

New Report Details Chinese Glass Subsidies' Effect on U.S. Glass Industry

by Susan Sutton

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"Through the Looking Glass: Subsidies to China's Glass Industry from 2004-08" was released last week by the Economic Policy Institute (EPI). According to the report, the U.S. glass industry lost almost 30% of its workforce from 2001-2008, while glass production in China increased by 67% beginning in 2003. China joined the World Trade Organization (WTO) in 2001.

Usha C.V. Haley, Ph.D., a China expert at the Ash Institute for Democratic Governance and Innovation at Harvard's Kennedy School, prepared the report for the Alliance for American Manufacturing (AAM). "China's glass and glass products industry received at least \$30.3 billion in subsidies from 2004 to 2008," she reports in the study. "China's flat glass sector received approximately \$4.8 billion during that same period."

"The story of the glass industry in China and in the U.S. is a familiar one that could have an especially sad ending for many U.S. workers unless China can be persuaded to remove its thumb from the scale," said Robert Scott, senior international economist at EPI. "Until this subsidy problem is addressed and fair competition can be restored, U.S. glass manufacturers will face continuing pressures to downsize or close plants."

The United Steelworkers (USW) recently released a statement supporting the report's findings. "Thousands of USW-represented glass workers at facilities all across America have already lost their jobs to China's predatory and unfair trading practices, while those who remain are threatened for total elimination," said Tim Tuttle, the USW's chair responsible for labor agreements in the glass industry. "Our government must act now to defend the domestic glass industry before it's too late."

For additional details regarding the report and the USW's statement, read [**"USW Affirms Results of China Glass Industry Report."**](#)

U.S. and Chinese officials in the Joint Commission on Commerce and Trade (JCCT) are scheduled to meet in China later this month, though it's unclear if the glass industry will be discussed specifically.

The study focuses on the ramifications for the glass industry in the U.S., and I'm

wondering if our international readers are seeing similar results? What, if anything, are your governments doing to address these inequities?

Susan Sutton

Susan Sutton is Editor-in-Chief of *Ceramic Industry*

magazine. She can be followed via Twitter (<http://twitter.com/SusanSuttonCI>), connected at LinkedIn (www.linkedin.com/in/susansuttonci) or reached directly at suttons@bnpmedia.com.