

Buy American Mention of the Week

Are you ready for Chinese pork on your plate?

By Roger Simmermaker

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Every now and then, the 'Buy American' issue is thrust back onto the front page, as it were, of the national news outlets from the Internet and TV to newspapers and blogs. This is one of those times, and this time, Buying American has garnered national attention courtesy of a Chinese company, Shuanghui International Holding Ltd., and its attempt to buy a high-profile American-owned company, Smithfield Foods, Inc.

On Thursday, May 30, the day the proposed deal was announced, *The Wall Street Journal* featured no less than four separate articles on the issue, and on the following day, featured three stories, including one titled "USA, Inc., a Division of China Corp."

Now even though I'm a strong Buy American proponent, I have to admit that Thursday's *Wall Street Journal* article title seems just a little over-the-top, but I will say this: At the risk of seeming to whip up and fan the flames of another foreign acquisition frenzy, it should be noted that for all intents and purposes, China is and should be considered an enemy of the United States, and deals such as this should be disallowed. Hopefully, the outcome of the coming review by the Committee on Foreign Investment in the U.S. (CFIUS) will make certain that the proposed acquisition is not allowed to proceed.

China, with all of its capitalist overtones, is still a communist country, and independent-minded Americans should desire minimal meddling from them in our economy.

I have nothing against the Chinese people. I have some great Chinese-American friends. What I am against is sales of American-owned companies to Chinese-owned companies where there may be national security or other concerns.

To quote an executive from a company that I featured in my latest book on Buying American ([*My Company 'Tis of Thee: 50 Patriotic American Companies American Consumers Should Know About*](#)), "To survive, a nation must feed itself."

I'm also against any deal if I think the Chinese company stands to drain wealth out of the United States to reward foreign owners, foreign investors, and foreign stockholders. The way that I see it, with the proposed deal for Smithfield Foods by Shuanghui International Holding Ltd. (China's largest meat processing company), this is exactly what stands to happen.

I had no problem allowing Ford to sell fledgling Volvo to the Chinese. I saw no need to play any anti-foreign acquisition card, so to speak, at that time. I felt it was better to let Ford get

the money, and let China get an inferior auto brand. What has happened since? Volvo's worldwide sales fell 6.1 percent last year while almost every other automaker increased sales, and sales in Volvo's home market (China) fell over 10 percent. In China, GM, VW, and Ford dominate the market, in that order. And how many Volvos do you see in America? Not many.

I also saw no reason to get into a huge uproar about China buying AMC Theaters, which they did last year. There are so many ways to watch movies these days. Netflix keeps adding subscribers, and seems to be the way of the future. If I want to go to a movie theater, I'll simply shy away from AMC. Let China spend their planned \$500 million on theater renovations. I'm betting that China will be wasting their money, except for the transfer of wealth from a Chinese company to the American workers doing the renovating in the U.S. I like that part, actually.

Then there's also the safety concern, of course. China's record on food and agricultural safety is horrible. China's food industry has been rocked by health scandals the past few years. The latest occurred in March of this year when thousands of dead pigs were discovered floating in rivers close to Shanghai. But never mind, we are told. The acquisitive Chinese company says it doesn't plan to export Chinese pork to America's market. Actually, they shouldn't be able to anyway since they have a ban on American beef in China, but I wouldn't wager that they're being straight with us here. I'm sure that they're willing to tell us anything just to get the deal cleared, then change their minds later.

I agree with Executive Director Wenonah Hunter of Washington, DC-based Food & Water Watch, who said, "Overseas ownership can only complicate and shield potential future food safety problems from U.S. oversight." If Smithfield wants to sell itself, let's hope an American-owned firm comes forward and expresses an interest, so that we can keep our food industry under the ownership and control of an American company.

We can't always stop foreign-owned companies from buying our American-owned companies, land, and factories, but we can stop giving them the money with which to do it.

Roger Simmermaker is the author of *How Americans Can Buy American* and the award-winning *My Company 'Tis of Thee: 50 Patriotic American Companies American Consumers Should Know About* ([Axiom Business Book Awards](#)), and writes "Buy American Mention of the Week" articles for [wnd.com](#) and his website [www.howtobuyamerican.com](#). Roger has a degree in Electronics Engineering Technology, is president of his local Machinists Union, has been a frequent guest on Fox News, CNN, and MSNBC, and has been quoted in *The Wall Street Journal*, *USA Today*, *New York Times*, and *Business Week* among many other publications.