

## **Chinese investment in U.S. create more than 10,000 American jobs: study**

NEW YORK, Oct. 9 ( Xinhua) -- Increasing Chinese investment in the United States has created more than 10,000 jobs for Americans, according to a study report released by the Asia Society Tuesday.

The report, *An American Open Door? Maximizing the Benefits of Chinese Direct Investment*, says that Chinese direct investment in the United States is now more than doubling annually, hitting over five billion U.S. dollars in 2010 alone.

The report is the result of a study undertaken by the Asia Society and the Kissinger Institute on China and the United States in May 2011, allegedly "the most comprehensive study to date" of its kind.

"Chinese direct investment in the United States is soaring, both in value and number of deals. Businesses from China have established operations and created jobs in at least 35 of the 50 U. S. states and across dozens of industries in both manufacturing and services," says the report.

"And this is just the beginning. If China follows the pattern of other emerging nations, more than 1 trillion dollars in direct Chinese investment will flow worldwide by 2020, a significant share of which will be destined for advanced markets such as the United States," the report continues.

The authors of the report, Daniel H. Rosen and Thilo Hanemann of The Rhodium Group, however, warn that political interference threatens to divert legitimate and potentially beneficial investment deals, despite what they called "an overall effective U. S. screening policy for inward investment."

The U.S. government has repeatedly blocked major Chinese investments on the grounds of national security.

According to the authors, surging Chinese investment has triggered populist anxieties in the United States, just as Americans once feared economic domination by Japan.

"Japanese investment in the United States during the 1980s was as controversial as China's," the authors say, "but in the following years, U.S. affiliates of Japanese companies invested hundreds of billions of dollars in the United States, and today employ nearly 700,000 Americans."

"The United States may squander immense opportunities for employment and investment gains through political fear-mongering," the authors say, "We believe the great bulk of potential Chinese investment should not just be permitted but encouraged."

The report notes that The U.S. government needs to examine its foreign investment promotion policy at the federal level to encourage and attract the right kinds of investment, that it should refrain from playing the reciprocity game and making access to the U.S. contingent on

Chinese market openness.

"These investments are going to happen somewhere," says Asia Society's Orville Schell. "The question is: will our doors be open to them?"

Will they happen here?"