



## Data Analysis by EPI Shows Importance of Decision to Investigate China Trade Practices

### USTR Action an Important Step to Reduce Trade Deficit and Create Jobs

#### NEWS FROM EPI

FOR IMMEDIATE  
RELEASE  
Monday,  
October 18, 2010

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The Economic Policy Institute (EPI) today released an [analysis of trade data](#) that highlights the importance of the Obama Administration's decision to investigate China's trade practices related to green technology.

The report, based on data through August 2010, shows that the U.S. trade deficit with China in clean energy products has more than doubled in the past two years alone – and has soared at a time when the overall U.S. trade deficit and the U.S. clean energy products deficit with other countries both fell sharply. EPI economists estimate that this trend will cost more than 8,000 U.S. jobs this year.

Robert E. Scott, Senior International Economist and Director of International Programs, notes, “The Obama Administration's decision to investigate China's trade practices in the green technology sector is an important first step toward reducing the U.S. trade deficit and creating jobs. China has captured marketshare through massive subsidies and unfair trade practices, which, if allowed to continue, will cause continued increases in the trade deficit and harm to U.S. manufacturers and workers.”

USTR's action is in response to a Section 301 petition filed by the United Steelworkers which accuses China of illegally stimulating and protecting its producers of green technology exports, ranging from wind and solar energy products to advanced batteries and energy-efficient vehicles. The petition shows that China is using a wide array of illegal trade policies including massive subsidies, restrictions on access to rare earth elements and other minerals, discrimination against foreign firms or goods, technology transfer requirements for foreign investors and making subsidies contingent on exports or domestic content.

[Click here for full report.](#)

*The Economic Policy Institute (EPI) is an independent, nonprofit, nonpartisan think tank that researches the impact of economic trends and policies on working people in the United States and around the world. EPI's mission is to inform people and empower them to seek solutions that will ensure broadly shared prosperity and opportunity.*

