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Speedier Approvals Sought by U.S. to Lure Overseas Investors

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The Obama administration will begin a government-wide effort to lure overseas investors by setting up an office aimed at speeding the approvals needed to operate in the U.S.

The worldwide staff of the Commerce Department will be tapped to attract investors, according to a statement today. The head of the office, called SelectUSA, also will help companies with permits or grant applications stalled in the federal- approval process.

“We’re going to cut red tape for companies that want to invest or expand in the [United States](#),” Commerce Secretary Gary Locke said today at a Washington event sponsored by the [Business Roundtable](#). “It’s becoming increasingly difficult for individual states to go head-to-head with countries around the world.”

The administration’s goal won backing from the Business Roundtable, which had sparred with White House over health care and financial overhaul legislation and a spate of new environmental regulations.

“We want to reverse the perception that the U.S. relationship with companies doing business here is a contentious one,” [John Engler](#), the head of the Business Roundtable, said today. The Washington-based group represents chief executive officers of companies such as [General Electric Co. \(GE\)](#), [Goldman Sachs Group Inc. \(GS\)](#) and Microsoft Corp.

The initiative also is aimed at persuading American companies to stay or expand at home.

SelectUSA Prodding Powers

The Commerce Department already runs the Invest in America office, which coordinates contacts with overseas investors. SelectUSA, established in an order issued today by President [Barack Obama](#), will have authority to prod other agencies on lagging applications, according to the department.

Critics say the administration should try to eliminate the underlying high corporate tax rate and environmental barriers rather than help companies circumvent them.

“It’s better than nothing, but it begs the question of why not fix the real problems?” Dan Mitchell, a senior fellow at the Washington-based [Cato Institute](#), which supports a limited role for government.

U.S. foreign direct investment fell to less than \$200 billion in 2010 after peaking at \$328 billion in 2008, according to a study [released](#) yesterday by the Commerce Department.

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