



Spring/Summer 2010 Newsletter

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The editors of Women in International Trade (WIIT) Newsletter welcome you to the first issue of the 2010-2011 membership year. This newsletter is an important part of our efforts to inform you about WIIT's activities. It includes information about our leadership, recent and upcoming events, and information on our many programs and projects.

In this issue, we would like to introduce the new WIIT President, Camelia Mazard, and the 2010-2011 Officers and Board members. Also included is an overview of WIIT's 2010 Annual Dinner and Awards Program and summaries of recent events, including a recap of the spring OWIT International Board meeting, which WIIT DC hosted in April.

We are pleased to include articles from WIIT members on the role of China in Latin America, enhancing customs transparency in APEC, and a book review on Poorly Made in China.

Finally, if you haven't done so already, don't forget to renew your WIIT Membership! As a member, you can participate in events in Washington, DC at the member rate, plus you get free attendance to brownbags and events on Capitol Hill. We encourage WIIT members to take advantage of events, as they provide important educational and professional development opportunities. Follow the link for the application and for more information on what each category includes!

[Individual Memberships](#): \$75, Government: \$45, Student: \$45

[Corporate Memberships](#): Gold, \$900, Silver, \$600, Bronze \$300

As always, we welcome your comments and suggestions.

Sincerely,

[Manka Azefer and Kristin Wedding](#)

WIIT Newsletter Editors

Message from the President

Camelia Mazard (2010-2011)

As I accept the title of President, I would like to first thank those who thought of me for this position, and to also thank all of you that are about to help me out this next year. Some of you don't even realize it yet, but you will be helping me!

I heard about WIIT through my coworker, Lisa Crosby, who served as elections chair then recruited me to join in that capacity shortly after I returned from a trip to Spain, where international trade was on the forefront of my mind. I joined in 1999 as a way to meet other people interested in international trade and was immediately thrust into the various committees to help out.

The committees were a great way to meet other enthusiastic women who also wanted to foster the role of women in trade. The membership socials were great and a perfect to meet people in the same field. Then I became the VP of Marketing back in the times when we faxed press releases, became a member of the WIIT board, served as the OWIT rep, VP of Professional Development then President-Elect and now President. Whew!!

Some of the great benefits of my WIIT involvement have been:

- Networking: I constantly meet great men and women who help me develop professionally.
- Leadership skills: Through the various positions I held, I have been able to hone my public speaking skills and served on panels with prominent women and men in the field.
- Last but not least, WIIT provided social benefits: I developed a new group of friends who attended the WIIT Happy Hours that Tony Kemp organized and we are all still friends to date.

I look forward to working with you all this year and am committed to continuing WIIT's strong traditions.

Sincerely,



Camelia Mazard

WIIT President's Report

Maria DiGiulian (2009-2010)

As of May 31, WIIT had 360 dues paying members, 18 corporate members, and more than 1,750 people receiving the WIIT calendar. These membership numbers are down slightly from last year. Given the economic down turn, as well as the administrative difficulties we faced in switching to a new management company during the peak of WIIT's 2009-2010 membership drive, I am pleased that we have maintained a mostly steady membership number.

Indeed, one of our most successful events was a membership event held in September at the Swedish Embassy. At this beautiful, modern embassy overlooking the Potomac River, WIIT hosted over 80 members and guests. Attendees were treated to an environmental exhibit that explained Sweden's goals and ideas for its term as President of the EU, as well as to networking with Swedish trade officials and WIIT members. WIIT also continued its networking happy hours with one of those events held jointly with the Washington International Trade Association. These are easy access events that allow new members to learn more about WIIT without having to pay entrance fees.

WIIT also continued its successful outreach through its LinkedIn and Facebook groups. As of June 1, the WIIT LinkedIn group had 522 members and Facebook had 128 members - both nearly doubled from the same time last year. Not all the members are dues paying members of WIIT, but these social networking sites provide another avenue for WIIT to attract new members and enhance the networking opportunities for current members. If you are not already a member, I encourage you to join!

WIIT continued its tradition of holding a variety of substantive events on different issues. WIIT held 30 events this year, and we already have several ideas underway for the new year.

WIIT held its annual Women's Ambassador Event on March 9, in coordination with International Women's Day. This year the event was held in the lovely U.S. Botanic Garden, which was in the midst of an international orchid show, complete with a huge globe in the center of the exhibit and a discussion of the global orchid trade - the perfect background for the event. The members-only event was hosted by the Ambassador of India, Her Excellency Meera Shankar. It featured many different Ambassadors from various countries and the United States, as well as numerous other important women from the international trade and policy arena. We also had more than 80 WIIT members and congressional staff attending. WIIT's program on U.S. Cuba policy generated significant interest, as did its tour of the Springfield Customs Laboratory and program on trade and labor. WIIT also hosted the spring OWIT Board meeting, linking it to a fantastic program on the new National Export Initiative. WIIT also provided wonderful social and networking opportunities to the OWIT Board.

One of the challenges WIIT faced this year was transitioning and integrating its system with the new management company. WIIT and Giuffrida and Associates definitely faced some growing pains from securing online registrations and membership renewals, to ensuring a detailed, accurate accounting process. We are continuing to work through these issues, and foresee a smoother relationship and administrative process in the coming year.

Respectfully submitted,



Maria DiGiulian

Know Your WIIT Officers and Board of Directors

Officers (2010-2011):

President: Camelia Mazard

Camelia Mazard is a partner at Doyle, Barlow and Mazard PLLC. She focuses on all aspects of Antitrust and Trade Regulation Law. Camelia served on the WIIT Board from 2003-2006. In the past, she has served as the OWIT representative and VP of Professional Development, as well as WIIT's Election Chair, OWIT Alternate and on the PR committee. Cami has been a WIIT member since 2001.

