

Trade, Investment, Technology, and Training Are China's Tools to Influence Latin America

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THE POWER OF ECONOMIC TIES

In the 1990s, China wielded modest influence in Latin America and the Caribbean (LAC), a region where the United States has traditionally exerted extensive influence. Representing almost 40 percent of the region's gross domestic product (GDP), Brazil sent just 2.8 percent of its exports to China in 2000. Brazil's main trading partner was the United States, with a share of 24 percent of Brazilian exports. Chile shipped 5 percent of its exports to China in that same year, but 17 percent to the United States.

Almost twenty years later, this picture has inverted. Despite the ten thousand miles that separate Brasilia from Beijing, China was the destination of 27 percent of all merchandise Brazil sold abroad in 2018, while the United States received only 12 percent. The change in Chile was even more dramatic: 34 percent of its exports went to China in 2018, while the United States and Europe received much smaller shares.¹

If we consider LAC as a whole, the percentage of exports to China went from 1.1 percent in 2000 to 12.4 percent in 2018, while those to the United States fell from 58 percent to 43 percent in the same period. But these numbers are heavily influenced by the strong trade

¹ World Integrate Trade Solution, "Brazil Product exports and imports By Country and Region 2000," <https://wits.worldbank.org/CountryProfile/en/Country/BRA/Year/2000/TradeFlow/EXPIMP/Partner/all/Product/Total>; "Chile Product exports and imports By Country and Region 2000," <https://wits.worldbank.org/CountryProfile/en/Country/CHL/Year/2000/TradeFlow/EXPIMP/Partner/all/Product/Total>; "Brazil Product exports and imports By Country and Region 2018," <https://wits.worldbank.org/CountryProfile/en/Country/BRA/Year/2018/TradeFlow/EXPIMP/Partner/all/Product/Total>; Chile Product exports and imports By Country and Region 2018" <https://wits.worldbank.org/CountryProfile/en/Country/CHL/Year/2018/TradeFlow/EXPIMP/Partner/all/Product/Total>, World Bank, accessed March 29, 2020.

relationship between Mexico and the United States, which skews the region's overall trade picture. When we exclude Mexico from these calculations, China becomes the largest destination of the region's exports, with a share of 21 percent in 2018, compared to 15 percent of the United States.²

For most of the 2000s, the story of rising trade between China and Latin America was driven by the commodities boom that propelled Latin American economies and allowed governments in Brazil and elsewhere in the region to adopt policies targeting poverty and inequality. When the prices of iron ore, soybean, copper, and other primary exports came down at the beginning of the following decade, many countries felt the punch and suffered slower growth or recessions.

China, however, did not just maintain (and expand) its place as an export destination for the region after the 2000s. It also changed the nature of its engagement with many countries, through infrastructure construction in Latin America and a marked increase in direct investment in areas as diverse as mining and oil, automobile manufacturing, finance, clean energy, and hydropower. From 2005 to 2019, the value of Beijing's investments and construction contracts in LAC reached \$191 billion. Almost all of it (92 percent) was concentrated in South American countries.³

The United States has invested in Latin America for more than a century and has a larger stock of capital than China. Nonetheless, recent flows from China into Latin America have rivaled inflows from the United States. Beijing has invested \$28.24 billion in Peru since 2005, a figure that is equal to 13 percent of the country's GDP. Argentina has received US\$ 25.17 billion, 4 percent of its GDP. Venezuela received \$20.28 billion and Ecuador received \$12.94 billion, close to 13 percent of its GDP. In absolute terms, Brazil was the leading destination for

² World Integrate Trade Solution, "Latin America & Caribbean Product exports and imports By Country and Region 2000," <https://wits.worldbank.org/CountryProfile/en/Country/LCN/Year/2000/TradeFlow/EXPIMP/Partner/all/Product/Total>; "Mexico Product exports and imports By Country and Region 2000," <https://wits.worldbank.org/CountryProfile/en/Country/MEX/Year/2000/TradeFlow/EXPIMP/Partner/all/Product/Total>; "Latin America & Caribbean Product exports and imports By Country and Region 2018," <https://wits.worldbank.org/CountryProfile/en/Country/LCN/Year/2018/TradeFlow/EXPIMP/Partner/all/Product/Total>; "Mexico Product exports and imports By Country and Region 2018," <https://wits.worldbank.org/CountryProfile/en/Country/MEX/Year/2018/TradeFlow/EXPIMP/Partner/all/Product/Total>; World Bank, accessed March 29, 2020.

