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The below findings are based on over a dozen interviews conducted by Monitor Group with businesspeople and economic developers in the United States and China in the fall of 2010.

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1) The general premise of the project—that Chinese FDI is a potential economic opportunity that could get derailed—is widely held amongst those we interviewed. Virtually everyone we spoke with recognized and understood that there is the possibility that politics could cut off investment flows from China to the United States.
2) The drivers of potential conflict over Chinese FDI are at least twofold:
    a. First, there are similar economic drivers as with previous experience with Japan and others (e.g., concerns that unfair economic practices give their companies a competitive advantage over U.S. companies, take jobs from Americans, and threaten hostile takeover of U.S. companies)
    b. In addition, there are also political / security drivers that stem from the fact that China is the first country that both threatens the U.S. economy and industries, and at the same time is not a firm ally.
3) That said, the conflict is clearly potential at this point. Despite some high profile failed deals—and Unocal-CNOOC is virtually the only one most people can cite—the vast majority of deals are not derailed. This we know from the report's dataset, but also from conversations with economic developers who are responsible for attracting investment (Chinese or other) into their region. These developers routinely say that they have not seen any significant push-back on the Chinese investments they bring to their region. Our interviewees suspect that while many may have ambiguous feelings about Chinese investors, but if they do they keep these to themselves because they prefer to get the investment and jobs.
4) This is the good news. The bad news is that a small number of high-profile failed deals clearly has had a big impact on perceptions (both in the United States and in China) of how hard or easy it is for China to invest in the United States. In China, the Unocal experience led to widespread perceptions that Chinese FDI into the United States was not welcome.
5) Nevertheless, Chinese investors still seek deals in the United States and the investments are growing. In particular, this appears to be the result of Chinese investors' effort to broaden their portfolio of investments, spread the risk in that portfolio, and gain valuable management skills and western brands that they would not otherwise be able to acquire without investing in the United States. More than one interviewee felt the Chinese were quite savvy about how to invest in the United States, as evidenced by concerted efforts by Chinese companies to get listed on U.S. stock exchanges, to up-list from small exchanges to larger and more prestigious ones, to take equity positions in U.S. companies while leaving U.S. executives in charge, etc. To, essentially, "take the 'F' out of FDI," as this interviewee put it.

6) What are the implications for policy? There are several recommendations and policy implications that interviewees offered, such as:
    a. Chinese investors should avoid security related industries or cherished national symbols (the example of Japan's purchase of Rockefeller Center came up a few times);
    b. United States should focus on Chinese private investors over state-owned enterprises (SOEs), companies backed by the state, or companies operating in a sector deemed strategically important to the Chinese government;
    c. United States should focus on greenfield investments over mergers and acquisitions, and work to prevent hostile takeovers;
    d. Hire good local American advisors, and Chinese should send negotiators that have knowledge of U.S. culture, not just seniority. When possible, the lead negotiator should be an American.
    e. Some suggested "let sleeping dogs lie." Chinese investment in the United States seems to be flowing fairly well right now and is growing. Yet it is possible that high-profile failures could have a vastly disproportionate dampening effect by spreading the perception that Chinese investments are not wanted. One way to increase the chance of failure might be to call attention to the issue.
7) There were other U.S.-China "soft-power" type recommendations that a number of interviewees offered to increase the likelihood of a pro-Chinese FDI sentiment at the local level, including:
    a. Establish more U.S.-China sister-city initiatives at the mayoral level;
    b. Fund dedicated economic development staff and China FDI centers at the city and regional level;
    c. Fund further Chinese culture and language programs in U.S. school districts, universities and technical colleges (such as the Confucius Centers, the Chinese language K-12 teachers);
    d. Create export/enterprise zones focused on China with local authorities or states;
    e. Increase U.S. university to Chinese university contacts and agreements, especially with technical colleges as these tend to be powerful allies at the local level for lobbying purposes.