

## **President Craig Allen: Ten Questions and Answers**

After a globe-spanning career taking him from Beijing to Seattle and from Japan to South Africa, Craig Allen is shifting gears. With a venerable career in public service behind him, he is now set to lead the US-China Business Council, a private, nonpartisan, nonprofit organization of approximately 200 American companies that do business in China.

Craig started his career in the International Trade Administration (ITA) of the Commerce Department, first as a Presidential Management Intern and later as an international economist in the ITA's China Office. In the following years, he served in a range of posts -- as a commercial attaché, and later as Deputy Senior Commercial Officer at the American Embassy in Tokyo. He subsequently served as Senior Commercial Officer at the US Mission to China in Beijing, and as Senior Commercial Officer at the US Mission to China in Beijing, and as Senior Commercial Officer at the US Embassy in South Africa, before returning to the ITA as Deputy Assistant Secretary for Asia and then Deputy Assistant Secretary for China.

Having been a member of the Senior Foreign Service since 1999 and a Minister Counselor since his 2002-2005 tour in Beijing, Craig was appointed as US Ambassador to Brunei Darussalam in 2014. He served there with distinction until the end of his term in July 2018, after which he joined the US-China Business Council as its President. USCBC staff asked him to answer ten questions for our members.

### 1. Why is now a critical time in US-China relations?

The US-China relationship is by far the most important bilateral relationship in the world. We are now at a critical juncture. Both sides benefit from increased cooperation and both sides lose from decreased cooperation. We have to establish new modes of cooperation and interaction. The fundamental underpinning of the bilateral relationship is economic and we must strengthen that foundation by effectively supporting American companies that invest in or export to China.

#### 2. What have you accomplished in your first two weeks at USCBC?

My first weeks at USCBC have been a whirlwind of meetings with the Administration and various thought leaders in Washington and New York. It has also been a tremendous pleasure to sit down with every one of our Washington, D.C.-based employees to discuss their work and our products and services. I have also enjoyed reaching out to members for advice and their good counsel. I am very fortunate to join an organization that is fundamentally healthy, but I believe that there is ample scope to expand and improve our service offerings to add yet more value to our members.

### 3. What are your thoughts about China's entry into the WTO?

China's state-dominated economic development model has created considerable stress within the WTO and the global trading community. The Trump Administration's assertive response to China is the culmination of two decades of frustration. Simultaneously, China is at a delicate phase of its economic development, facing enormous microeconomic and macroeconomic challenges. While it is uncertain how the bilateral disputes will unfold, it is clear that China should more fully implement its WTO obligations. China must open its economy if it is to escape the middle-income trap and continue its economic growth.

### 4. What do you want USCBC members to know about you, your vision?

The fundamental purpose and mission of USCBC is to advocate for American business in China. There are perhaps three ways in which I can contribute to this mission. First, USCBC has to add value for its members through providing world-class services and accurate information in a timely and efficient manner. Second, USCBC has to grow its membership and strengthen as an organization. Third, USCBC has to work with both governments and the media in both countries to facilitate understanding and agreements to help American companies benefit from a stable and constructive bilateral commercial relationship.

### 5. Why did you decide to make the transition to USCBC?

It is wonderful to be able to focus on a clear and simple goal – advocating for American business in China. This simple, but profound, formulation gives all the meaningfulness, vision, and purpose that is needed. Every employee, every effort, and every program should be predicated on advancing American business interests in the People's Republic of China.

# 6. What have you seen in the 2018 Membership Survey that you feel needs addressing soon?

The 2018 Membership Survey reflects concern over the state of bilateral relations. USCBC members are laboring under a great deal of political uncertainty and they are worried about the imposition of tariffs and the unintended consequences of an accelerating trade war. Chinese companies that do business in the United States also face increasing risk. Thus, it is imperative that the two governments begin a process to resolve their long-standing disputes as soon as possible. This is best accomplished by market-oriented reforms in China that are conducive to long-term sustainable economic growth.

# 7. During your time in the Foreign Service, what were the key takeaways from your work on China issues?

I had a wonderful 33-year Foreign Service career at the Department of Commerce and the Department of State, working mostly directly or indirectly on China-related issues. My biggest takeaway is the realization that the US-China bilateral relationship is unfathomably deep, long, complex, and important. The United States and China are interdependent. If the two sides work together effectively, we can resolve, or at least manage, all bilateral problems. Similarly, the only way that most difficult transnational issues can be addressed effectively is when the United States and China cooperate bilaterally. Thus, we need more discussion, trade, and investment going both ways across the Pacific.

#### 8. How do you find time to train for the Marine Corps marathon in late October?

I have been a long-distance runner for forty years. Endurance running is actually a perfect way to prepare for US-China trade and investment negotiations! You need to be disciplined, willing to accept a bit of pain, and remain focused on the final objective. At the same time, in both running and in work, one should strive to have fun, get to know as many people as possible, and enjoy the journey. Finally, running or any other form of physical exercise is a critical component of good mental and physical health.

#### 9. How do you envision USCBC's role will evolve in the coming year? Five years?

USCBC is a remarkable organization with a great past and a tremendous future. For fortyfive years, USCBC has been the United States' leading voice advocating for American business in China. For forty-five years, USCBC has been helping member companies navigate the sometimes-difficult shoals of China business. As the US-China economic relationship becomes bigger, more complex, and more important, USCBC's role will also grow and adapt. Currently, both governments need our support as they try to resolve their differences. In the future, they will need our support to implement and monitor any new commercial agreements. The success of American companies and their workers in the China market place is perhaps the single most important determinant of the long-term stability of the US-China bilateral relationship.

# 10. This is your first post outside of government. What do you look forward to about working on the other side of the table?

While I had a fantastic diplomatic career, it was with great joy that I returned my diplomatic passport, telephone, and State Department badge. As a diplomat, I worked intimately with USCBC for three decades. Former presidents Bob Kapp and John Frisbie have both been good friends for decades and I have long admired their excellent work. So, while I am pleased to be free of governmental restraints, I am humbled and challenged by my new responsibilities. I need to meet the needs of our members. At the same time, I need to meet a payroll and manage thirty superb staff. And we need to help both governments to find long-term and lasting solutions to the current trade and economic tension. These are awesome challenges and responsibilities.