

NOTES

1. Comments by Jeffrey Schott of the Institute for International Economics. See the *Asian Wall Street Journal*, November 17, 1999, p. 11.
2. Nicholas Lardy, statement submitted to the Senate Committee on Foreign Relations, Subcommittee on East Asia and Pacific Affairs, June 18, 1998.
3. K. C. Fung, Lawrence J. Lau, *New Estimates of the United States-China Bilateral Trade Balances* (Stanford: Institute for International Studies, Stanford University, April 1999).
4. China News Agency, February 2, 2000.
5. Y. W. Sung. "Exported-Oriented Foreign Investment in China: Division of Benefits between Source and Host Economies," paper presented to the Geneva-Hong Kong International Conference on Global Production, Specialization and Trade, Hong Kong, October 25-27, 1999.
6. See J. P. Voon and Y. Y. Kueh, "Country of Origin, China's Valued-added Exports, and Sino-US Trade Balance Reconciliation," paper presented to the Third Sino-American Economic Relations Conference, Hong Kong, November 15-16, 1999.
7. Ibid.
8. U.S. Embassy in Beijing estimates. See the *Asian Wall Street Journal*, November 17, 1999, p.11.
9. See Marcus Noland, Sherman Robinson, and Zhi Wang, *The Continuing Asian Financial Crisis: Global Adjustment and Trade* (Washington, D.C.: Institute for International Economics, 1999). A 5 percent Chinese devaluation plus a 20 percent Japanese depreciation and a 4 percent productivity loss will increase the U.S. trade deficit with China by US\$ 4.3 billion (table 7).