

December 11, 2012

The Honorable Harry Reid
Majority Leader
U.S. Senate
S-221, U.S. Capitol
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
S-230, U.S. Capitol
Washington, D.C. 20510

Dear Majority Leader Reid and Minority Leader McConnell,

As organizations committed to promoting open investment policy at home and abroad, we respectfully urge the Senate to take action on the “Global Investment in American Jobs Act of 2012” (S. 3274). The bill, led by Senators Kerry and Corker, is bicameral and bipartisan legislation aimed at improving America’s ability to attract job-creating foreign direct investment (FDI) from businesses around the world. The House unanimously passed a companion version (H.R. 5910) on September 19, 2012. Like its House companion, the Senate bill has the support of a diverse group of cosponsors who understand that investment from around the globe is important to every state and region across this country.

International investment has long served as an engine for U.S. prosperity and will play an important role in America’s economic growth in the years ahead. The U.S. subsidiaries of international companies employ 5.3 million American workers and account for significant portions of U.S. manufacturing, exports, and R&D activities. These companies also support a diverse supplier network throughout the country, purchasing roughly \$2 trillion in annual goods and services that help to sustain thousands of small and medium-sized American companies.

However, the race for investment has become far more competitive in recent years. While the United States remains the world’s leading recipient of cross-border investment, its global share dropped by half since the year 2000. New economies are emerging and competing nations are revamping their policies to better recruit global business. The Organization for Economic Co-Operation and Development (OECD) recently ranked the United States 34th out of 55 countries examined in its 2012 FDI Regulatory Restrictiveness Index. In a related benchmark survey from 1997 to 2010, the OECD found that the vast majority of countries measured were successful in reducing barriers to FDI over time. The United States was one of only six countries that either lost ground or stood still.

“The Global Investment in American Jobs Act” aims, for the first time, to identify barriers to new investment and produce a roadmap for attracting and retaining top tier businesses from around the world. Strong efforts to promote inbound investment will not only spur international companies to create jobs here in the United States, but will also encourage other nations to welcome investment from American companies seeking to access foreign markets.

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The United States cannot afford to become complacent in the effort to attract global business investment. Passing this legislation will send a powerful message at home and abroad that America is working to enhance its competitiveness in a thoughtful and bipartisan manner.

Sincerely,

Association of Global Automakers
Emergency Committee for American Trade
National Association of Manufacturers
National Foreign Trade Council
Organization for International Investment
U.S. Chamber of Commerce
U.S. Council for International Business