³ China Global Investment Tracker, American Enterprise Institute, <https://www.aei.org/china-global-investment-tracker/>

Chinese investment, receiving \$69 billion since 2005.⁴ The Brazilian government estimates that from 2003 to 2019 Chinese inbound investments totaled \$80.5 billion, only a bit lower than the \$83 billion committed by U.S. companies in the same period.⁵

As the Atlantic Council's André Soares puts it, no other large emerging country has built an economic relationship with China like Brazil.⁶ When they ride the subway, residents of Rio de Janeiro are transported in Chinese trains. In São Paulo, one of Uber's competitors is 99, owned by Didi, a ride-hailing company founded in Beijing in 2012, which is also present in Argentina, Chile, Colombia, Costa Rica, Peru, and Mexico. Around 35 percent of the mobile communications of Brazil pass through Huawei equipment. State Grid, a Chinese electrical utility company, has built two transmission lines from the Amazon to the large cities in Brazil's southeast. These lines are the longest ones in the world to use ultra-high voltage technology, which increases transmission efficiency across long distances.⁷ In 2017, State Grid bought CPFL, the leading Brazilian electricity utility in terms of revenue.⁸ Overall, Brazil is the world's fifth largest destination of Beijing's investments and construction abroad.⁹

These economic ties have created local constituencies in Brazil with vested interests in a good relationship with China. This dynamic was evident for many years in the United States, where the business community used to promote warm U.S.-China relations and lobby against measures that could affect their investments in China.¹⁰ The phenomenon has receded somewhat in recent years, after U.S. companies began raising concerns about increasingly hostile business conditions in China, and the U.S. government became more worried about a range of security

⁴ China Global Investment Tracker, American Enterprise Institute.

⁵ Brazilian Ministry of Economy, "Boletim de Investimentos Estrangeiros – Países Selecionados," November 6, 2019, file:///Users/clauidiatrevisan/Downloads/Boletim%20de%20Investimentos%20Estrangeiros%20+%20anexo%20BRICS_n%C2%BA%203.pdf, accessed February 28, 2020. It is not easy to obtain precise data about Chinese investments abroad, since in many deals the official source of the resources are tax heavens or Hong Kong. Most database rely on news stories. There are differences in methodology, which help to explain the discrepancy between the numbers of the China Global Investment Tracker and the Brazilian Ministry of Economy.

⁶ Interview with André Soares conducted by the author.

⁷ Janaina Silveira, "State Grid prioriza ambiente na primeira linha de utra

⁸ "China State Grid acquire controle acionário da CPFL Energia," G1, January 24, 2017, <https://g1.globo.com/economia/negocios/noticia/chinesa-state-grid-acquire-controle-acionario-da-cpfl-energia.ghtml>; Bruna Alves, "Leading companies in the electricity sector in Brazil in 2018, based on net revenue," Statista, February 5, 2020, <https://www.statista.com/statistics/814844/brazil-electricity-sector-company-net-revenue/>

⁹ China Global Investment Tracker, American Enterprise Institute.

¹⁰ Robert Dreyfuss, "The new China lobby," December 19, 2001. <https://prospect.org/world/new-china-lobby/>

and ideological challenges from China.¹¹ Still, in 2019, the U.S. Chamber of Commerce lobbied the United States government to lift tariffs imposed by the Trump Administration on \$300 billion of Chinese imports.¹²

Brazil offers one of the main examples of how local constituencies with China-related interests can influence official policies toward Beijing. Brazilian President Jair Bolsonaro adopted a critical tone toward China and its investments in the country during his electoral campaign in 2018. During an October 2018 television interview in which he discussed his plans to sell state-owned enterprises, Bolsonaro stated, “When you are going to privatize, are you going to privatize to any capital from the world? China is not buying in Brazil; China is buying Brazil. Are you going to leave Brazil in the hands of the Chinese?”¹³

