

Investment treaty between China and US key business goal

23 September 2015, by Gene Johnson And Phuong Le



Chinese President Xi Jinping talks about how the Chinese symbol for the word "people" resembles two sticks supporting each other as he speaks Tuesday, Sept. 22, 2015, at a banquet in Seattle. Xi was in Seattle on his way to Washington, D.C., for a White House state dinner on Friday. (AP Photo/Ted S. Warren)

When Chinese President Xi Jinping addresses a meeting of some of the top names in Chinese and American business Wednesday, they may be most interested what he says about progress toward a treaty between the nations that would provide a framework for broader investment in each other's economy.

Apple Chief Executive Tim Cook, Microsoft's Satya Nadella, Amazon's Jeff Bezos, investor Warren Buffett and Jack Ma of Chinese e-commerce giant Alibaba are among the 30 top executives attending a closed-door discussion being moderated by former U.S. Treasury Secretary Henry Paulson, who has advocated for such a treaty. All of the American CEOs participating signed a letter to Xi and U.S. President Barack Obama urging them to support an agreement.

Bilateral investment treaties provide the rules of

the road for companies doing business in other countries, and can help ensure that the rights of foreign investors are protected and that foreign companies operate on a level playing field with domestic ones. An agreement with China would open up more of that nation's massive market to American companies, provide clearer rules for Chinese investment in the U.S., and create jobs on both sides, supporters say.

Such treaties "can be a powerful catalyst for more economic growth," Evan Feigenbaum, vice chairman of the Paulson Institute, which is co-hosting Wednesday's meeting, said Tuesday.

Xi arrived in Seattle Tuesday for a three-day visit before he travels to the White House later this week. He's expected to make brief remarks to the attendees before the session closes to the press.

Notable absences at Wednesday's business discussion were representatives from Twitter, Facebook and Google. Those companies' websites are blocked in China.

During a speech Tuesday evening Xi spoke about a variety of issues, including the need for a bilateral investment deal.

Early this summer, U.S. Treasury Secretary Jacob Lew noted that the two sides had a long way to go in negotiating a bilateral investment treaty, but had agreed to narrow their respective lists of sectors that would be exempted from foreign investment by this month.

At his policy speech Tuesday evening—attended by dignitaries like former U.S. Secretary of State Henry Kissinger, former U.S. Treasury Secretary Hank Paulson and Penny Pritzker, Obama's commerce secretary—Xi said China and the United States could work together to address cybercrimes, a problem that has sparked mutual tension.

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People hold Chinese and American flags as they stand near the hotel where Chinese President Xi Jinping is staying Tuesday, Sept. 22, 2015, in Seattle. Xi was in Seattle on his way to Washington for a White House state dinner on Friday. (AP Photo/Ted S. Warren)

Xi also said China would continue its policy of aggressive development to help more Chinese people "live a better life."

Striking agreements to ensure continued robust international trade was a top priority, he said. "China will never close its open door to the outside world," Xi said, according to a translation of his remarks.

He said China was a staunch defender of cyber security, but it had also been a victim of hacking.

Acknowledging that China and the United States don't always see eye to eye, Xi said China is ready to set up a joint effort with the United States to fight cybercrimes.

The issue of cyberattacks is a sensitive one between the two nations. American officials say hacking attacks originating from China are approaching epidemic levels.

As Xi spoke Tuesday evening, protesters gathered near the downtown hotel he was staying at, objecting to things like the country's policies in

Earlier Tuesday, meetings with governors from five U.S. states and local Chinese officials produced the deal to work on clean energy.



Microsoft Corp. founder Bill Gates, left, and his wife Melinda, right, sit with guests during a banquet for Chinese President Xi Jinping, Tuesday, Sept. 22, 2015, in Seattle. Xi was in Seattle on his way to Washington, D.C., for a White House state dinner on Friday. (AP Photo/Ted S. Warren)

"We can be the core for our national leaders to learn from," Michigan Gov. Rick Snyder, who has made five trips to China in five years, told his counterparts.

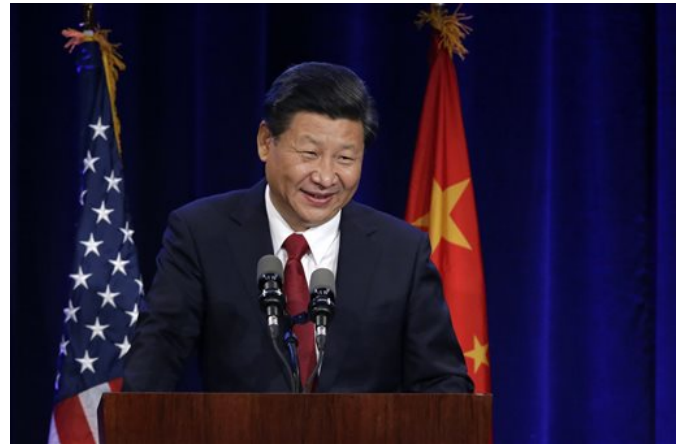
Xi's visit comes a year after Xi and Obama announced their nations would cooperate to fight climate change.

"These are the largest economies in the world, and we're the biggest emitters of greenhouse gases, so improving cooperation and collaboration is really a necessity," said Brian Young, Washington state director of economic development for the clean technology sector. "Second, it's a huge business opportunity. Both sides recognize the opportunity for job creation."

China invested a record \$83 billion in renewable energy last year, according to the Frankfurt School's Center for Climate and Sustainable

Energy Finance in Germany.

and visit a high school south of Seattle in Tacoma.



Chinese President Xi Jinping smiles as he speaks Tuesday, Sept. 22, 2015, at a banquet in Seattle. Leaders from Michigan to Beijing attended meetings Tuesday with Xi in the U.S. and signed an agreement to work together to advance renewable energy and clean technologies to combat climate change. (AP Photo/Ted S. Warren)

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Chinese President Xi Jinping speaks Tuesday, Sept. 22, 2015, at a banquet in Seattle. Xi was in Seattle on his way to Washington, D.C., for a White House state dinner on Friday. (AP Photo/Ted S. Warren)

The governors who met with Xi included Snyder, Jay Inslee of Washington, Jerry Brown of California, Terry Branstad of Iowa and Kate Brown of Oregon. All five—along with Nevada Gov. Brian Sandoval, who did not attend the meeting—signed an accord in which they agreed take actions to reduce transportation emissions, support clean energy technologies and exchange ideas.

Chinese leaders at the meeting included Beijing Mayor Wang Anshun and others.

Xi had a busy schedule planned for Wednesday. Including his meeting with business leaders, he was to tour the Boeing and Microsoft campuses

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