Governor embraces timeout in trade dispute

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By Paul Welitzkin in New York |   
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Kentucky Governor Matt Bevin praised efforts to ease tensions in the US-China trade dispute and is hopeful that Beijing's cutting tariffs on imported automobiles will help his state.  
Both countries have pulled back from threatened tariffs on each other's products while pledging to resume talks at a later date. China said on Tuesday that it would reduce the tariff on imported vehicles from 25 percent to 15 percent by July 1, and that it will reduce charges on imported auto parts to 6 percent, down from the current levels of between 8 percent and 25 percent.  
The tariff reductions fulfill an earlier pledge by Chinese President Xi Jinping and are seen by some as an olive branch to the Trump administration.  
"I am encouraged by that as Kentucky is a big exporter of automobiles,including one of the most popular vehicles in China - the Lincoln Navigator. I think (exports) will only go up in light of this news," he said in New York Tuesday.  
Bevin, a Republican who was elected in 2015, said that he takes a long-term view of the current trade spat.  
"Let's eat the apple one bite at a time," he said. "No side is 100 percent happy and that is when you are getting closer to the best negotiation. Is it perfect from a US perspective - no, but it's not perfect from a Chinese perspective as well."  
One US concern in the trade dispute is intellectual property rights protection, and it has alleged that China forces companies to transfer technology to participate in its market. Chinese officials deny that such forced technology transfers exist.  
"There has been concern about technology that has been taken outside of normal business transactions. Having it on the table and addressing it is the smart thing to do," said Bevin.  
On Nov 5 China will host its first international import expo in Shanghai. The expo is an attempt by China to further open up its market to the world by increasing imports. Bevin will use the event to make his first trip to the mainland.  
"I am excited about going," he said. "I don't expect business to happen in one day or one month, but I do want to establish relationships and a sense of communication."  
While in Shanghai, Bevin will tout the Bluegrass state's advantages for Chinese companies and investors. "Kentucky is the logistical hub of North America. The UPS (United Parcel Service) world shipping hub is in Kentucky as is DHL's North American Shipping hub. Our goal is to make sure Chinese producers know about this," he said.  
Bevin said he will tell Chinese companies to contact those already in his state, like appliance manufacturer Haier, to learn the pluses of doing business in Kentucky. "About 9,000 Kentuckians work for Chinese companies, and I want to see that number go up. (Chinese companies) have been welcomed and appreciated and treated well," he said.  
"Last year Kentucky did about $9.2 billion in private capital that was invested in the state. About $2.5 billion was foreign direct investment (FDI)," said Bevin who has made expanding FDI a priority.

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