One year later, in his first visit to Beijing, Bolsonaro had an apparent about-face and met with executives of private and state-owned Chinese companies to convince them to invest in Brazil, including in privatized former Brazilian state enterprises.¹⁴ In his meeting with Chinese President Xi Jinping, Bolsonaro presented a specific request: that Chinese companies participate in a major Brazilian auction for the exploration of oil and gas, scheduled for the following month.¹⁵ When the auction took place, in November 2019, the only foreign companies that presented offers were the Chinese oil giants CNOOC and CNODC. A dozen other firms that had registered to bid concluded the prices were too high and decided to stay out of the competition.¹⁶ Later that month, Bolsonaro hosted Xi for the 11th BRICS Summit, in Brasília. After a forty-minute meeting with his Chinese counterpart Bolsonaro stated that “China is increasingly part of

¹¹ Daniel W. Drezner, “The death of the China lobby?,” *Foreign Policy*, July 20, 2010.

<https://foreignpolicy.com/2010/07/20/the-death-of-the-china-lobby/>

¹² Andrew Edgecliffe-Johnson and James Politi, “US business urges Trump to end China trade war,” June 17, 2019.

<https://www.ft.com/content/fadb49c6-9034-11e9-aea1-2b1d33ac3271>

¹³ “Bolsonaro fala a TV sobre limitar privatização em energia e na Petrobras, teme avanço da China,” Reuters, October 10, 2018. <https://br.reuters.com/article/topNews/idBRKCN1MK1YH-OBRT>

¹⁴ Ricardo Senra, “Um ano após reclamar que China 'compraria o Brasil', Bolsonaro quer vender estatais e commodities em visita a Xi Jinping,” October 23, 2019. <https://www.bbc.com/portuguese/brasil-50161509>;

“Bolsonaro ‘vende’ Brasil a empresários chineses,” Agência O Globo, October 24, 2019,

<https://epocanegocios.globo.com/Economia/noticia/2019/10/bolsonaro-vende-o-brasil-empresarios-chineses.html>

¹⁵ Macarena Vidal Liy and Naiara Galarraga Gortázar, “Bolsonaro sela sua reconciliação com a China com propostas de investimento,” *El País*, October 25, 2019.

https://brasil.elpais.com/brasil/2019/10/25/internacional/1572013550_723764.html

¹⁶ Gram Slattery, Marta Nogueira and Marianna Parraga, “Biggest Brazil oil auction disappoints as only Petrobras and Chinese firms bid,” Reuters, November 6, 2019, <https://www.reuters.com/article/us-brazil-oil-auction/biggest-brazil-oil-auction-disappoints-as-only-petrobras-and-chinese-firms-bid-idUSKBN1XG2AX>, accessed March 2 2020.

Brazil's future.”¹⁷ One of the main reasons for Bolsonaro's change in tone was pressure from the Brazilian agribusiness sector, which counts China as its main client and overwhelmingly supported Bolsonaro's presidential campaign.¹⁸ One of the most prominent advocates for closer Brazil-China ties is Bolsonaro's Agriculture Minister Tereza Cristina, who, until late 2018, was the chair of the rural caucus in the Brazilian Chamber of Deputies. Since the beginning of her term as agriculture minister in early 2019, she has tried to erase the narrative that Brazilian foreign policy in the Bolsonaro Administration would be hostile to China. In an interview with China's Xinhua, she said Brazil would continue to be a “great partner” of the country, adding: “I come from the producing class, and because of that, I carry the belief that we can make a great alliance between Brazilian agribusiness and China, and between China and Brazil.”¹⁹

The COVID-19 pandemic and the 2020 United States presidential election changed Bolsonaro's rhetoric toward Beijing. In sync with Donald Trump's tough approach to Beijing, Bolsonaro and his inner group of advisors once again adopted a negative tone toward China by mid-2020, despite Brazil's growing economic reliance on the country. Bolsonaro rejected a coronavirus vaccine from China under the argument that it lacks credibility because of its “origin,” although Brazil later changed course and continued trials of the Chinese vaccine.²⁰ According to a *Bloomberg* report, President Bolsonaro was also inclined to block the participation of the Chinese company Huawei in the Brazilian 5G network, ceding to Washington's pressure.²¹

Joe Biden's victory might once again change Bolsonaro's calculus. The Brazilian president openly supported Trump's bid for reelection, and his recent assertiveness toward China

¹⁷ Felipe Frazão and Mateus Vargas, “China cada vez mais faz parte do futuro do Brasil,” diz Bolsonaro,” *O Estado de S.Paulo*, November 13, 2019, <https://economia.estadao.com.br/noticias/geral.china-cada-vez-mais-faz-parte-do-futuro-do-brasil-diz-bolsonaro.70003088153>, accessed March 2, 2020.

