



TRANSCRIPTS

CNN NEWSROOM Tuesday, January 18, 2011

FAREED ZAKARIA, HOST, "FAREED ZAKARIA GPS": This has now become a cliché, but China is the most important country in the world other than the United States. China is a place where one out of every five people on the planet lives. It is the fastest-growing economy in the world.

It is already the second largest economy in the world. It is likely to become the largest economy, by some measures, in 10 or 15 years.

So China has a huge impact on the world. Anything that happens in the world at this point can be traced back at some way or the other to what's going on in China.

High oil prices, Chinese demand. High copper prices, Chinese demand. The ability for the United States to run these kind of big deficits and debts, that has something to do with the ability of the Chinese to finance those deficits.

COSTELLO: So what does that mean on the street to middle class Americans and small businesspeople?

[Drew Greenblatt is the president of Marlin Steel Wire Products.](#) His company is based in Baltimore, Maryland.

And Drew, you have a lot riding on this visit. Thank you for joining us, by the way, we appreciate it.

DREW GREENBLATT, PRESIDENT, MARLIN STEEL WIRE PRODUCTS:
Absolutely.

COSTELLO: What do you hope that President Obama says to the Chinese president?

GREENBLATT: That's a great question. I think that President Obama should encourage the Chinese government to produce changes so that we can grow more amicably in the

future. For example, right now China manipulates their currency. It's very challenging for American factories to compete in China, because their prices are so much cheaper because their government subsidizes their goods. Other things that --

COSTELLO: So because they're undervaluing their currency, the Yuan, that makes Chinese products cheaper buy. And because the dollar is worth so much more, it makes American goods so much more expensive.

I know that you export -- you make wire baskets, the [best damned wire baskets in the world, if I recall](#).

GREENBLATT: That's right.

COSTELLO: And you [export them all around the world](#). Does that include China?

GREENBLATT: Right, but we're only exporting a very modest amount to China. And it's a huge opportunity for us. And if we could level the playing field, we would hire more people in America to provides wire baskets in wire form to China. But what's happening is there's so many challenges that they make for American factories that it's very difficult to export to China.

COSTELLO: I know the Senate is pushing legislation to impose tariffs on countries -- or other types of punishments for countries who manipulate their currency.

Are you all for that?

GREENBLATT: Well I'm hoping that the Chinese government will make sure their currency floats like the Mexican Peso does, like the Canadian Dollar does, like the Euro does. I'm hoping that the Chinese government takes a more mature approach to their currency. And we don't have to get into a trade war. I don't want a trade war with China. I want to sell more to China.

There's other challenges. They also provide a rebate when they export to America. We get no rebate from our government when we export to China. They also do not honor our intellectual property. American companies, the reason why we're thriving and we're growing is because we have so many innovative concepts and we need intellectual property protection. And China has to start obliging by that.

COSTELLO: All right. Let me get into that a little bit with you because you have engineers on site at your company that you pay bigger bucks to than the Chinese pay their workers, right? And they come up with these wire baskets that fit all kinds of things. So that's intellectual property, right?

GREENBLATT: Exactly.

COSTELLO: So how are you protecting your products from the Chinese?

GREENBLATT: Well, this is a challenge. Because what happens is they're knocking us off. And we come up with a really innovative idea, a slick idea, and then we get knocked off and it makes it very difficult to compete with that because you have to hire lawyers. And, you know, the Chinese government is not very friendly to, you know, an American lawsuit against their a Chinese factory stealing our property.

So this has to be changed. This is something that President Obama can do today and tell the president of China that he has to start honoring intellectual property. Because that makes it competitive for America.

See, we pay our guys \$15, \$20, \$25 an hour. In China they pay them \$0.30 an hour. So we're not going to beat them because we have cheap prices. We're going to beat them because we have really clever, innovative concepts and we need our president to protect us.

COSTELLO: I want to leave on an up note because you're doing [wonderful things with your company in Baltimore](#). You're making money, you're hiring new people, and you're doing it by exporting goods.

So, give me the American Dream speech. Give it to me, Drew.

GREENBLATT: Well, this is the plan, they have 300 million middle class, we want to sell to them. We want to sell to the factories that need wire baskets and we need our system to modify. And they need to modify so that we can be competitive over there. And then we're going to hire more people in America to sell wire baskets into China. That's what we're striving for.

And by that, we'll reduce our unemployment because we're going to grow so much because we export so much from China. That's the plan. That's what we need to do to grow us out of this recession.

COSTELLO: We're with you. Drew Greenblatt, thanks so much. [Drew Greenblatt of Marlin Steel in Baltimore](#), we appreciate your insight.

GREENBLATT: Thank you.

<http://archives.cnn.com/TRANSCRIPTS/1101/18/cnr.03.html>

[Wire Baskets – Custom, Quality, Industrial Strength](#)

Marlin Steel will manufacture [any size basket needed for your needs](#).



[Contact us for a fast quote today](#)