President Elect: Roberta "Bobbi" Daghir

Bobbi is a Senior Policy Analyst for the Trade Remedy Compliance Staff of the Department of Commerce's International Trade Administration. She works with U.S. companies involved in foreign antidumping investigations to help them better understand the conduct and implications of such cases and evaluates foreign trade laws and practices for consistency with WTO rules. She served on the WIIT Board of Directors from 2008-2010, and as WIIT Treasurer from 2006-2008. Bobbi has been a member of WIIT since 2006.

Past President: Maria DiGiulian

Maria DiGiulian is the Vice President of FWH and Associates, LLC, an international policy consulting firm. She is also an adjunct professor at George Mason University's School of Public Policy, developing and teaching courses examining the multilateral trading system and its politics, rules and practices. Maria served on WIIT's Board of Directors from 2002-2004, as well as Secretary in 2008 and President in 2009. Maria has been a WIIT member since 1991.

Treasurer: Kelly Loughery

Kelly Loughery is an Associate in the International Trade Group at Blank Rome LLP where she focuses her practice on export controls, FCPA/UK Bribery Act and government contracts matters. Kelly has been a WIIT member since 2009.

Secretary: Peggy Clarke

Peggy Clarke is a partner in the Washington D.C. office of the law firm of Blank Rome LLP. She focuses on international trade and market access issues. She has advised governments on dispute settlement under the WTO. In addition to serving as secretary, Peggy is currently co-chair of the International Agreements section. Peggy helped with the planning of the OWIT conference in 1990 and has been a WIIT member since 1990.

VP Programs: Kristen Smith

Kristen Smith is an Associate with Sandler, Travis & Rosenberg, P.A., resident in the Washington, D.C., office. Her practice is focused on import and export trade law, trade regulations and customs law. Before her current position in WIIT, Kristen served as chair of the customs section. Kristen has been a member of WIIT since 2005.

VP of Professional Development: Maria-Albertina Veiga

Maria Veiga is with the Edison Electric Institute, the association representing the investor-owned electric utilities, international and associate members. At EEI she is the facilitator and manager of a varied portfolio of international electric utilities for EEI's International Program. Maria is joining WIIT in 2010 as a new member and serving as VP, Professional Development.

OWIT Representative: Catherine Robinson

Catherine Robinson is a Director at the National Association of Manufacturers. Her involvement with WIIT includes serving as a Co-Chair of the Europe Section and Legislative Affairs and Vice

President of Programs from 2006-2009. In 2009, Catherine joined the WIIT Board of Directors and served as the alternative representatives in OWIT. In 2010, Catherine became the WIIT representatives to OWIT. Catherine was also the 2006 WIIT Member of the Year and has been a member of WIIT since 2004.

OWIT Alternate: Banu Demiralp

Banu Demiralp is an international trade analyst with seven years of professional experience in international trade and dispute arbitration. This August, Banu will be completing her master's degree in international public policy (specifically Peace Operations Policy) from George Mason University School of Public Policy, focusing her studies in expansion of trade, military intervention and delivery of aid in fragile and conflict states. A native of Istanbul, Banu has extensive experience in working with both the government and the private sector in Turkey.

Members of the Board of Directors:

Serving 2010-2011 Terms

Phyllis Derrick

Phyllis Derrick is Manager, International Trade Services, at Akin Gump Strauss Hauer & Feld, LLP, where she advises domestic and foreign clients on trade remedy cases. She served as Calendar Co-Chair for 2 years. For the past 2 years, she has served as head of the Special Events Committee. Phyllis earned her bachelor's degree in International Affairs from the Elliott School of International Affairs at George Washington University. Derrick has been a member of WIIT since approximately 2000.

Maria DiGiulian

Maria DiGiulian is the Vice President of FWH and Associates, LLC, an international policy consulting firm. She is also an adjunct professor at George Mason University's School of Public Policy, developing and teaching courses examining the multilateral trading system and its politics, rules and practices. Maria served on WIIT's Board of Directors from 2002-2004, as well as Secretary in 2008 and President in 2009. Maria has been a WIIT member since 1991.

Elizabeth "Elli" Nesbitt

Elizabeth Nesbitt is an International Trade Analyst for Biotechnology and Nanotechnology at the U.S. International Trade Commission. Her involvement with WIIT includes serving as Co-Chair of the Membership Committee; as member of WIIT's Board of Directors and its Awards Committee; and, most recently, as a member of the WIIT Charitable Trust Committee. In 2004, she was co-named as the "Outstanding WIIT Member of the Year." Elli has been a member of WIIT since 1990.

Catherine Robinson

Catherine Robinson is a Director at the National Association of Manufacturers. Her involvement with WIIT includes serving as a Co-Chair of the Europe Section and Legislative Affairs and Vice President of Programs from 2006-2009. In 2009, Catherine joined the WIIT Board of Directors and served as the alternative representatives in OWIT. In 2010, Catherine became the WIIT representatives to OWIT. Catherine was also the 2006 WIIT Member of the Year and has been a member of WIIT since 2004.

Nancy Travis

Nancy Travis is Vice President for Global Strategy and Analysis for the Advanced Medical Technology Association (AdvaMed). Travis has more than 15 years of international affairs and economics experience, with a particular focus on China trade issues. She worked on China and Taiwan's World Trade Organization accession negotiations and has been involved in assessing

compliance with WTO commitments. AdvaMed is a corporate sponsor of WIIT. Travis has been a member of WIIT since 2005.

Kristin Wedding

Kristin Wedding is Assistant Director of the Global Food Security Project and the Assistant Director of Corporate Relations at the Center for Strategic and International Studies (CSIS). Kristin joined WIIT in 2007 and has served as an editor on the WIIT Newsletter Committee for the past three years.

Serving 2009-2011 Terms

Marguerite Downey

Marguerite G. Downey is the Director of Communications & Client Services for Adduci, Mastriani & Schaumberg, LLP, an international trade firm based in Washington, D.C. with one of the largest ITC Section 337 practices in the United States. Before her current WIIT position, she served as a member of the Customs section. Marguerite is also the Co-Chair of the newly created IP section. She has been a member of WIIT since 2007.