¹⁸ “Após reclamação de ruralistas, Bolsonaro faz aceno à China,” *Carta Capital*, March 15, 2019, <https://www.cartacapital.com.br/economia/apos-reclamacao-de-ruralistas-bolsonaro-faz-aceno-a-china/>, accessed March 2, 2020.

¹⁹ “ENTREVISTA: Brasil continuará siendo socio confiable de China, según ministra de Agricultura,” *Xinhua Español*, April 13, 2019, http://spanish.xinhuanet.com/2019-04/13/c_137973534.htm, accessed March 2, 2020.

²⁰ Mauricio Savarese, “Bolsonaro rejects coronavirus vaccine from China,” *Associated Press*, October 21, 2020, <https://apnews.com/article/virus-outbreak-brazil-state-governments-health-sao-paulo-b7b5b620ba54f402dbf803e26fe6b842>, accessed October 25, 2020; “Covid: Brazil allows resumption of vaccine trial,” *BBC News*, November 11, 2020, <https://www.bbc.com/news/world-latin-america-54908537>, accessed December 15, 2020.

²¹ Samy Adghirni and Simone Preissler Iglesias, “Bolsonaro Weighs Huawei Ban From 5G Network, Cabinet Member Says,” *Bloomberg*, October 15, 2020, <https://www.bloomberg.com/news/articles/2020-10-15/bolsonaro-weighs-huawei-ban-from-5g-network-cabinet-member-says>, accessed October 25, 2020.

was in line with Washington's tone under the Trump Administration.²² Indications point to a problematic relationship between the United States and Brazil under a Biden Administration, with issues related to the environment and climate change being a challenge in the bilateral relationship.²³ In this scenario of less favorable U.S.-Brazil relations, Bolsonaro would have fewer incentives to adopt harsh policies regarding Beijing.²⁴

China's importance to Brazil and other South American countries' agriculture and livestock exports has had repercussions that go beyond trade. With the support of most of Latin America, Beijing was able to defeat the candidate backed by the United States to chair the Food and Agriculture Organization (FAO), the United Nations entity responsible for setting international standards for food and animal safety and delivering research assistance to farmers around the world.²⁵ Washington saw the election as one of its contests with Beijing to exert international influence.²⁶ Despite U.S. opposition, the Chinese Vice-Minister of Agriculture, Qu Dongyu, was elected with 108 of the 191 votes cast by the organization's 194 member states.²⁷

China's role as a significant source of finance to LAC also bolsters sympathy toward the country. Besides bidding for infrastructure projects all over the region, Beijing has been a crucial provider of finance for Latin American states. Since 2005, China has lent \$141 billion to countries in the region, more than the World Bank, the Inter-American Development Bank, and the Development Bank of South America combined.²⁸ Venezuela has been the biggest

²² Marcos Caramuru de Paiva, "Derrota de Trump poderia fazer Bolsonaro baixar tom agressivo contra a China," Folha de S.Paulo, November 2, 2020, <https://www1.folha.uol.com.br/mercado/2020/11/derrota-de-trump-poderia-fazer-bolsonaro-baixar-tom-agressivo-contra-a-china.shtml>, accessed November 21, 2020.

²³ Igor Gielow, "Devoção infrutífera a Trump enfraquecerá Bolsonaro em negociações com Biden," Folha de S.Paulo, November 7, 2020, <https://www1.folha.uol.com.br/mundo/2020/11/devocao-infrutifera-a-trump-enfraquecera-bolsonaro-em-negociacoes-com-biden.shtml>, accessed November 21, 2020.

²⁴ Cristiano Zaia e Daniel Rittner, "Governo já admite rever veto à Huawei," Valor Econômico, November 19, 2020, <https://valor.globo.com/empresas/noticia/2020/11/19/governo-ja-admite-rever-veto-a-huawei.ghtml>, accessed November 21, 2020.

