



THE US-CHINA BUSINESS COUNCIL
美中贸易全国委员会

Remarks by Evan Greenberg, CEO of Chubb and Board Chair of USCBC

Delivered at the Welcome Luncheon for Craig Allen, September 6, 2018

I believe many of you know Ambassador Allen given his long history of working on China-related matters. We are so pleased to have Craig take on the leadership of this important organization at this very sensitive time in our relationship and look forward to his role in advancing opportunities for US business in China.

Craig and I have had the opportunity to spend time together, both here and during our recent visit to Beijing. He has a strong understanding of the depth and breadth of the US-China relationship, the issues and the complexities before us today, and the path we need to forge to achieve a constructive outcome in our commercial relationship.

US companies have benefited enormously, and continue to benefit, from our trade and investment ties with China, and China has benefited enormously from the US. China is a significant market for US companies – \$550 billion by USCBC's estimate – making it the second largest foreign market after Canada. Economic activity with China supports 2.6 million American jobs.

USCBC's board of directors and its members want to achieve greater access to China's market and a level playing field. We advocate for a results-oriented dialogue to address the structural issues that inhibit access. Put simply, US business advocates for a productive US-China relationship. Sanctions and tariffs imposed by either government are not a productive path to resolution.

There is uncertainty today about China's policy direction, which is undermining business confidence. Frankly, the US-China relationship is the rockiest when the expectations gap between us is the greatest. The lack of progress over years in China in implementation of reforms and opening up has produced pent-up impatience and frustration and our relationship suffers from a lack of trust.

At the same time, there is also uncertainty about the Trump administration's policy approach to China trade. Both countries should seek practical solutions that address business interests rather than resorting to punitive measures that damage broader ties. We don't support tariffs – they are counterproductive – but we do support efforts to defend our economic interests.

The US and China should strive to act in ways that are consistent with market principles, honor their international obligations, and support the global rules-based order – in other words, the rule of law.

We have directly conveyed these messages to senior leaders in the Chinese government and to senior officials in the US government as well.

Again, business supports practical, results-oriented dialogue with China. Measurable, commercially-meaningful actions will not only advance the US's agenda with China, but will support the kind of results from economic reforms that China has made clear for many years it is seeking.

How we find a path of accommodation in that dialogue that recognizes each of our own interests and the differences between our systems and cultures is the question. It really comes down to a bilateral and global trading system that relies on similar market access and provides a reciprocal opportunity to practice comparative advantage and play by similar rules.

USCBC does not support a retreat by both nations to a more nationalistic, self-sufficient model. That's not a path to greater prosperity.

USCBC's board of directors and I look forward to working with Ambassador Allen, and with all of you, to achieve those goals.

With that I invite all of you to raise your glasses and join me in a toast to officially welcome the US-China Business Council's new president, Ambassador Craig Allen.