Camelia Mazard

Camelia Mazard is a partner at Doyle, Barlow and Mazard PLLC. She focuses on all aspects of Antitrust and Trade Regulation Law. Camelia served on the WIIT Board from 2003-2006. In the past, she has served as the OWIT representative and VP of Professional Development, as well as WIIT's Election Chair, OWIT Alternate and on the PR committee. Cami has been a WIIT member since 2001.

Anku Nath

Anku Nath is Director of Trade Policy Advocacy at the U.S.-India Business Council, where she oversees advocacy on issues related to agriculture, retail and consumer goods in the U.S. and India. She also manages the Council's Strategic Trade Initiative which addresses broad, cross-sectoral trade and investment impediments in the U.S.-India bilateral relationship. Anku has served on WIIT's Special Events Committee in the past, and has been a WIIT member since 2005.

Susan Reardon

Susan Reardon is Director of Federal Affairs for Johnson & Johnson and is responsible for federal and international advocacy in Washington, D.C. on behalf of the medical device and diagnostics companies of J&J. She is new to the Board and has been a WIIT member since 2008.

Lisa Schroeter

Lisa is Director of International Policy for the Dow Chemical Company, specializing in trade and investment policy and political risk for the emerging economies. Previously, she has been WIIT Secretary, VP for Professional Development and a co-chair of a number issue/geographic committees. Lisa has been a member since 1999.

Sarah Smiley

Sarah Smiley is a Vice President in the Global Strategy and Analysis department of the Advanced Medical Technology Association (AdvaMed). Beyond market access and regulatory matters, she also interacts with UN agencies on trade and development issues. Her involvement with WIIT includes serving as a Co-Chair of the Membership Committee since 2009. Sarah has been a WIIT member since 2007.

Patricia Wu

Patricia Wu is a Director at C&M International, an international trade and economic policy

consulting firm affiliated with Crowell & Moring LLP. Patricia joined WIIT in 2001 and served as Services and Industry Co-Chair from 2004 - 2005. Prior to returning to Washington, Patricia was with The Estée Lauder Companies in New York and obtained an MBA from Harvard Business School, where she co-authored several published case studies focused on business strategy as it relates to government.

The current President and Past President also are members of the Board of Directors, each with one-year terms.

WIIT Trust Committee (2010-2011):

Nicole Bivens-Collinson (Chair)

Nicole Bivens Collinson is President of Trade and Legislative Affairs at Sandler, Travis & Rosenberg, P.A. where she serves on the firm's operating committee, heads the government relations practice group, manages the DC office and services clients on trade issues in the U.S. and globally. She has worked here for 16 years and previously worked at the Department of Commerce and the Office of the United States Trade Representative. For WIIT, she has served as the treasurer, secretary, President elect, President, Past President and as Chair of the WIIT Charitable Trust for the past 3 years. She has been an active member of WIIT since 1987.

Amy Breeman-Rhodes (Treasurer)

Amy Breeman-Rhodes is a Licensed Customs Broker and serves as an independent consultant to several Washington, D.C.-based companies and specializes in export management and import issues. A 1994 graduate of Hollins University with a B.A. in Political Science and Spanish, she also holds an M.B.A. from the University of South Alabama. Amy has been a member of WIIT since 2008 and has served as Treasurer for the WIIT Charitable Trust since 2009.

Randi Levinas

Randi Levinas, Executive Vice President of the U.S.- Russia Business Council, has been a member of WIIT since 1992 and served as Chair of the Elections Committee for three terms before joining the WIIT Board, and now the WIIT Trust.

Anku Nath

Anku Nath is Director of Trade Policy Advocacy at the U.S.-India Business Council, where she oversees advocacy on issues related to agriculture, retail and consumer goods in the U.S. and India. She also manages the Council's Strategic Trade Initiative which addresses broad, cross-sectoral trade and investment impediments in the U.S.-India bilateral relationship. Anku has served on WIIT's Special Events Committee in the past, and has been a WIIT member since 2005.

Elizabeth "Elli" Nesbitt

Elizabeth Nesbitt is an International Trade Analyst for Biotechnology and Nanotechnology at the U.S. International Trade Commission. Her involvement with WIIT includes serving as Co-Chair of the Membership Committee; as member of WIIT's Board of Directors and its Awards Committee; and, most recently, as a member of the WIIT Charitable Trust Committee. In 2004, she was co-named as the "Outstanding WIIT Member of the Year." Elli has been a member of WIIT since 1990.

Ashley Davis

Michaela Platzer

WIIT Hosts 2010 Annual Dinner and Awards Program

Michelle O'Neill Named WIIT Woman of the Year

During Women in International Trade's (WIIT) annual dinner on June 3, 2010, Ms. Michelle O'Neill, Deputy Under Secretary for International Trade, U.S. Department of Commerce, was awarded WIIT Woman of the Year.

Ms. O'Neill truly exemplifies the qualities that define the WIIT Woman of the Year: she has made outstanding contributions within the international trade arena; she has been a role model to other women in the field; and she is well-known and highly respected for her significant achievements and responsibilities. Her career boasts a long list of outstanding accomplishments achieved during a more than 20 year career at the U.S. Department of Commerce, where she has served in many important capacities and has been awarded a series of honors for her accomplishments.



As Deputy Under Secretary for International Trade, Ms. O'Neill is the highest ranking career official at the International Trade Administration. In her current role, she oversees the daily operations of the International Trade Administration and works with the Under Secretary to develop U.S. trade policy, including the development of the Administration's National Export Initiative. She also has responsibilities for identifying and resolving market access and compliance issues; promoting American competitiveness and the strength of U.S. companies in the global economy; administering U.S. trade laws; and undertaking a range of trade promotion and trade advocacy efforts. Her tireless efforts to push trade forward have been noticed and appreciated by WIIT members.

WIIT Acknowledges Outstanding Members

As the annual dinner held on June 3, 2010, Women in International Trade (WIIT) honored those volunteers that have served WIIT in extraordinary ways. Each year, WIIT selects an outstanding Committee/Section, member of the year, and a member exemplifying lifetime achievement within WIIT.