²⁵ "South American countries back Chinese candidate for FAO role," IEG Policy Agribusiness, June 19, 2019, <https://iegpolicy.agribusinessintelligence.informa.com/PL220609/South-American-countries-back-Chinese-candidate-for-FAO-role>; "FAO elige a viceministro chino, Qu Dongyu, como su nuevo director," La República (Peru), June 25, 2019, <https://larepublica.pe/economia/2019/06/25/fao-elige-a-viceministro-chino-qu-dongyu-como-su-nuevo-director/>, accessed March 2, 2020.

²⁶ Colum Lynch and Robbie Gramer, "Outfoxed and Outgunned: How China Routed the U.S. in a U.N. Agency," Foreign Policy, October 23, 2019, <https://foreignpolicy.com/2019/10/23/china-united-states-fao-kevin-moley/>, accessed March 2, 2020.

²⁷ Colum Lynch and Robbie Gramer, "Outfoxed and Outgunned: How China Routed the U.S. in a U.N. Agency," Foreign Policy, <https://foreignpolicy.com/2019/10/23/china-united-states-fao-kevin-moley/>, accessed March 9, 2020.

²⁸ Kevin P. Gallagher and Margaret Myers, "China-Latin America Finance Database," Washington: Inter-American Dialogue, 2019, https://www.thedialogue.org/map_list/, accessed March 2, 2020.

beneficiary of this lending, receiving \$67.2 billion, followed by Brazil (\$28.9 billion), Ecuador (\$18.4 billion), and Argentina (\$16.9 billion).²⁹

The promise of Chinese investments, especially in the infrastructure sector, was one of the main arguments presented by Panama, El Salvador, and the Dominican Republic as they each cut ties with Taiwan and established diplomatic relations with Beijing in recent years.³⁰ (Even after the three defections, LAC is still home to nine of the fifteen countries in the world that diplomatically recognize Taiwan instead of China.³¹)

Investment and trade also create connections between China and state and municipal governments across the LAC region. Eight state governors and four vice-governors from Brazil visited China in 2019. Most of them were from the country's northeastern region, home to many center-left state governments.³² A major priority for these governors during their visits was attracting Chinese direct investment in their states.

The lure of Chinese investment produces relatively warm views toward China across the region. An opinion editor of the Chilean newspaper *Diario Financiero*, Marcel Oppliger, said that trade and investment relations had put his country's elite on "the side" of China.³³ As he observed, "The articles that I receive are positive towards China and discuss how Chile can be a better partner of the country. If I want something more critical, I need to look for it."

²⁹ Kevin P. Gallagher and Margaret Myers, "China-Latin America Finance Database."

³⁰ Xavier Fontdeglòria, "Taiwán se queda sin otro aliado en América Latina: ahora es El Salvador," *El País*, August 21, 2018, https://elpais.com/internacional/2018/08/21/actualidad/1534828383_860884.html; Arturo Wallace, "¿Diplomacia de chequera? Por qué quedan países en Centroamérica que no rompen relaciones con Taiwán a favor de China," *BBC Mundo*, August 22, 2018, <https://www.bbc.com/mundo/noticias-america-latina-40264113>; "China ve en Panamá puente para expandirse en Latinoamérica," *Associated Press*, September 17, 2017, <https://apnews.com/030218fe63ea4e1fb18f9cd71fda04d1>, all accessed March 2, 2020.

³¹ Ministry of Foreign Affairs, Republic of China (Taiwan), *Allies*, <https://www.mofa.gov.tw/en/AlliesIndex.aspx?n=DF6F8F246049F8D6&sms=A76B7230ADF29736>, accessed March 2, 2020.

³² Ana Krüeger and Daniel Rittner, "Governadores vão à China para conquistar recursos," *Valor Econômico*, May 13, 2019, <https://valor.globo.com/brasil/noticia/2019/05/13/governadores-vao-a-china-para-conquistar-recursos.ghtml>; "Doria tem inspirado Nordeste a abrir escritório na China, diz Wellington Dias," *Poder 360*, August 8, 2019, <https://www.poder360.com.br/governo/doria-tem-inspirado-nordeste-a-abrir-escritorio-na-china-diz-wellington-dias/>; "Fátima discute com chineses investimentos para o setor eólico do RN," *Agora RN*, November 29, 2019, <https://agoram.com.br/economia/fatima-discute-com-chineses-investimentos-para-o-setor-eolico-do-rn/>; Thiago Cafardo, "Governador Camilo Santana discute parcerias com maior empresa de infraestrutura da China," *Governo do Estado do Ceará*, April 29, 2019, <https://www.ceara.gov.br/2019/04/29/governador-camilo-santana-discute-parcerias-com-maior-empresa-de-infraestrutura-da-china/>; Wesley Moraes, "Gladson vai à China em busca de investimentos de R\$ 1 bilhão para o Acre," October 21, 2019, *Notícias do Acre*, <https://agencia.ac.gov.br/gladson-vai-a-china-em-busca-de-investimentos-de-r-1-bilhao-para-o-acre/>. All links were accessed March 3, 2020.

