

China News Digest

January 02, 2017



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LATEST NEWS

Synching South America with the world

<http://www.ecns.cn/business/2016/12-19/238209.shtml>

19 December 2016, *China News Service*

Abstract:

This brief article details efforts by the State Grid Corporation of China to land UHV (Ultra high-voltage) electricity transmission projects in Brazil. The contract will create approximately 36,000 local jobs, and will improve electric infrastructure in Brazil. The article demonstrates efforts by Chinese companies to invest in South American countries to increase economic ties. Observations of particular interest include:

- “China is a country with rich experience in building large-scale power transmission infrastructure, so it has become the first choice for other countries in need.”
- “State Grid will work on its international business and major projects centered around the Belt and Road Initiative, and strongly promote China’s ‘going global’ push in-technology, equipment, management and power industry standards.”



Brazilian state-run energy giant Petrobras signed a \$5-billion 10-year financing deal with the China Development Banc Corporation

<https://sputniknews.com/business/201612171048675666-petrobras-china-brazil-oil/>

17 December 2016, *Sputnik*

Abstract:

This brief article details financing deal between the China Development Banc Corporation and Petrobras. Petrobras, still struggling from corruption probes and scandals, also signed deal with three Chinese oil companies for delivery of 100,000 barrels per day.



RECENT BACKGROUND

Investments from China contribute to Latin American countries' economic upgrade

<http://www.globaltimes.cn/content/1025189.shtml>

22 December 2016, *Global Times*

Abstract:

This brief article about Chinese investment in Latin American countries focuses on increased investment in Latin America's infrastructure and energy sectors, which will stimulate economic development in the region and increase dependence on China.

"In the first half of 2016, trade between China and Latin America dropped 11.3 percent to \$99.2 billion, partly due to the overall global sluggish demand, according to the Ministry of Commerce (MOFCOM). Despite the decline, China still became the region's second-largest trading partner this year."

At this time, projects like the hydroelectric station and turbines, "with a focus on infrastructure and new energy, will provide [these countries] with the stimulus to upgrade their current economic structure, and even serve as a new engine of growth," says Jiang Shixue, director of Latin American Studies at Shanghai University.



China and Spain in Latin America: Cooperate or Compete

<http://thecorner.eu/world-economy/china-cooperar-o-competir/60393/>

20 December 2016, *The Corner*

Abstract:

This editorial details the opportunity for increased trade between China and Spain, resulting from the increased economic presence of China in Latin America. Currently there is “little connection” between Spain’s position as the second most important investor in Latin America and China’s place as the top lender in the region. The article describes the economic momentum gained by China, specifically through investment in Chile and support to Argentina’s Central Bank.

Jiang Sheng, a director of Zhisland, a private Chinese business association of groups of the major investors) is quoted: “Spain should use its influence in Latin America to do business with China.”

The article’s author Alberto Lebrón, states: “China could, perhaps, solve a lot of the problems which it has in the region today. And for Spain, China’s financial contribution could be a determining factor if it wants to maintain its investment momentum in Latin America.”



China faces trade friction with developing markets

<http://www.ecns.cn/business/2016/12-16/237924.shtml>

16 December 2016, *China News Service*

Abstract:

This article describes trade frictions between China and South American countries. Issues take the form of protectionist measures such as anti-dumping probes.

Argentina recently initiated five probes against Chinese imports, involving steel pipes and home appliances. In 2015, 49 anti-dumping/subsidy probes were initiated by developing countries against china, a 22.5% increase from 2014.

Chen Fengying, an expert at the Institute of World Economics Studies under the China Institute of Contemporary International Relations, states: “Most Chinese services and products sold to foreign consumers are the similar as products emerging countries are developing themselves... The lack of differentiation will continue to create heated competition and will spur more complaints from other developing countries and regions...”



Latin America's deepening relationship with China speaks of a new world order

<http://www.csmonitor.com/World/Americas/Latin-America-Monitor/2016/1214/Latin-America-s-deepening-relationship-with-China-speaks-of-a-new-world-order>

14 December 2016, *The Christian Science Monitor*

Abstract:

This editorial details the emergence of China as a global economic hegemon, and its implications. The author points to global trends, such as weak Atlantic (EU and U.S.) growth and trade in wake of the 2008 financial crisis compared to the sustained growth of the Asian-Pacific region. Other factors include the presumed withdrawal of the U.S. from the Trans-Pacific Partnership advocated by President-elect Donald Trump, in pursuing an anti-globalization policy. Implications of this new economic order include increased Chinese multilateral trade in Latin America, and a global transition into a multi-polar world with no single region dominating world trade.

“After several centuries in which power has been concentrated in the West, the emergence of new powers in a multi-polar world will naturally bring about changes in the norms and rules governing the international agenda.”



Will Trump match investment incentives offered by China?

<http://www.atimes.com/article/will-trump-match-investment-incentives-offered-china/>

14 December 2016, *Asia Times*

Abstract:

This is an interview with former U.S. trade negotiator Clyde Prestowitz on the status of American trade after President-elect Donald Trump takes office. The likely trade measures that Trump could take, Prestowitz says, include anti-dumping duties on Chinese steel, a surcharge on financial investments entering the U.S. from other nations, and reciprocal actions to match investment incentives.



Is Latin America of strategic importance to China?

<http://thediplomat.com/2016/12/is-latin-america-of-strategic-importance-to-china/>

13 December 2016, *The Diplomat*

Abstract:

This editorial evaluates whether Latin America has strategic importance to China, in light of a policy paper released in November on Latin American and the Caribbean. Latin America is one of the “emerging priorities for Chinese leadership”.

The editorial gives historical context to the Chinese relationship with Latin America and the “third world.” It addresses the question by framing Chinese foreign policy as “creating a multipolar economic and political international order wherein the Middle Kingdom revives its customary position at the core of international affairs.” Within this framework, the editorial answers the question with a geopolitical evaluation of China moving away from “third worldism” towards multilateralism, warding off Western resolutions condemning Beijing by courting Latin American support. The Chinese response to the U.S. “pivot to Asia” is emerging as movement into Latin America, a traditional American sphere of influence.