WIIT Committee/Section of the Year: Professional Development Section and Special Events Committee



From left: Maria DiGiulian, WIIT President (2009-2010), and WIIT Committee of the Year members Elizabeth Branson and Anku Nath.

This year, given their outstanding contributions, there were two awardees for the WIIT Committee/Section of the Year: The Professional Development Section and the Special Events Committee. In order to be named a WIIT Committee/Section of the Year, the Section or Committee must organize and sponsor extraordinary events on behalf of WIIT during the past WIIT fiscal year. The Section or Committee must also have planned and organized the required number of programs in the past year.

This year, the Board felt that the Professional Development Section and the Special Events Committee went above and beyond!

In addition to maintaining the mentoring program, the Professional Development Section also organized and presented events that were not only timely but also addressed current issues such as eldercare, preparing one's resume, fiscal responsibility, and furthering one's career in tough economic times.

The Special Events Committee also organized very-well received events, including the 2010 Reception for Women Ambassadors; the Winter Gala and Silent Auction; and the 2010 Annual Meeting and Dinner. The members of the Professional Development Section were **Theresa Harrison** and **Susan Schmidt**. The members of the Special Events Committee were **Adina Adler**, **Elizabeth Branson**, and **Anku Nath**.

WIIT Member of the Year: Carol Brewer

In order to qualify as member of the year, a member has demonstrated extraordinary commitment, sacrifice, and dedication to the organization over the past year and not be a current WIIT Board Member or Officer. This year's Member of the Year Award went to Carol Brewer. A dedicated member for many years, Carol volunteered this year to be WIIT's representative to the Organization of Women in International Trade (OWIT).

Little did she know, however, that this was the year in which OWIT would update its bylaws in an arduous, lengthy, and controversial process that had her reading page after page of revisions; participating in numerous discussions with WIIT's legal counsel; and, under instruction from the WIIT Board, questioning or opposing many of the proposed provisions. She also became the primary point person, contact, and cruise director when WIIT hosted the OWIT spring board meeting here in DC. She handled all of these unexpected, difficult, and time-consuming tasks with aplomb and with a smile-at the same time while planning and executing her wedding. It is this hard work, dedication, and wonderful outlook that earned Carol Brewer the WIIT Member of the Year Award.



From left: Carol Brewer, WIIT Member of the Year (2009-2010), and Maria DiGiulian, WIIT President 2009-2010

WIIT Lifetime Achievement Award: Susan Schmidt



From left: Maria DiGiulian, WIIT President (2009-2010), and Susan Schmidt, WIIT Lifetime Achievement Award (2009-2010)

The Lifetime Achievement Award was presented to Susan Schmidt. The Lifetime Achievement Award goes to a current member whose spirit and demonstrated commitment to WIIT throughout her career has improved the organization and inspired others during the past year. The member must be affiliated with the organization for at least 10 years and must be someone whose service in WIIT has had a significant impact on the organization and who has been a role model for others in international trade and inspired others to initiate careers in trade. As a longtime member, a past President, a former member of the Board, and a Section chair, Susan has fulfilled all of these qualifications. As a co-chair of the Professional Development Section, for example, Susan significantly enhanced the Section's stature, not only within WIIT but also to the public, organizing numerous events that inspired people to enter and succeed in careers in international trade. She is certainly a role model in dedication and support of WIIT.

China's Relationship with Latin America in Perspective^[1]

By: Tara Nicholson and Susan Schmidt

Introduction

China's expanding global presence and economic prowess are generating debate around the world. Beijing's going global strategy is fueled by strategic, political, ideological and economic interests that have prompted China's increasing expansion into developing regions.

In search of natural resources and viable export markets, the Chinese have unveiled a relatively new interest in Latin America. Recent high profile ventures with Brazilian, Ecuadorian and Bolivian energy interests have raised questions regarding the potential repercussions of China's self-stylized "peaceful rise" and fueling rhetoric of a broader political, social, security and/or diplomatic offensive in Latin America. However, China's true interests in the region remain economically driven, best viewed in the context of "commercial diplomacy." The differences are seen by contrasting China's engagement in Southeast Asia.

By recognizing China's primary objective and putting Chinese interests into perspective, Latin America can take advantage of the new opportunities presented to attract new investment, diversify its economic base, and increase economic development. Nevertheless, those benefits will not be realized if Chinese investors or traders encounter some of Latin America's longstanding obstacles to trade and commerce or Latin American countries embroil Chinese interests in high profile political situations.

China's Economic Interests in Latin America

China's strategy for engaging Latin America became evident in the wake of Chinese President Hu Jintao's visit to the region in 2004. The following year, Chile became the first Latin American country to sign a trade agreement with China, followed by Peru in 2008. The recent conclusion of talks with Costa Rica suggests a third agreement is on the way.

The pace of trade and investment has skyrocketed. China's trade and investment ties with the region have increased more than tenfold since 2000.^[2] Two-way trade topped \$143 billion by 2008, surpassing Hu Jintao's \$100 billion bilateral trade estimate three years ahead of projections. Just last year, China became Brazil's number one trade partner, surpassing the United States. Low-interest loans from Chinese policy and commercial banks facilitate investment growth region-wide. As testimony to its regional presence, China was inducted as a non-voting member into the Inter-American Development Bank in 2008.