³³ Interview with Marcel Oppliger conducted by the author.

Furthermore, he added, “The possibility of doing business with China changes the perspective of everybody. Nobody wants to fight with China.”³⁴

Francisco Urdinez, professor at the Catholic University of Chile, agrees: “The fascination with the economic development, which is impressive, and the promise of economic opportunities sustain China’s attractiveness in the region. Economic necessity forces Latin American governments to be pragmatic. China can always give a hand when countries need and make them in debt to Beijing. This is the real Chinese soft power here.”³⁵

THE BATTLE FOR PUBLIC OPINION

Trade, finance, and investment links have propelled China’s image in the region. In strategically important countries, China is winning the public opinion battle with the United States, partly due to the deterioration of U.S. regional prestige as a result of President Donald Trump’s anti-immigrant and anti-Mexico rhetoric.

The poster child of the Washington Consensus and its neoliberal policies, Chile is one of the countries whose population increasingly seems to prefer China to the United States. A Plaza Publica Cadem poll of Chileans released in April 2019 showed that 77 percent of Chileans had a positive image of China, compared to 61 percent who had a positive image of the United States.³⁶ Among those polled, 51 percent said Chile should deepen its trade relations with China, while 25 percent defended the increase in trade with the United States.³⁷ A country where China’s image had suffered in the past as a consequence of Chinese investments in local mining projects that turned disastrous, Peru also recorded a more favorable view of China than of the United States in a 2018 survey by Latinobarómetro, a prominent regional survey.³⁸

Other data support the idea that Latin America holds fairly warm views of China. The 2019 edition of the Pew Research Global Attitudes study registered a decrease in favorable views of China in 17 of the countries studied, and an increase in favorable views of China in nine countries surveyed. Three Latin American countries included in the survey were among the nine

³⁴ Interview with Marcel Oppliger.

³⁵ Interview with Francisco Urdinez conducted by the author.

³⁶ “Estudio n° 275 – 22 de abril,” Cadem, April 22, 2019, <https://www.cadem.cl/encuestas/estudio-no-275-22-de-abril/>, accessed March 26 2020.

³⁷ “Estudio n° 275 – 22 de abril.”

³⁸ Andrés Oppenheimer, “La caída de la imagen de EEUU en Latinoamérica,” April 24, 2019, <https://www.elnuevoherald.com/opinion-es/opin-col-blogs/andres-oppenheimer-es/article229622984.html>, accessed March 23, 2020.

with increasingly favorable views of China: Argentina, Brazil, and Mexico.³⁹ Of the three, only Brazilians had a more favorable view of the U.S. than of China.

While the region holds fairly warm views of China, the United States' image in Latin America suffered the consequences of the Trump Administration's low regional popularity. In Brazil, only 22 percent of respondents expressed confidence in President Trump in the 2019 poll, a much lower level than the 63 percent confidence with Brazilians enjoyed by Barack Obama in a similar study in 2015. In the 2019 study, only 8 percent of Mexican respondents had confidence in Trump, a drop of 41 percentage points compared to the survey about confidence in Obama in 2015. In Argentina, the decline was from 40 percent to 22 percent.

