Remarks by Secretary Jacob J. Lew at the 2016 SelectUSA Investment Summit

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WASHINGTON - Good morning and thank you for that warm introduction. Let me begin by thanking Secretary Pritzker and the Commerce Department for organizing another successful Select USA Summit. I appreciate the opportunity to speak with you this morning about the importance of investing in the United States.

As the frame of this year’s discussion puts it so well, the United States is “a truly unique environment for innovation.” In conversations with business leaders and public officials around the world, I consistently hear that no economy provides more opportunity than the United States.

But we know that we cannot take this position and our economic leadership for granted. In an increasingly interconnected global economy, investors and companies have nearly unlimited options in deciding where to do business.

That is why President Obama has made increasing America’s competitiveness central to this administration’s economic strategy. If we want to lead into the future, the United States must continue to build on its unique position in the global marketplace.

More than seven years ago, individuals and institutions were struggling to navigate the worst recession of our lifetimes. Our economy was shrinking at an annual rate of more than 8 percent and losing more than 800,000 jobs per month.

The decisive actions taken by President Obama and policymakers helped us regain our footing, and lay the foundation for a much stronger, more sustainable path forward.

Through the hard work and resilience of America’s workers and businesses, the United States has made a remarkable turnaround that is admired around the world. The unemployment rate is half what it was at the peak of the recession and the private sector has added 14.5 million jobs over more than 6 years.

Millions of American homeowners are now back above water and since the Affordable Care Act was signed into law, increases in health care premiums have slowed substantially. Adding to that, our budget deficit has been reduced by more than three-quarters—the most rapid reduction since World War II.

While more work remains, our economy continues to make solid progress. Foreign investors look to the United States as their destination of choice—for good reason. Our workforce is unmatched in its skill, creativity, and productivity. Our laws and courts provide unparalleled protections for private property, including intellectual property. Our markets are open to trade and investment. And our determination to reduce dependence on foreign oil has meant greater investment in renewable energy and other critical innovations.

All of this supports an economy that is good for businesses and consumers alike. But a healthy, sustainable economy also needs growing demand for our products and services in major markets outside of the United States.

To that end, the Obama Administration continues to pursue strong, high-standard trade agreements that unlock export markets and put in place rules that level the playing field for American workers. The Trans-Pacific Partnership would open global markets to U.S. businesses and connect them with consumers in many of the world’s fastest growing economies. The president remains firm in his commitment to TPP, and is intent on seeing it approved as soon as possible this year. The sooner we pass TPP, the sooner we can deliver the benefits of this landmark agreement for American innovators, businesses, and workers. The Asia-Pacific region is looking to the U.S. to act – not just because this agreement cannot come into force unless the U.S. ratifies it, but also as a tangible demonstration of American leadership and commitment to the region. We will continue to work with Congressional leadership, and we hope that Congress will approve this agreement as soon as possible. It is the right thing to do for our economy and for American leadership in the strategically important Asia-Pacific region.

We continue to make progress on the Transatlantic Trade and Investment Partnership negotiations to further promote United States interests with the EU. And we hope to make more progress in negotiating the Trade in Services Agreement—a unique platform to deepen services integration and to influence the development of the global services architecture with countries representing roughly 70 percent of international services output.

Still, we cannot be complacent. We must continue our work to remove barriers so that companies can reach even more markets with American goods and services.

One significant barrier is the lack of a quorum on the Board of the Directors for the Export-Import Bank. The Export-Import Bank’s only purpose is to help American businesses sell products and services overseas, and it does not cost taxpayers a penny. The absence of a functioning board has already impacted companies in the United States, and could affect thousands more, including the small and medium-sized enterprises that accounted for nearly 90 percent of Export-Import Bank-supported transactions last year. We are hopeful the Senate will approve the President’s nominee to the Ex im Board as quickly as possible.

Trade and investment restrictions imposed by other countries pose another challenge. For this reason, foreign investor restrictions were central to our recent discussions at the recent Strategic and Economic Dialogue in China. Treasury maintains an open dialogue with U.S. businesses here and in China, and we engage regularly with our Chinese counterparts to urge progress.

The President is also committed to strengthening our infrastructure to compete in the 21st Century. Investors want to do business where workers can commute efficiently, products can be shipped dependably, and facilities have access to reliable power. The U.S. economy needs to be connected to an unparalleled infrastructure of modern roads, bridges, ports, and pipelines. It is critical that Congress commit the necessary funding to bring our nation’s infrastructure into the 21st Century, to make America an even more attractive place to invest.

I saw the future of American infrastructure this past January when I visited Denver. Its “FasTracks” project is a cutting-edge transit system connecting downtown Denver to the city’s sprawling suburban and rural communities. This new system covers more than 100 miles with modern light rail and bus rapid transit systems. Importantly, it is an example of a public

private partnership and their ability to leverage private sector expertise and resources to supplement important public sector investments. In this case, this important investment helped to connect people and area businesses with opportunity, as both rural workers and consumers are brought into the community.

No economy is more innovative or brimming with opportunity than the United States economy. And companies around the world know that it is simply good business to invest in America, but we need to work hard to keep in that way.

We look forward to working with all of you to continue to create a thriving, prosperous U.S. economy that moves everyone forward.

Thank you.

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