China has both political and economic interests in Latin America, though the latter overwhelmingly dominate. The search to diversify sources of secure energy resources to power the Chinese economy drives Beijing's actions. With only 7% of the world's arable land, and 22% of its population, China has turned to resource-rich Latin America.^[3]

China's interest in securing access to energy resources is evident in the prevalence of investments directed toward mining and hydrocarbons, though it also has invested in the auto industry. Beijing has loaned billions of dollars to state-run energy companies throughout the hemisphere. Rather than signing long-term supply contracts, China has sought to purchase operational control of its raw material supply.^[4]

In mid-March of this year, China's state-owned oil company CNOOC announced a joint venture with Bidas Energy Holdings, which conducts oil and gas exploration in Bolivia, Chile and Argentina.[5] Just a few months earlier, China agreed to lend \$10 billion to Brazil's Petrobras in exchange for a guaranteed supply of oil for the next ten years. Chinese companies have also inked oil deals with Venezuela, such as the \$6 billion loan made by the CDB, one of China's largest state-owned enterprises. In addition, Chinese companies have bought stakes in Ecuadorian oilfields, and there is talk of building a refinery in Costa Rica.[6]

China has begun to provide financial assistance for projects outside of the energy sector. However, this diversification supports similar goals. Investments in Brazil have focused on infrastructure projects that facilitate the extraction of commodities for shipment back to China. China provided a \$4 billion dollar loan to Venezuela last year for rural development programs, fisheries, and agricultural cooperation. Analysts believe the package is designed to keep Venezuela engaged, so that China can further secure access to its oil reserves, the largest in the western hemisphere.

In addition to energy resources, China's other major imports from Latin America are commodities, including copper, zinc, iron ore, timber, and soybeans. Since early 2000, China's commodity imports have increased 37.7% per year on a compound basis. Brazil, Chile, Argentina, and Peru accounted for more than 75% of China's commodity imports from Latin America in 2008.[7]

China also has begun to export a range of manufactured goods to the region, mostly consisting of computer products, clothing, toys, and shoes. Latin America has become a more attractive consumer market as much of the region experienced relatively strong currencies and solid GDP growth in the last few years. While less expensive Chinese products have been well received by many countries, they have seriously damaged some manufacturing sectors in Brazil and Mexico.

China's Economic Agenda as a Stepping Stone to a Broader Sphere of Influence

If China's engagement in Latin America were solely economic, some of the rhetoric regarding the country's growing "influence" in the region would be silenced. But China has only moved cautiously beyond trade and commerce. In 2008, China published its first policy paper on its strategy for engagement with Latin America and the Caribbean. The number of presidential visits and high-level diplomatic meetings has increased alongside cultural exchanges. China has engaged in high profile military weapons sales, while continuing to promote exchanges of military attaches. It also seeks political recognition for its one-China policy in exchange for financial assistance and access to its domestic market.

These efforts have occurred as many countries in Latin America are politically shifting toward the left, a move often accompanied by anti-U.S. rhetoric. Venezuelan President Hugo Chávez may soon test China's ability to balance economic interests that have a political cast, as China is forced to decide whether its military trade and support (sales of satellites and intelligence-gathering equipment, visits by planes and naval ships, etc.) are worth the risk of engaging the United States over the issue.

Even though it may view the region as the "main battleground" in the struggle for diplomatic recognition,[8] China consistently emphasizes its apolitical aims in a bid to assuage concerns regarding its growing influence in the United States' backyard. Forays beyond trade and commerce remain a distant priority.

Contrasting China's Broader Political, Security and Social Agenda with Southeast Asia

Perspective is provided by comparing China's engagement in Southeast Asia. Proximity drives strategic and economic interests. Southeast Asia offers an expansive market for Chinese goods, and is an abundant source of the natural resources China requires. China is Southeast Asia's third largest trading partner, with total trade between China and ASEAN of \$215 billion in 2009.[9] Trade is expected to further expand with the 2010 ASEAN-China trade agreement.

Physical proximity demands an engagement beyond economics. Threats to regional stability and security directly affect China. China's strategic interests are reflected in its past support of political regimes in Thailand, Malaysia and Cambodia, as well as its current support of Burma.

China maintains a highly visible military presence in Southeast Asia that reflects its dependence on maritime trade and imported energy supplies. Longstanding, but growing, disputes over the South China Sea lanes, coupled with China's rapid naval modernization, present a major concern to other Southeast Asian nations.

Cultural ties reinforce China's regional interests. Many Chinese have migrated throughout Southeast Asia. In 2004, China opened its first Confucius Institute in Asia; today there are 70 throughout the region. Cultural and study exchanges abound, and there are several venues through which the Chinese government seeks to project Chinese culture, such as the China-Cambodia Friendship Radio.

What China's Growing Interests Offer Latin America

China must continue to look externally for the resources it needs and the markets that allow it to maintain strong economic growth. The challenge for Latin American countries is to understand the context of China's engagement and its priorities. China's regional priorities are focused, secondary, and more tentative than in a region such as Southeast Asia. Investments and political maneuvers have, to date, served to further mainly economic interests.

Economically, China's interests have been a boon to commodity exporting countries. Yet, China's actions support its own interests and needs first, sparking fears that Chinese demand is encouraging propagation of the familiar "resource curse." Moreover, China has shown itself to be a strong competitor to manufacturing sectors in the region. The challenge for Latin America is to expand, channel, and leverage China's interests for the long-term growth and benefit of its economies.

That increasing interest may present an opportunity for countries in the region to address barriers to more productive economic capabilities. Infrastructure investments can reduce costs and increase transportation and production efficiency. Competition for investment may spur countries to address recognized obstacles to trade and competitiveness. Depending on the country, these may include tariff barriers, regulatory inefficiency and lack of transparency, archaic tax provisions, incomplete rule of law, rigid labor regimes, lack of human capital, or lack of innovation incentives.

Chinese investors are less accustomed to doing business in the region. There are no direct flights between China and Latin America and the Caribbean, and neither Portuguese nor Spanish are common languages for many Chinese. Few Chinese have a depth of understanding about Latin America's complicated politics. Latin America's tendency to "talk left" while maintaining more orthodox economic policies creates uncertainty. Long term investors are made uncomfortable with the instability and political risk.[10] Latin American countries that present an image characterized by rhetoric may risk losing investment or business opportunities to those that offer predictability and less risks of entanglement in non-commercial pursuits.

