

## PANELISTS COMMENTS

**Mehmet Ali Birand, Journalist and writer, CNN Türk**

I will get back to your questions, but first, Fu Ying, would you like to add something on that?

**Fu Ying, Chinese Vice-Minister for Foreign Affairs**

I would just like to say that I am very impressed. I have learned a lot from the presentations. I am very impressed that the emerging countries and the existing civil powers have so much agreement.

**Fyodor Lukyanov, Editor-in-chief of the journal *Russia in Global Affairs***

Is it true that they are in agreement, or is it just a smokescreen?

**Fu Ying, Chinese Vice-Minister for Foreign Affairs**

We see eye-to-eye on the challenges and also on the need to change. However, changes to the existing structure are not easy to implement. Unlike in the past, this is probably the first time in the world that we are changing in a peaceful manner. On the one hand, it is important for the emerging countries to learn the rules of the game and make constructive contributions. It is more important for the existing powers to accommodate and to acknowledge the need for changes.

**Mehmet Ali Birand, Journalist and writer, CNN Türk**

Do you think they are ready to accommodate?

**Fu Ying, Chinese Vice-Minister for Foreign Affairs**

Sometimes they are; sometimes they are not. I will give you an example.

**Mehmet Ali Birand, Journalist and writer, CNN Türk**

When do they and when do they not? Yes; give us a few examples.

**Fu Ying, Chinese Vice-Minister for Foreign Affairs**

Neither the United States nor the EU recognise China as a market economy, although China is a big part of their international trade. That is a good example. Maybe in reality, it is a good tool for anti-dumping.

**Mehmet Ali Birand, Journalist and writer, CNN Türk**

How do they treat China?

**Fu Ying, Chinese Vice-Minister for Foreign Affairs**

I think the bad impression that it causes and generates is not worth the benefit they get from that.



**Mehmet Ali Birand, Journalist and writer, CNN Türk**

Thank you very much. Is there any comment on this?

**Stuart Eizenstat, Partner, Convington & Burling**

I would like to deal with the issue which the Vice-Minister mentioned. She is quite right; the US does not recognise China as a market economy. That has a major impact on the way in which anti-dumping and counter-vailing duties are imposed. The problem is: China is in a very hybridised situation, unlike that which we have ever seen. This is in the sense that they have a state capitalism, with a heavy degree of subsidisation by state-owned banks. There are thousands of State-owned companies who have a profit motive and who have a bottom line, for sure, but who also benefit from an unusual degree of state interventions.

It is a very unusual and indeed unique system; our laws were perhaps not designed to deal with that. However, at this point, it is hard to say that it is a true market economy; it is a mixed economy in which there are market elements for sure, but there are also very, very heavy state interventions in the market.

**Mehmet Ali Birand, Journalist and writer, CNN Türk**

Kemal, do you have anything to add? What about Mr. Sibal?

**Kanwal Sibal, Former Foreign Secretary, India**

I would say that India also does not recognise China as a market economy, although conversations have taken place for the very reasons that Mr. Eizenstat has mentioned.