

Economy

US urged to match talk with action

By Ding Qingfen (China Daily)
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Vice-Premier Li Keqiang (right) shakes hands with US Commerce Secretary Gary Locke at a meeting in Beijing on Thursday. [Wu Zhiyi / China Daily]

Export-control reform is only way to prevent 'bottleneck' in trade ties

BEIJING - The United States should take substantive measures to change its export control regime, otherwise Sino-US economic and trade cooperation will face a "bottleneck", Vice-Minister of Commerce Ma Xiuhong said on Thursday.

"China appreciates the US announcement on thoroughly reviewing the existing export control system and reforming it soon, but we strongly hope that the US could make substantive progress on the matter," she said after meeting US Commerce Secretary Gary Locke.

Ma said that she also expressed concern over the recent growth in trade protectionism by the US against China, pointing out that this has "badly hurt Chinese exports and industries".

Speaking in Hong Kong, the first leg of his China visit, Locke said the US would take significant steps to reform the export control system, noting that some restrictions have harmed US companies' sales of emerging technologies and make no sense.

Wang Rongjun, a professor at the Institute of American Studies at the Chinese Academy of Social Sciences, said that although Locke's commitment to reform was welcome, what matters more is when and how this will happen.

As a result of the stringent controls imposed by the US, the nation's exports of high-tech products to China have fallen from 18 percent of its total high-tech exports in 2003 to 7 percent in 2009.

The Obama administration announced earlier this year it planned to double US exports within

five years. Boosting US exports to China will be on agenda of next week's China-US Strategic and Economic Dialogue (SED).

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"That will only be possible if the US starts teaching smaller companies the basics of trading with countries such as China," David Wang, president of Boeing China, was quoted by Bloomberg as saying.

"Many US companies are not driven to export. Small and medium companies don't have the resources to come out here and find their niche," said Wang.

The currency issue will also be discussed at next week's SED. A US Treasury Department official said the European debt crisis and a higher US savings rate should encourage China to let its currency appreciate.

But Assistant Minister of Finance Zhu Guangyao told a briefing on Thursday that China won't succumb to external pressure on the yuan and will modify the currency based on the economic situation.