Conclusion

China's relations with Latin America are driven by the joint desire for mutually beneficial economic relations and a multi-polar world. The country's increasing presence in Latin America is neither a panacea for the region's economic challenges nor a substitute for its historical economic relationships. Although China is laying the groundwork to expand its influence in Latin America that influence will primarily serve China's own commercial interests. China's largely economic focus in Latin America is evident by contrasting the breadth and depth of China's interests and relations in Southeast Asia.

The opportunity for Latin America then lies in making China's interests a part of long-term economic strategy in the region. Long-term country attempts to turn China's primarily economic interests into political tools are likely to be unsuccessful. Regional growth and diversification will not be achieved misunderstanding China's primarily economic interests. The challenge is to transform the opportunity provided by a more diverse trade and economic relationship into domestic benefits and sustained growth and development. That will be accomplished only with perspective on an increasingly multilateral economic structure.

[1] Tara Nicholson is an intern with ManattJones Global Strategies and a candidate for a dual MA/MBA degree from the Johns Hopkins School of Advanced International Studies and The Wharton School at the University of Pennsylvania. Susan Schmidt is a partner at the law firm of Manatt Phelps & Phillips and Managing Director at ManattJones Global Strategies.

[2] *China - Latin America Commodity Trade & Investment: Enduring Trends Toward 2027*, p. 0.

[3] *China - Latin America Commodity Trade & Investment: Enduring Trends Toward 2027*, p. 2.

[4] Kroll, "Decade of the Panda?" January 2010, No. 89.

[5] *Inter-American Dialogue's Latin America Advisor - Energy*, March 15-19, 2010.

[6] *Economist*, "The Dragon in the Backyard," August 15, 2009.

[7] <http://www.prnewswire.com/news-releases/sinolatin-capital-releases-china---latin-america-commodity-trade--investment-white-paper-at-fudan-university-latin-america-investment-seminar-72487062.html>

[8] *Chinese Soft Power and Its Implications for the United States*, Center for Strategic and International Studies, pV.

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Enhancing Customs Transparency in APEC - A Step Toward True Free Trade in the Region

Development of the Next-Generation Interactive APEC Tariff Database to provide commercially-relevant tariff information in support of improved access to APEC markets

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Summary

To improve transparency of tariff and trade information within APEC, interested stakeholders are pursuing the development and launch of the next-generation APEC tariff database - an interactive, comprehensive, one-window portal to obtain commercially relevant tariff and trade information. The database is viewed as an important trade facilitation tool to support business access to APEC markets, help export growth in the region and set the standard for similar initiatives in other regions.

Background: Efforts to Improve Transparency of Tariff Information in the Asia-Pacific Region

The 21 member economies of the Asia-Pacific Economic Cooperation Forum (APEC) account for approximately 54.2 percent of world GDP and roughly 43.7 percent of world trade. In order to sustain and enhance this tremendous volume of trade, APEC economies have painstakingly worked to reduce tariffs and other trade barriers across the Asia-Pacific region in order to create more efficient domestic economies and dramatically increase exports.

Clearly, APEC economies have made considerable progress. However, barriers to free trade and investment in the region remain, particularly in the area of customs transparency. Customs transparency is regularly cited by the private sector as a major impediment to doing business in the APEC region. The lack of readily available information regarding applied tariff rates, rules of origin and the details regarding various trade preference arrangements negotiated among various APEC members makes it difficult for companies to take full advantage of the trade liberalization carefully negotiated by governments throughout the region.

An APEC Business Advisory Council (ABAC) funded University of Southern California (USC) Marshall School study conducted in 2007 highlighted the significant number of free trade agreements (FTAs) in the region. The study identified 23 FTAs in force and 20 more pending. However, the study also found that many companies do not take advantage of the benefits of the FTAs due to the complexity of the agreements and difficulty in obtaining information regarding rules of origin and customs compliance.

This was particularly true for small and medium-sized enterprises (SMEs). These companies simply do not have the resources necessary to navigate the complex trade environment and often determine that it is easier to forgo the trade benefits offered by the FTAs rather than to commit the resources necessary to comply with the various trade requirements established by them. This, the study found, creates a significantly unfair competitive disadvantage for SMEs vis-à-vis larger companies operating in the region since larger firms generally have greater resources to manage their trading operations. However, even large firms forego significant trade benefits because of the difficulty in and cost of obtaining accurate information.

A Step Towards a Solution: Development of the Next-Generation, Interactive APEC Database to support increased access to APEC markets

In order to rectify this problem and extend the benefits of freer trade to all companies, a group of companies and trade associations have proposed that APEC members pledge to revitalize their commitment to customs transparency aimed at eventually establishing an APEC-wide database of customs information that would be accurate, up-to-date, interactive and easily accessible to all governments and private sector companies operating in the region. This database would include information regarding each APEC member economy's applied tariff rates for all products contained in its Harmonized System tariff schedule as well as additional information regarding any preferential duty rates that the economy might apply on products entering from another APEC member. The database would also include detailed information on the rules of origin associated with preferential trade treatment. The database would be fully searchable so that users could quickly and easily determine the "rules of trade" for imports and exports within the APEC region.

Benefits for APEC Members: Facilitating trade for MNCs and SMEs within the region

In 1997, APEC initiated the APEC tariff database which was housed on the APEC Secretariat's website. The aim was to assist stakeholders in obtaining tariff information. However, only limited tariff information was included and preferential tariff rates and rules of origin were lacking. Technical and financial support for the database ended in 2009 and no database for the region currently exists.

Launching a current, transparent and interactive database of this information offers tremendous benefits for APEC members. The database would help companies in all member economies take full advantage of regional trade liberalization. SMEs would benefit significantly from this initiative since greater transparency with respect to the "rules of the road" for trade in the region will help them to compete on a more level playing field with larger companies.

APEC member governments also stand to gain from this initiative, not only because the initiative will help improve competitiveness of their private sector and boost economic growth, but also because it will help fight corruption. A lack of transparent customs information creates an opportunity for corruption since only a select few officials control the terms of trade across borders. Making basic customs information available to all stakeholders in a transparent way lessens the opportunity for dishonest officials to take advantage of legitimate companies operating in the region.

