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Trump pressures Dems on wall

WASHINGTON — US President Donald Trump put pressure on Democrats on Sunday as US lawmakers worked to avoid a government shutdown, saying Obamacare would die without a cash infusion the White House has offered in exchange for their agreement to fund his border wall.

The escalated push to get Trump's priorities, which Democrats reject, into spending legislation could jeopardize prospects for an agreement to keep the government open.

If talks fail, the government would shut down on Saturday, Trump's 100th day in office.

"Obamacare is in serious trouble. The Dems need big money to keep it going — otherwise it dies far sooner than anyone would have thought," the Republican president said in a Twitter post.

In a second tweet, he added: "The Democrats don't want money from budget going to border wall despite the fact that it will stop drugs and very bad MS-13 gang members."

MS-13 is a criminal gang with members of Central American origin.

The president's tweets appeared after White House budget director Mick Mulvaney

accused Democrats of "holding hostage national security" by opposing \$1.5 billion to help build a wall along the US-Mexico border, one of Trump's top campaign pledges.

Democrats have said they would not support legislation that ends federal subsidies to help low-income people buy health insurance under the Affordable Care Act, popularly known as Obamacare.

The healthcare law was former Democratic president Barack Obama's signature domestic policy achievement, which Republicans are trying to repeal and replace.

On Sunday, Democrats called for Trump to stop making "poison pill" demands.

Senate Democratic leader Chuck Schumer said negotiations between Democrats and Republicans in both the House of Representatives and the Senate were "going quite well" and that he was hopeful a deal could be reached.

"The only fly in the ointment is that the president is being a little heavy handed, and mixing in and asking for things such as the wall," Schumer told reporters.

"We'd ask him to let us do our work, not throw in some

last-minute poison pills that could undo it, and we could get this done," he said.

Trump wants money for the wall included in spending legislation that Congress must pass by Friday to keep the federal government operating through Sept 30, when the 2017 fiscal year expires.

Mulvaney and White House Chief of Staff Reince Priebus played down the danger of a shutdown. Mulvaney said talks between Republicans and Democrats could produce an agreement as early as Sunday.

REUTERS

EB-5 likely to be extended again; deadline looms

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Once again Congress is poised to decide the fate of the EB-5 program that enables foreign investors — many of whom are Chinese — to pump between \$500,000 and \$1 million into US projects that create jobs in return for visas.

EB-5 is scheduled to expire on Friday unless Congress acts. According to Stephen Yale-Loehr, an attorney and Cornell University law professor, Congress is likely to once again extend EB-5 temporarily as it weighs more pressing matters and agrees on changes to the program.

"I don't think we will have a final package by Friday," he said in an interview. Lawmakers must also deal with measures to fund the government beyond Friday and possibly health care "so a bill that includes a temporary extension of EB-5 along with these other matters is likely to gain approval," Yale-Loehr said.

EB-5 targets foreign investors who invest at least \$500,000 in a project that creates a minimum of 10 jobs in an economically-depressed region. In return, investors receive a two-year visa with a good chance of obtaining permanent residency for them and their families. About 10,000 EB-5 visas are awarded each year, and previous estimates indicate that the Chinese account for about 85 percent of recipients.

Yale-Loehr said industry interests seem to have coalesced around three main changes for EB-5: an increase in the minimum investment, a redefinition of a "targeted area" and a certain number of visas (perhaps 2,000 of the 10,000 total) set aside for projects in rural or highly blighted rural areas.

One of the criticisms of EB-5 is that projects in rural areas receive less funding than those in urban areas. Eric Orenstein, an attorney who handles EB-5 matters for Rosenberg & Estis PC of New York, said it's due to several reasons.

"Far more development goes on in urban areas than in rural areas," he said. "There are costs involved in raising EB-5 funds and it's easier to absorb those costs in the larger-scale projects found in urban areas. Many overseas investors are much more familiar and

comfortable with investing in a project in New York and Los Angeles rather than one in Boise, Idaho, or Minnetonka, Minnesota."

Previously, the United States Citizenship and Immigration Services (USCIS), an agency of the Department of Homeland Security, proposed raising the minimum investment from \$1 million to \$1.8 million and from \$500,000 to \$1.35 million for projects in a targeted employment area.



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Angelique Brunner, EB-5 investment advisor

Yale-Loehr believes that the current \$500,000 threshold will be increased to about \$800,000. "The \$1 million amount will also be increased, but no one is certain yet what that amount will be," he added.

