Benefits of Governor Bullock’s Trade Mission

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Reflecting on U.S.-China relations, many Montanans may have mixed feelings and a variety of views. On the one hand, China is a distant foreign country with a different values system, a proportionately large grip on U.S. foreign debt, a growing military menace and a challenge to U.S. leadership in the Asia-Pacific region.

On the other hand, China is also viewed by many as a culturally rich, economically dynamic and increasingly influential country crucial to the U.S. economy and international stability. It is a vital partner to coordinate policies to address some of the biggest global issues (like climate change and non-proliferation) and a vast land of opportunities for international businesses.

Regardless of where one stands between these two poles, most will agree that China is a country that we cannot ignore. With China’s growing influence, it may be more crucial than ever for the United States, including our Big Sky state, to deepen our understanding of this country and engage more frequently across a number of fronts to promote political stability and mutual economic prosperity.

Thus, I applaud Governor Steve Bullock’s decision to take his first trade mission to China with several of Montana’s leading businesses and government leaders. This is an important step for our state to not only broaden our relationship with the second largest economy in the world, but also to showcase Montana as an important stakeholder in the most dynamic region of the world. Taking an overall view of the trip, I see three significant outcomes from Governor Bullock’s trip to China.
First, as a trade mission with a number of Montanan businesses from small companies to large corporations participating, the most immediate and tangible benefit will be the millions of dollars worth of economic deals that will likely result from this trip to China. The goal is to attract more Chinese business leaders, tourists, students, and investors to Montana and to sell more Montana goods and services to Montana’s third largest export partner. In 2013, Montana exported approximately $101 million worth of commodity goods to China, and it is one of our state’s fastest growing export markets. The hope is that the trade mission’s business deals will be the beginning steps toward other significant opportunities to build relations between Montana businesses and Chinese businesses.

In addition to export deals, a second important outcome is that this trip will be an important educational process for some of Montana’s leading businesses to learn to better navigate the complex China market. Doing business in Asia is tough even for experienced companies. For the first timers, it is particularly daunting. The benefit of the trade mission is that it provides the opportunity for the state government and local businesses to work together and to coordinate efforts to create economic opportunities in a foreign market rather than each going alone. Hopefully, this public-private partnership will be an inspiration for other Montana business leaders to also take the plunge to reach beyond our borders through trade.

The third outcome of Governor Bullock’s trip to China is the much needed effort to introduce Montana and all of its economic opportunities to an international audience. Although the Big Sky state may be on many leaders’ top list for a fishing, hiking or skiing destination, it is not the most obvious place for economic investment or for a world class education. Moreover, for many Asians, they have never heard of Montana. Fortunately, the recent appointment of Senator Max Baucus as US
Ambassador to China has raised the profile of Montana in China and across Asia. And now, Governor Bullock’s visit will provide the chance to showcase Montana as not only one of the most beautiful places in the United States to visit, but also a place with dynamic and advanced industries, an effective workforce and a world class education system.

In addition to helping business leaders, the promotion of the Big Sky state is particularly important to attract more international students to our great schools and universities. International students energize American communities by increasing the cultural and ethnic diversity in our classrooms and neighborhoods. They also provide economic benefits through tuition payments and by contributing to the local economy. According to a report by the Institute of International Education, Montana had 1607 total international students in 2013. Not a large group compared to states like California, New York or Massachusetts, but even with our limited numbers, these students contributed nearly $43 million to our state economy. Chinese students, in particular, are the largest international student group coming to America for higher education. We certainly have more space for more Chinese and other international students in our schools.

Over and beyond the immediate economic benefits, the Governor’s trade mission reminds us how important it is for our leaders, our citizens, and our communities to actively connect with the rest of the world and places like China. Although we as Montanans take pride in the state being a restful place of escape, we need to be engaged with our world to energize our economy, strengthen our communities and work towards a promising future for our state.