A Path to Implementation: Bringing the APEC Tariff Database to Users in the Region

To achieve customs transparency objectives, APEC leaders have committed to publishing up-to-date and accurate customs information, including but not necessarily limited to the data described above, on their own individual government web sites. This commitment should be realized as soon as possible so that the next phase of the initiative can advance.

Business looks forward to a public-private partnership to attain customs transparency as both the private sector and governments will benefit from such a project. Costs to launch and maintain the database will significantly decrease as access to information is improved through the commitment by the 21 APEC economies. Ideally, this customs database will be a foundation for a global transparent database of customs information. A pilot database will be launched in second half of 2010 for evaluation by interested stakeholders. To that end, the following implementation plan has been outlined:

- Demonstrate the capabilities of a commercial database: Prior to the launch of a pilot database, interested companies and associations will be invited to view the capabilities and functionalities of a commercial database. The demo will be provided by a global commerce management firm and will highlight how tariff information and rules of origin can be presented and utilized by users. Demo of the interactive database is expected in spring/summer 2010.
- Beta-test the pilot database to obtain feedback on functionality and ease of use: Prior to implementing a fully active database, a pilot database will be launched mid to late 2010 to obtain feedback and input from companies of all sizes (including SMEs) and all APEC economies on depth and breadth of information available, functionality and ease of use. The pilot database will be available for beta testing through at least December 2010. The scope of the pilot includes

a) Tariff information for 16 of the 21 APEC economies available immediately including Australia, Canada, China, Chile, Hong Kong, Indonesia, Japan, Korea, Mexico, Peru, Philippines, Singapore, Taiwan, Thailand, United States, and Vietnam with more available by the fall of 2010 including Malaysia, New Zealand, Papua New Guinea and Russia;

b) Preferential tariffs available via certain free trade agreements and preference programs including ASEAN, ASEAN-Australia/New Zealand FTA, Australia-Thailand FTA, Canada-Peru FTA, Japan-Mexico FTA, North American Free Trade Agreement (NAFTA), US-Australia FTA, US-Chile FTA, US-Peru FTA, and Generalized System of Preferences (GSP) for developing countries;

c) Preferential rules of origin linked to tariff codes for select FTAs; and

d) Future-casting of tariff preferences via implemented phase-out schedules for certain FTAs.

- Launch interactive APEC tariff database in 2011: Building on the pilot and incorporating input from interested stakeholders, a fully active commercial database will be launched in 2011. All users - SMEs, MNCs, governments, NGOs -- will ultimately be able to access data on all APEC economies' tariffs, preferential rates, preferential ROO and future tariff reductions for more than 40 APEC FTAs. The full database will also include implementation of advanced functionalities and flexibilities via subscription.

Industry Support and Participation: SMEs, MNCs and associations leading launch and implementation

Representatives from U.S.-based multinational corporations and trade associations have recognized the need for such an effort and believe that if such a system were in place, it would be extremely helpful in the facilitation of trade, not just for U.S. businesses, but for all sized businesses - from the large multinationals to small and medium sized enterprises - across the APEC region.

The team leading the initiative includes Levi Strauss & Co., the U.S. Council for International Business, the National Center for APEC, and the US-ASEAN Business Council; and SME service providers TradeMoves LLC and Mercor Consulting. The project is part of this year's ABAC work plan and the lead team is now working with ABAC to collect input on and raise awareness for the project.

Checkers or Chess - A Book Review on "Poorly Made in China"

By Celeste Zhao, Principal, MandarinAdvisor.COM

Gift giving in China goes beyond holidays and birthdays. Like any Chinese would tell you, "One can't just show up empty handed." Whenever I go back to China to visit friends and relatives, I always try to bring something for everyone from America. But this is always such a challenge! Giving "Made in China" presents to the Chinese is a bit thoughtless, especially when you are visiting from overseas, no? So recently I've been sticking to gourmet foods made in the USA, such as Alaskan smoked salmon, cheeses and of course California wine. But considering China is a country of lactose intolerance, the cheesy idea only goes so far. Yet a Harley Davidson doesn't quite fit the bill of a token gift.

Recently I received an email marketing Paul Midler's book "Poorly Made in China". Though the email was an auto generated marketing gimmick, I was glad that my blog had been "discovered" by relevant web crawling robots. A week later, a good friend recommended the very same book and lent me his copy. Hence, my reading began.

The book's title sets the tone and forewarns readers that only the worst case scenarios and the underbelly of China manufacturing are to be illustrated. It is an entertaining read. The stories and characters are undoubtedly real, and could have only been written by someone with extensive experience in southern China. Although Mr. Midler and I differ in how we interpret Chinese cultural nuances and U.S.-China relations, the book has many merits. I particularly like the following passage.

"Tourists had a more enlightened view of China. Business travelers saw the place as a mere backdrop to their business transactions. Bernie had little patience for information that he considered beside the point. To him, cultural lessons on the place or the people were like so much static-"red noise"-that did not illuminate as much as interfere with an otherwise clear signal... Importers rarely wanted to know about history, just as they didn't care about macroeconomic trend data."

This attitude is what makes working as a U.S.-China consultant so difficult. What clients don't know and don't want to know is often detrimental to the strategic decision making. Mr. Midler obviously suffers quite often from his client's oblivion.

Despite the insightful story and witty jokes, the cultural commentary woven into this book, as well as the short and sudden conclusion on U.S. China trade relations were a bit disappointing. On one hand the author reckons the Chinese manufactures are only thinking short term, on the other hand he argues that "Importers were thinking checkers, while manufacturers were playing chess." I thought the author, in his final chapter, would have prescribed at least some strategies for this board game. Without going into much specifics, Mr. Midler states the following on the last page:

"Improved structural conditions made possible then might have more appropriately set the stage for stability going forward. Instead, American politicians and business leaders rushed headlong into greater levels of interdependency with China, a nation whose reliability is questionable."

