

Name: _____

READING: Trade between China and USA

Article 1

by Xin Zhiming

'The US should focus on improving its overall economic competitiveness instead of seeking protectionism to combat its economic slowdown,' said the latest 2008 White Paper: American Business in China.

'And it should not argue for a stronger currency to reduce its trade deficit with China, since the value of the yuan is not the fundamental cause of the deficit,' said the White Paper, which

was released by the American Chamber of Commerce (AmCham) China, AmCham Shanghai and AmCham South China Tuesday. The US economy is currently slowing, while its trade deficit with China remains high, standing at \$163.3 billion last year. The deficit has led to protectionism against Chinese goods and investment in the US.

The two countries should make 'defending and preserving the



openness of the trade relationship a core commitment', the White Paper said. 'Instances of co-operation between China and US far exceed instances of dispute.

'An open US and an open China will lead to sustained benefits for both US companies and citizens back home,' said Harley Seyedin, Chairman of AmCham South China.'

Article 2

BY ANDREA HOPKINS



The US trade deficit with China cost 2.3 million American jobs over six years, the Economic Policy Institute said on Wednesday.

Even when they found new jobs, workers who had lost jobs to Chinese competition saw their earnings decrease by an average of \$8,146 each year because the new jobs paid less, according to the

report, funded in part by labor unions.

'(We hope) it will help to focus the debate on trade to where it needs to be right now with respect to China,' said Scott Paul, Executive Director of the Alliance for American Manufacturing.

US manufacturers, labor unions, and many lawmakers have long

currency to give Chinese companies an unfair advantage

in international trade, and are pressing China to continue to allow the yuan to rise against the US dollar.

China has said the United States should recognize how much its yuan currency has already risen against the dollar—it is about 20 per cent higher since China revalued its currency in July 2005.

China has also said the fact that Americans save much less of their incomes than the Chinese do has increased the trade deficit. Chinese-made goods have been extremely popular in recent years with US consumers looking for



Read the two articles and chose the best title for each one.

- a. US-China trade cost 2.3 million American jobs
- b. US protectionism is not the way forward
- c. Stop blaming China for US trade deficit
- d. Yuan needs to rise against the US dollar

Article 1



Article 2



Read the articles. Decide if the statements are true (T) or false (F).

Article 1

- 1) The US should concentrate on being more competitive economically.

TRUE

FALSE

- 2) The US should be protectionist.

TRUE

FALSE

- 3) The US should argue for a stronger Chinese currency in order to reduce the US's trade deficit with China.

TRUE

FALSE

- 4) The US and China should focus on the openness of their trading relationship.

TRUE

FALSE

Article 2

- 5) The US should recognize how much the Chinese currency has already risen against the dollar.

TRUE

FALSE

- 6) US labor unions say China has manipulated its currency to give Chinese companies an unfair advantage in international trade.

TRUE

FALSE

- 7) The Chinese save less of their income than Americans.

TRUE

FALSE

- 8) Americans have recently bought Chinese-made goods at low prices.

TRUE

FALSE

C Find the opposites of the words in the articles.

- 1) FREE TRADE _____
- 2) UPTURN _____
- 3) SURPLUS _____
- 4) DESPUTE _____
- 5) DECREASED _____
- 6) SPEND _____



D Find the opposites of the words in the articles

- 1) Economists know that _____ and import taxes promote inefficiency.
- 2) The study was done in _____ with local businesses.
- 3) There has been a _____ in the tourist trade.
- 4) The figures show a trade _____ of \$4 billion.

E What do you think will happen to the trade situation between China and the US?
