Kentucky takes practical approach to trade with China

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In a time of great uncertainty created by the simmering trade war between the US and China, Kentucky Governor Matt Bevin is taking a "bottom-up" approach to promote business, remaining upbeat that his state will get more investment from the world's second-largest economy.  
Beijing and Washington have been locked in a tit-for-tat trade conflict since April. In its latest retaliatory move prompted by the US side, China said it is ready to slap tariffs on $60 billion of US products if the Trump administration follows through with extra duties on $200 billion of Chinese goods.  
Tariffs already have affected a slew of Kentucky products and will likely impact more, Bevin said at a news conference with visiting Chinese Ambassador Cui Tiankai on Monday.  
The Republican governor said that he is aware of tariffs but not worried about them, and he believes that they will be worked out in time, given that China and the US need each other and the two presidents are "very seasoned, experienced, business-minded people".  
"Tariffs are established to the level that I don't have direct input into as a governor of a state," Bevin said, adding that he is doing what he could to communicate with the ambassador, promote Kentucky business and ramp up connections at the subnational level, in addition to enhancing people-to-people relations.  
"What I know is I can control from the bottom up, who comes, whom we talk to, and what kind of personal relationships and business relationships we are establishing to ensure that, no matter what happens at this level, we will continue to become stronger and closer, nation to nation, and people to people," he said.  
After meeting with Cui in Chicago early this year, Bevin invited the ambassador for a visit to further the Bluegrass State's relationship with China and lay the groundwork for additional foreign investment in the commonwealth.  
Bevin said he will lead a delegation to Shanghai in November to attend the China International Export Expo, noting that China, with a middle class the size of the total US population, have "a massive appetite for products that are made in the United States" including in Kentucky.  
China ranked fourth among Kentucky's export destinations in 2017, when exports surged by 60 percent to an all-time high of $2.81 billion. That was due in large part to a substantial increase in the number of vehicles shipped to China, including the Lincoln Navigator and Lincoln MKC, according to a release from the governor's office.  
Currently, seven Chinese-owned companies employ nearly 8,200 people at seven facilities across the state, with more than 6,000 of those jobs located at GE Appliance Park in Louisville.  
"There could be more, and there will be more; we'll have an announcement in the not too distant future about another significant investment, $100 million investment … from a Chinese-owned company in a Kentucky-based operation," said Bevin, without specifying the company.  
The governor promoted Kentucky's advantages in energy costs, logistics convenience, as well as its massive investment in workforce training.  
"We are hungry for business from China and from other places. And so we are working harder than others," he said, adding that if a Chinese company wants to invest in Kentucky versus somewhere else in America, they will get to yes or no more quickly in his state.  
"And that's my commitment," he said. "I'm confident that in the years ahead, we will have many more Chinese investors and owners of companies employing people in Kentucky, that we will have stronger and better personal relationships and business relationships, and both of our countries will be better for it."  
Cui said he believed the root and foundation of country-to-country relations is in the people and that during his visit he would listen to Kentucky business people's concerns and help them expand their business in China.  
The ambassador said he and the governor had agreed to do their best to facilitate business and people-to-people relations between Kentucky and provinces in China.  
"I think the business community in China has a strong interest in making investments here in the United States in general, and in Kentucky in particular," Cui said, adding that the job of governments is to try to reduce possible barriers and facilitate trade and cultural relations between the two people.

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