

**House Financial Services Committee Hearing
Subcommittee on National Security, Illicit Finance, and International Financial Institutions
Hearing Title: “U.S. Policy on Investment Security”**

**Statement of Jonathan Samford
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Chairman Davidson, Ranking Member Beatty, and Members of the Committee:

Thank you for the opportunity to testify today. My name is Jonathan Samford and I serve as President and CEO of the Global Business Alliance (GBA).

GBA is comprised of more than 200 of some of the most well-known companies in the world. While each is globally headquartered outside of the United States, they are major U.S. employers, each employing an average of 12,000 U.S. workers. It is also worth noting, like the vast majority of international companies in America, all GBA’s members are globally headquartered in countries that are longtime friends and allies of the United States.

Global Investment Benefits Millions of American Workers

As you may know, international companies like these have invested over \$5 trillion into the U.S. economy, directly employ 8.4 million U.S. workers and offer compensation that is seven percent higher than the U.S. private-sector average. The average compensation at an international company in America is \$89,300. In addition, nearly 1-in-4 of America’s manufacturing workers earn their paycheck from an international company – that is a company that made a deliberate decision to invest and create jobs in the United States.

Not only do international companies bring the capital necessary to create these opportunities, but they also import world-class know-how, which helps drive American innovation and a more competitive U.S. workforce. International companies spend more than \$80 billion on U.S. R&D activities, or 12 percent of all R&D performed by U.S. companies. U.S. workers of international companies produce 22 percent of U.S. exports, shipping \$469 billion in goods to customers around the world.

Manufacturing investment, the largest industry sector for international investment in the United States, rose 29 percent over the last five years. International companies have added half a trillion dollars to their U.S. operations over that period.

Importantly, the benefits of foreign direct investment are felt at the state and local level. For example, international companies employ more than 320,000 Ohioans, over half of whom are in the manufacturing sector.

Attracting Global Investment Is a National Priority

Global investment directly contributes to America's economic prosperity, innovation advantage, and national security. That is why every president over the past five decades has reaffirmed America's open investment policy. President Biden set the record by issuing his open investment policy statement just over four months into his term. President Trump issued his just a month after being sworn into his second term. The President's "America First Investment Policy" emphasizes the importance of welcoming foreign investment as essential to economic leadership, stating:

"Welcoming foreign investment and strengthening the United States' world-leading capital markets will be a key part of America's Golden Age My Administration will make the United States the world's greatest destination for investment dollars."

It is a core belief that Congress has also reaffirmed for decades.

When Congress passed the bipartisan Foreign Investment Risk Review Modernization Act (FIRRMA) in 2018, it provided the most significant reforms to the Committee of Foreign Investment in the United States (CFIUS) in 30 years. That bipartisan measure, which my organization staunchly supported, reaffirmed that "it should continue to be the policy of the United States to enthusiastically welcome and support foreign investment, consistent with the protection of national security."

Just last month, the House unanimously passed the Global Investment in American Jobs Act of 2025 (H.R. 1679), which states: "[t]he ability of the United States to attract foreign direct investment from responsible private-sector entities based in trusted countries is directly linked to the long-term economic prosperity, global competitiveness, and security of the United States."

Congress went on to highlight the heart of why America's balanced approach to investment screening has made it the best in the world:

"It is a top national priority to enhance the global competitiveness, economic prosperity, and security of the United States by ... removing unnecessary barriers to foreign direct investment from responsible private-sector entities based in trusted countries and the jobs that such investment creates throughout the United States; [and] promoting policies to ensure the United States remains the premier global destination to invest, hire, innovate, provide services, and manufacture products"

Global Investment Overwhelmingly Flows from America's Friends and Allies

As I mentioned, international companies grow America's economy and make it more resilient through activities such as supporting local supply chains and small businesses, fueling American innovation, developing workforce training programs, and exporting American-made goods. These investments also mean the international company's home country has a stake in America's success, which supports our economy and furthers U.S. foreign policy interests.

