

Business Roundtable -- Emergency Committee for American Trade (ECAT)
Financial Services Forum -- National Association of Manufacturers
National Foreign Trade Council -- Organization for International Investment
U.S. Chamber of Commerce --United States Council for International Business

March 30, 2009

President Barack Obama
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Obama,

With the approach of the G20 London Summit on April 2, 2009, we write on behalf of American businesses to urge you to continue U.S. leadership in preserving open financial markets and the free flow of capital across borders. As the world struggles to overcome the global financial crisis, we ask you, Mr. President, to set an important example by making a clear public statement of our nation's commitment to an open investment policy that rejects isolationism and discrimination in U.S. recovery initiatives, and calls upon other nations to do the same.

You have consistently promoted an internationalist approach to the critical issues facing the United States. We have welcomed your strong statements on the importance of resisting isolationism during your recent visit to Canada. And we were encouraged by your pledge, in your first address to a joint session of Congress, that the United States was "working with the nations of the G20 to restore confidence in our financial system, and to avoid the possibility of escalating protectionism." It is important that you continue to lead decisively away from impulses that might close the United States off from the rest of the world.

Other influential nations join the United States in recognizing the importance of open financial markets in ensuring that world economies grow together. In November 2008, the G20 announced its own Commitment to an Open Global Economy. The G20 finance ministers recognized that successful financial system reforms must be "grounded in a commitment to free market principles, including the rule of law, respect for private property, open trade and investment, competitive markets, and efficient, effectively regulated financial systems." The G20 agreed that these principles are essential to economic growth, and have played an important role in lifting millions out of poverty throughout the world. Reflecting on the global financial challenges, the G20 underscored the critical importance of ensuring that the world's economies do not turn inward in times of financial uncertainty.

Today we find ourselves in the deepest global economic recession in decades. In fact, the International Monetary Fund recently reported that the global economy is projected to shrink by up to 1% this year, the first worldwide contraction in 60 years.

Isolationism only exacerbates financial and economic challenges, while the free flow of capital across borders stabilizes interconnected markets. In fact, it is the freezing of capital markets that has struck the private sector upon which U.S. economic recovery depends. An open and competitive capital system is vital to job creation and economic growth and stability, and without it the global economy will take even longer to recover.

The United States continues to be the largest host and home to foreign direct investment, and encouraging the free flow of capital is a critical element to keeping America competitive. Both inbound and outbound investment is vital to fostering the growth needed to return the United States to a position of economic strength. The importance of international investment to the global economic recovery cannot be underestimated, and yet the world stands on the edge of a dangerous descent into protectionism that would stifle such investment.

The United States must set an example for the world to follow. We ask you, Mr. President, to use the occasion of the G20 London Summit to publicly state our nation's continued commitment to an open investment policy and to encourage other nations to do the same.

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