"This decision, to fling open wide the doors of trade with China-before we were ready, before China was ready, before we understood what we were getting into; an action motivated by our own greed-this decision more than anything else was the one thing related to China that was truly poorly made."

But how can the U.S. or China be truly "ready"? Mr. Midler's view that such readiness could exist in the complex dynamic of US-China trade is fanciful. The dynamic is evolving at lightening speed before our eyes. What to do going forward seems to be a more appropriate focus for both sides than analyzing irrevocable decisions. If the U.S. were to start "playing chess" in this very important bilateral trade relationship, Mr. Midler, as a field agent, could have offered some valid strategies, which would have enhanced this educating book.

While "Made in China" items are still everywhere, the cheap chic stores are quietly stocking "Made in El Salvador" and "Made in Vietnam" goods. Maybe my gift-giving dilemma will finally be solved, yet the U.S.-China trade chess match is only starting.

**The views expressed in this article are personal to the author and do not necessarily represent the views of WIIT.*

Upcoming Events

The WIIT Charitable Trust presents TRADE 101: EXPORTS

Join us in the Capitol, Room H-137, to learn more about trade and exports from prominent leaders in the field.

Featuring:

- Dr. Mine Senses, a professor from Johns Hopkins University
- Shayerah Ilias, a trade analyst from the Congressional Research Service and
- Ken Wasch, president of the Software and Information Industry Association

Monday, July 26, 2010

12:00 noon to 1:30 p.m.

Complimentary lunch will be provided

Registration required; limited to 30 individuals

To register, click [here](#)

(Separate registration for Girl Scout program below)

**The WIIT Charitable Trust
presents
THE INTERNATIONAL TRADE WORKSHOP
FOR GIRL SCOUTS**

A hands-on workshop on Capitol Hill for understanding international trade.

Join us in the Capitol, Room H-137, to learn more about trade and exports
from prominent leaders in the field.

Includes **TRADE 101: EXPORTS** described above.

A great opportunity for Girl Scouts to understand more about how
trade affects us and connects us.

Not to mention, a chance to earn an International Trade Patch.

Monday, July 26, 2010

10:15 a.m. noon to 2:00 p.m.

Lunch will be provided

Admission is free, but you must be registered to attend.

Registration ends July 16, 2010

To register, click [here](#)

Recent Events

Dealing with Elder Care: Issues for Working Professionals May 6, 2010

Morris Klein, a certified elder law attorney and member of the National Academy of Elder Law Attorneys, spoke at the final WIIT Professional Development event of the WIIT year on "Dealing with Elder Care: Issues for Working Professionals." Today's working professionals often find themselves caring for elderly parents or relatives in addition to their own children. Mr. Klein ably explained the often confusing range of options and programs for managing finances and health care decisions as well as for long-term care. He described a range of tools, including powers of attorney, guardianships, gifting, assisted living, nursing home and long-term care, special needs and regular trusts, and disability planning through private pay, insurance, public sources and the new CLASS Act. With planning today, busy professionals better understood how to manage the challenges of elder care issues for themselves and their families.

WIIT Hosts OWIT International Board and New Executive Committee
April 9-10, 2010

The Organization of Women in International Trade ("OWIT") held its Spring Board meeting in Washington, DC during the weekend of April 9-10. WIIT, the largest chapter of the 25 chapters comprising OWIT International, was pleased to host the first major meeting of the organization since the newly elected Executive Committee took office in March. All 15 Executive Committee members participated in the meeting, 12 of whom were here in person. Representatives from 14 chapters participated either in person or by phone. WIIT was represented at the meeting by Carol Brewer, OWIT Representative, and Catherine Robinson, OWIT Alternate. In addition, several other members of the DC chapter participated in the meeting as members of the new Executive Committee: Angela Marshall Hofmann, President; Cami Mazard, Vice President, Conference; Andrea Ewart, Vice President, Chapter Support, and Tamuna Gabilaia, Assistant Treasurer.

We were excited to be able to offer our OWIT colleagues activities in addition to the business meeting. We kicked off the weekend with the terrific brown bag program on the National Export Initiative. On both evenings of the weekend, we brought together several former WIIT DC board presidents and representatives of like-minded organizations, including Women in Government Relations and WEConnect International, to join the OWIT Board and Executive Committee for networking and dinner. Special thanks go out to chapter members Carol Brewer, Cami Mazard, and Barbara Linney for organizing the Board meeting and associated activities.

The business meeting was both informative and productive. Ms. Hofmann began the meeting by outlining her goals for OWIT: (1) increase the growth of OWIT worldwide by growing current chapters and strategically developing new chapters and virtual membership; (2) to promote the value of the organization's professional network; and (3) utilize technology to better communicate and offer enhanced programming, for example, through webinars. She told the board members that she would like everyone's input in identifying how the international organization can provide value to individual chapters, and in developing a five-year strategic plan to set and accomplish specific and manageable goals.

Several chapters, including DC, made brief presentations on best practices. Two new chapters - Ottawa and Phoenix - were introduced and the apparent success of the Virtual Membership for individual interested in OWIT membership but not geographically located near an existing chapter was noted. The remainder of the meeting focused on an overview of each functional area and a brief presentation by each vice president of her goals. A report on OWIT's financial condition along with analysis and recommendations was presented by the treasurer.

An "action items" list was developed for chapter representatives to take back to their local boards for discussion and ultimately action. In general, areas to be addressed in the coming months include review/revision of the OWIT Board and Executive Committee roles and responsibilities, possible revisiting of the privacy policy, finalizing the standard chapter operating procedures, development of an 18-month OWIT International calendar, development of marketing and partnership strategies, launching of regularly scheduled webinars, and developing a tool kit for chapters.

In October, chapter representatives will travel to Mexico City for the Fall Board meeting. In the meantime, OWIT International business will be conducted electronically and via monthly conference calls.

Announcements:

Join our Linked In Group or follow us on Facebook and Twitter!



New!