Given the large trading relationship between China and the United States, many assume China has a large direct investment position, too. That is not the case. Most are surprised to learn that less than one percent of all foreign direct investment into the United States originates from China. Further, Chinese direct investment has dropped by 15 percent since FIRRMA was signed into law by President Trump.

Today, 75 percent of all FDI in the U.S. comes from just eight allied countries: Japan, Canada, Germany, the United Kingdom, France, Ireland, Switzerland, and the Netherlands. More than 100 other countries, including China, comprise that last quarter of investment. Japan is not only the largest investing country into the United States, but also the third fastest growing over the past five years. Of the top 20 countries by cumulative direct investment in the United States, two Scandinavian countries, Denmark and Sweden, both more than doubled their investment totals within the last five years.

It is also worth noting, however, that the United States faces stiff global competition for investment dollars. Our share of cross-border investment has remained stagnant over the past two decades: in 2003, America's share was 27 percent. In 2023, the latest available data, it was 26 percent.

CFIUS Is a 'Vital Tool'

Not all foreign investment is the same, and GBA supports a strong national security review framework that identifies and mitigates genuine risks.

The Committee on Foreign Investment in the United States (CFIUS) is a vital tool that robustly protects national security and supports America's commitment to economic openness and process integrity. GBA strongly supported the framework established under FIRRMA. That bipartisan law aligned CFIUS reviews with transactions that could lead to the potential transfer of critical technology. Importantly, FIRRMA did not radically change America's investment screening process to make it a tool for escalating trade disputes, coercing market reciprocity or imposing industrial policy. It kept CFIUS squarely focused on protecting U.S. national security from the deceitful efforts of our nation's adversaries.

As FIRRMA stated, "CFIUS should continue to review transactions for the purpose of protecting national security and should not consider issues of national interest absent a national security nexus."

Another key feature of FIRRMA was its emphasis on working with our friends and allies to adopt similar investment screening regimes in their jurisdictions and to share its national security analyses with allied governments to the extent necessary.

CFIUS Must Remain Specific, Efficient and Non-Politicized

When operating as intended, CFIUS provides a non-politicized and efficient review of specific transactions and their impact on national security. When deals are politicized, or review timelines slip, it makes the U.S. less competitive.

GBA members, many of whom are frequent CFIUS filers, value a transparent, predictable, and efficient process. National security threats are specific, so should be the remedies. Recent trends of expansive information requests, unclear standards, prolonged mitigation negotiations, and extended review timelines create uncertainty for investors from allied and partner countries.

To address this, GBA recommends updated public guidance, improved interagency coordination, and timely, risk-based decisions. Additionally, GBA supports a fast-track pathway, such as the Known Investor Portal, for trusted investors with proven compliance records. Clear eligibility criteria and accelerated implementation would streamline low-risk reviews, reduce administrative burdens, and allow CFIUS to prioritize high-risk transactions, enhancing both efficiency and investor confidence.

GBA urges Congress and the administration to ensure CFIUS remains focused solely on specific security threats, aligning with FIRRMA's bipartisan intent. GBA is gravely concerned with any influence from political or commercial interests intended to erode trust and undermine the rule-based framework that makes the U.S. the world's top destination for global investment.

Using CFIUS to achieve commercial victories that could not be accomplished in the marketplace, or to pursue an expansive set of policy goals, diminishes its credibility and effectiveness. It also discourages companies from making significant investments in the United States that would otherwise strengthen the U.S. economy and create new jobs.

America's global economic leadership is grounded in its openness, reliability, and adherence to the rule of law. A security-focused CFIUS process that welcomes trusted capital fuels innovation, manufacturing, and job growth, aligning national security with economic competitiveness. GBA believes these goals are complementary, not contradictory.

I would also like to take this opportunity to thank the co-chairs of the Global Investment in American Jobs Caucus, French Hill (R-AR), the Chairman of the Financial Services Committee and Rep. Andy Barr (R-KY), as well as Rep. Jake Auchincloss (D-MA) and Rep. Marilyn Strickland (D-WA). Several members of the committee are part of this bipartisan caucus. Their collective work in advancing opportunities for American workers is making a difference.

Thank you for the opportunity to share these views. I look forward to your questions.