Mistrust of the Trump Administration affected Latin Americans' perceptions of multiple issues related to the United States. In Mexico, 56 percent of those surveyed in the 2019 study pointed to the United States as the top threat to their country. This result made Mexico the country with the highest percentage of people identifying the United States as the top threat among the 17 countries that asked this question in the survey.⁴⁰ Only 5 percent of Mexican respondents said the same about China.⁴¹ In Argentina, 40 percent of respondents said the U.S. was a top threat, whereas only 5 percent of the Argentine respondents considered China a major threat. In Brazil, 18 percent perceived the United States as a significant threat but only 8 percent saw China as a major threat.⁴²

To be sure, the coronavirus has soured perceptions of China among many supporters of Bolsonaro and likely in other LAC countries. Members of the Bolsonaro government propagated the narrative that Beijing was responsible for the pandemic and adopted the moniker "comunavirus" to refer to COVID-19.⁴³ The mistrust toward China went beyond Bolsonaro's

³⁹ Laura Silver, Kat Devlin and Christine Huang, "People around the globe are divided in their opinions of China," Pew Research, December 5, 2019, <https://www.pewresearch.org/fact-tank/2019/12/05/people-around-the-globe-are-divided-in-their-opinions-of-china/>, accessed March 26, 2020.

⁴⁰ Laura Silver and Kat Devlin, "Around the world, more see the U.S. positively than China, but little confidence in Trump or Xi."

⁴¹ Laura Silver and Kat Devlin, "Around the world, more see the U.S. positively than China, but little confidence in Trump or Xi," Pew Research, January 10 2020, <https://www.pewresearch.org/fact-tank/2020/01/10/around-the-world-more-see-the-u-s-positively-than-china-but-little-confidence-in-trump-or-xi/>, accessed March 23, 2020.

⁴² Laura Silver and Kat Devlin, "Around the world, more see the U.S. positively than China, but little confidence in Trump or Xi."

⁴³ Tom Phillips, "Bolsonaro's son enrages Beijing by blaming China for coronavirus crisis," The Guardian, March 19, 2020, <https://www.theguardian.com/world/2020/mar/19/coronavirus-bolsonaro-son-china-row>; "Covid-19: Ernesto Araújo denuncia 'comunavirus' e ataca a OMS", O Globo, April 22, 2020, <https://oglobo.globo.com/mundo/covid-19-ernesto-araujo-denuncia-comunavirus-ataca-oms-24387155>, both accessed October 25, 2020.

base and affected Brazil's overall public opinion of China. In a CNN Brasil/Real Time Big Data poll released in October 2020, 46 percent of respondents said they would not take a potential Chinese vaccine, more than the percentage that rejected a Russian one (38 percent), a vaccine produced in the United Kingdom (22 percent) and a one from Germany (22 percent).⁴⁴ This distrust, however, may change in the event that a real and effective Chinese vaccine is delivered to Brazil.

INITIATIVES OF DIRECT INFLUENCE

Beyond the warmth created by trade and investment, China deploys a series of direct initiatives to influence political elites, civil society, academics, and students in Latin America. Among the most successful of these initiatives are scholarships, courses, seminars, and invitations to China sponsored totally or partially by the Chinese government and/or by the Chinese Communist Party. In the 2015-2019 China-Latin America and Caribbean Cooperation Plan, China promised to provide people in the region six thousand governmental scholarships, six thousand training opportunities, and four hundred opportunities for on-the-job master's degree programs in China during that period. Beijing also announced that it would invite one thousand politicians from Latin American countries to visit China during those five years. Another thousand young leaders from both sides would be trained via a program called "Bridge of the Future."⁴⁵ The numbers are impressive, but still dwarfed by the enrollment of Latin Americans in U.S. universities, which reached 81,000 students in the 2018-2019 academic year.⁴⁶

Political Elites

Officials from all over Latin America have been invited to China in recent years to attend courses on a broad range of topics, such as development, clean energy, agriculture, and the Belt and Road Initiative (BRI). There is even a seminar for invited officials on "NGO capacity

⁴⁴ Luiz Fernando Toledo, "Brasileiros confiam menos em vacina da China do que na de outros países," CNN Brasil, October 16, 2020, <https://www.cnnbrasil.com.br/saude/2020/10/16/pesquisa-rejeicao-a-vacina-chinesa-e-maior-no-brasil-do-que-em-outros-paises>, accessed October 25, 2020.