Orenstein believes that the market could handle an increase from \$500,000 to "around \$750,000." But the \$1.35 million proposed by USCIS could be a problem.

"There is very little justification for an increase that big," Orenstein said. "Even though other countries do charge more for similar programs, you don't have the same hurdles to overcome like you do in EB-5, which has job creation requirements."

Angelique Brunner, the EB-5 Investment Coalition's spokesperson and the founder and president of EB5 Capital, also believes that agreement is near on a reform package for EB-5.

"Over the last month, we have seen broad consensus across the industry on a strong reform package. We believe an agreement is within reach, and we look forward to working with Congress to strengthen this job-creating program," she said in a statement.

Since 2012, the program has brought in more than \$8.7 billion of foreign direct investment into the US and created 35,150 jobs, according to USCIS estimates.

AIIB:

US may be ready to join

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value on our partnerships because by working together, we greatly increase our potential for positive outcomes in Asia," Jin said.

In 2015, the World Bank Group and the Multilateral Interim Secretariat for the Establishment of the AIIB signed a memorandum of understanding for overall cooperation and knowledge exchange, which ended when the AIIB was formally established.

Unlike the less than supportive attitude expressed by former US President Barack Obama's administration, World Bank President Kim and IMF Managing Director Christine Lagarde have voiced their support for the AIIB since the very beginning.

The Beijing-based AIIB opened for business in January 2016 with the aim of supporting infrastructure construction in the Asia-Pacific region. According to statistics at the end of March, it had 52 member states and another 18 prospective members.

James Woolsey Jr, a former director of the CIA and former advisor to President Donald Trump's campaign, indicated earlier that the Trump administration might be interested in joining the AIIB, but no senior Trump administration official has given any clear signal on the issue so far.

Science boosters



Protesters make their way through the Seattle Center during the March For Science in Seattle on Saturday. Tens of thousands of scientists and their supporters took to the streets in Washington and other cities around the world to protest against what organizers described as an "alarming" anti-science trend worldwide. DAVID RYDER / REUTERS

At Harvard, young Chinese called to serve

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Young Chinese students were called upon at a prestigious forum to do their part in developing China-US relations.

At the 20th Harvard China Forum (HCF) over the weekend, more than 100 Chinese and American political, business and academic leaders reviewed the development of Sino-US relations and the prospects for cooperation between the two countries.

With a theme of "Sharing the Road Ahead", they discussed issues such as bilateral trade, youth innovation and entrepreneurship, and cultural exchange.

Mark Elliot, vice-provost of international affairs at Harvard University and also an expert on Chinese history, referred to historical examples to show the long history between China and Harvard.

The first Chinese student was enrolled in Harvard in 1881, and now Chinese students are the largest group of international students on campus. The



Guests share opinions at a keynote panel at the Harvard China Forum on Saturday. From left: Wang Guan (moderator) of CCTV America; Anthony Saich, professor of international affairs at Harvard; Graham Allison, founding dean of the Kennedy School; Stephen Orlins, president of the National Committee on US-China Relations; and economist Pieter Bottelier. HONG XIAO / CHINA DAILY

cooperation between Harvard and China is comprehensive.

Stephen Orlins, president of the National Committee on United States-China Relations, said the number of exchange students between China and the US is at an all-time high. He encouraged the students to "work toward bringing the two countries together."

"The future of US-China relations is in this room,"

Orlins said.

"What you in this room decide to do with your lives is going to determine the future of US-China relations in the future," he said.

He encouraged the young people present to "have a vision" and "don't be fearful of failure."

"If you participate, if you give back, if you fulfill that obligation, the US-China relations will step onto a higher

level," he said in Mandarin.

Zhang Meifang, Chinese deputy consul general in New York, said at the opening ceremony that economic and trade cooperation and cultural exchange between China and the US are more active than at any time in history, and both economies are highly complementary.

Zhang said that Sino-US relations have entered a new era in which cooperation is irreversible and a win-win situation is people-driven.

"I hope everyone present tonight could make your effort to further promote the development of relations between China and the US in the coming 20 years," Zhang said.

Guests at the two-day forum included former US treasury secretary Hank Paulson; Graham Allison, Douglas Dillon professor of government at Harvard.

Huffington Post founder Arianna Huffington and Dallas Mavericks' owner Mark Cuban gave speeches and joined panel discussions.

