reforms, and allow it to ignore the commitments it made in its Protocol of Accession to allow prices to be set by market forces."

Mr. Price's written testimony from today's hearing can be found [here](#).

The U.S.-China Economic and Security Review Commission was created by the U.S. Congress in October 2000 with the legislative mandate to monitor, investigate, and submit to Congress an annual report on the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China.