

China is not a market economy, confirms new In-depth Study

EU industry: China's state capitalism is biggest threat to European jobs

Several hundreds of national, regional and sectoral five-year plans, pervasive state control over businesses, subsidies that have doubled over the past five years, and dumped exports financed by state-owned banks - these are only some examples of how the People's Republic of China controls its industry.

A newly published, independent study by THINK! DESK China Research & Consulting demonstrates the extent of China's state-planned economy in unique detail. Professor Dr. Markus Taube, author of the study, concluded that: "*China is not a market economy; state planning and subsidization are in China's DNA*".

The study was presented today by the European industry alliance AEGIS EUROPE to Members of the European Parliament. AEGIS EUROPE is an alliance of over 25 European industrial associations committed to continued investments in European production and jobs.

The study supports the view that China does not merit the 'Market Economy Status'. If the EU would grant such status, as requested by China, its ability to act against heavy Chinese dumping would be severely undermined. From the perspective of European industry, over the next few years this would result in the loss of millions of EU jobs, green production and innovation.

Milan Nitzschke, spokespersons of AEGIS EUROPE, reacted: "*If the EU wants to maintain and develop a viable, innovative industry, it cannot grant Market Economy Status to China. The European Commission must start immediate discussions with its major trading partners, which are facing the same issues with China*".

A summary of the study, *Assessment of the normative and policy framework governing the Chinese economy and its impact on international competition*, can be downloaded [here](#). The full study can be found [here](#).

For more information visit the AEGIS EUROPE website: www.aegiseurope.eu

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AEGIS Europe brings together over 25 European associations representing a broad variety of industries including traditional industries, consumer branches, SMEs and renewable energy sectors, accounting for more than €500 billion in annual turnover and millions of jobs across the EU. This industry alliance, made up of leaders in sustainable manufacturing and social and environmental responsibility, is committed to European manufacturing as the fundamental driver of innovation, growth and jobs in Europe.