According to the organizer, the number of attendees reached 1,000 this year.

Treasury Secretary Mnuchin's answer to protectionism still baffles

The spacious atrium at the International Monetary Fund (IMF) was packed on a rainy Saturday afternoon with people waiting for a conversation on the US economy between IMF Managing Director Christine Lagarde and US Treasury Secretary Steven Mnuchin.

It was probably the first such public event for Mnuchin since he was confirmed by the US Senate on Feb 13 to be the 77th US treasury secretary.

The audience, coming from around the world for the 2017 IMF/World Bank annual spring meeting, had many questions for Mnuchin. One of them is whether their concern about US protectionism is justified.

They have plenty of reasons to be worried. Just a few hours before the talk, the International Monetary and Financial Committee (IMFC), the IMF steering entity, issued



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statement last month in Germany, when that language was deleted for the first time, said to be under the pressure of Mnuchin, a former hedge fund manager.

Many people have had such concern since Trump made a campaign promise to impose 45 percent tariffs on China's exports to the US, thereby triggering a trade war between the two largest economies.

That concern has been dramatically reduced in recent weeks, especially after the meeting between Trump and President Xi Jinping in

Mar-a-Lago, Florida early this month.

But Trump's executive order to withdraw the US from the 12-member Trans-Pacific Partnership (TPP), his halt of the Transatlantic Trade and Investment Partnership (TTIP), his bid to renegotiate the North America Free Trade Agreement (NAFTA) and the proposal for a border adjustment tax to target imports all show signs of protectionism.

That is in addition to Trump's repeated threat to US corporations that have or are planning to invest in or move their manufacturing facilities overseas to leverage global supply chains.

Americans also are divided on free trade agreements. A Gallup poll released in February showed that 48 percent believe NAFTA has been good for the US, while 46 percent say it's been bad.

So when Lagarde brought

up the question on trade, phrased in a mild way, Mnuchin said Trump's agenda is to make sure "we have free and fair trade."

"I think you know the United States is probably the most open trading market there is for both goods, services and investment," he said.

He noted that the only restriction the US has on investment is the CFIUS process for security review, referring to the Committee on Foreign Investment in the United States.

"The president believes in reciprocal trade deals, and reciprocal free trade. What that means is that if our markets are open, there should be a reciprocal nature to other people's markets that are open as well. That's what he believes in, free and fair," said Mnuchin, repeating much of Trump's rhetoric.

"What's not free and fair is

if our markets are open, other people either have high tariffs or have high import barriers, non-tariff barriers. That creates one-sided issues," he said. "So did for tat? I am open, you're open?" asked Lagarde, not entirely satisfied with the answer.

"Yes. We like to use the word 'reciprocal' as opposed to ..." Mnuchin said, eliciting laughs from audience members, who still seemed baffled.

There also was a reason for Lagarde not to press Mnuchin too hard on the issue, unlike many journalists would do in questioning their interviewees.

Just a week ago in an interview with the Financial Times, US Commerce Secretary Wilbur Ross dismissed the warnings of US protectionism by Lagarde and others as "rubbish".

In a separate interview with the FT on April 17 after Ross' rebuttal, Mnuchin reiterated

that his talk on protectionism was more about the comment, "We expect this to be two-way, free and fair trade. Particularly for people who have big surpluses with us."

"And if we can't address those issues, we reserve the right to be protectionist," he said.

On Thursday, Mnuchin indicated that the US has been talking with countries involved, and those talks have been "productive."

In the FT interview, Mnuchin said that with China, there are things that could be done quickly, things that can take 100 days, and things that require a one-year horizon. He expressed that the trade issue now enjoys more priority than the investment issue.

Mnuchin, however, did not exclude a continued negotiation of a Bilateral Investment Treaty with China. "It's definitely on the agenda of things

that we'll be discussing. I think there's things we can open up, I think there's areas we can open up even without a full-blown bilateral investment agreement," he told the FT.

It has been widely reported that the Trump Cabinet internally is divided over free trade and protectionism. Trump also has reversed course on many of his campaign promises. In an April 17 Gallup poll, only 45 percent of the people agreed that Trump keeps his promises, compared with 62 percent in February.

It might be too early to make a judgment on Trump administration's nature of free trade or protectionism based on the first 100 days, but many in the audience seemingly left the talk with the feeling that their questions were unanswered.

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