⁴⁵ China-CELAC Forum, "China-Latin American and Caribbean Countries Cooperation Plan (2015-2019)," January 23, 2015. http://www.chinacelacforum.org/eng/zywj_3/t1230944.htm

⁴⁶ Institute for International Education, 2019 Open Doors. <https://www.iie.org/Research-and-Insights/Open-Doors/Data/International-Students/Places-of-Origin>

building for developing countries,” an ironic subject considering the restrictions on civil society within China.⁴⁷

A Google search in Spanish combining the words China, *funcionarios* (officials), and *seminarios* (seminars) or *cursos* (courses) offers some examples of the exchange courses offered to Latin American officials. In 2018, twenty-four officials from Argentina attended a twenty-day seminar about public administration in Beijing.⁴⁸ Mexico sent nine civil servants from four Mexican states to China in 2019 for a course on tourism management.⁴⁹ For at least two years (2017 and 2018), Colombian officials and farmers were invited to seminars on agricultural production technology, which took them to different Chinese provinces.⁵⁰ Eighty civil servants from the Dominican Republic were trained in China in 2016. At the end of December 2019, around fifteen officials from El Salvador went to Beijing and Shanghai for a seminar about public heritage management.⁵¹ Examples of seminars for Brazilian civil servants include one on foreign investment attended by ten officials from Mato Grosso and other states in October 2019.⁵² Four months before, a delegation of secretaries, civil servants, and businesspeople from four states of Brazil’s northeastern region was invited for a fifteen-day program in China about sustainable development. And these are but a few examples of such exchange courses.

These training programs expose the participants to the successful story of Chinese economic growth. According to Juan Pablo Santiago, a state representative in Argentina who has visited China, “The Asian giant is a model to be followed in all spheres, among them the fight

⁴⁷ Some of the courses offered in 2019 can be found on the webpage of Tecnológico de Costa Rica (TEC): <https://www.tec.ac.cr/documentos/documentos-ii-actualizacion-programa-seminarios-gobierno-china>

⁴⁸ Ministry of Foreign Relations of Argentina, “Funcionarios Argentinos En Seminario Bilateral En Administracion Pública,” December 3rd, 2019. <https://echin.cancilleria.gob.ar/es/funcionarios-argentinos-en-seminario-bilateral-en-administracion-p%C3%BAblica>

⁴⁹ “SRE y República China Capacitan A Funcionarios Públicos Turísticos De México En Programa Internacional En China,” Revista Turismo, August 19, 2019. <https://www.revistaturismo.mx/single-post/2019/08/19/SRE-Y-REP%C3%9ABLICA-CHINA-CAPACITAN-A-FUNCIONARIOS-P%C3%9ABLICOS-TUR%C3%8DSTICOS-DE-M%C3%89XICO-EN-PROGRAMA-INTERNACIONAL-EN-CHINA?lang=en>

⁵⁰ “La delegación colombiana recibida por funcionarios de la Embajada de Colombia participa en el seminario ‘Tecnología de Producción Agrícola en China 2018’,” Embassy of Colombia in China, September 9, 2018. <https://china.embajada.gov.co/node/news/15611/la-delgacion-colombiana-recibida-funcionarios-la-embajada-colombia-participa>

⁵¹ Lilian Martinez, “Funcionarios de Cultura estaban en China cuando se reportaron los primeros casos de coronavirus,” *elsavador.com*, February 1, 2020. <https://www.elsavador.com/eldiariodehoy/coronavirus-china-cultura/682399/2020/>

⁵² “Servidores de Mato Grosso participam de seminário na China,” O Documento, October 17, 2019, <https://odocumento.com.br/servidores-de-mato-grosso-participam-de-seminario-na-china/>, accessed March 3, 2020.

against climate change and the use of renewable energies.”⁵³ Mixia Murillo, a biologist from the University of Panama who also has visited China agrees, stating, “Conservation of the planet is one of the themes that unite us here, one of the strongest links that China can have with our countries.”⁵⁴

With President Donald Trump’s decision to leave the Paris Agreement, China has had an opening to assume a leadership role in combating climate change and is using it to project a positive image of Chinese leadership to Latin American and Caribbean elites. Beijing has been actively promoting “climate diplomacy” to Caribbean nations which suffer from extreme weather conditions and have part of their populations below sea level.⁵⁵ The initiatives take the form of funding, technical aid, and complete projects related to climate resiliency.⁵⁶

China’s seminars go beyond agriculture, environmental issues, e-commerce, or economics more broadly, and include areas related to judicial matters and other types of governance. In 2017, China invited the then-president of Bolivia’s Supreme Court of Justice and twenty-four other Bolivian judges and judicial officials to a two-week seminar and “exchange of experiences” about judicial administration.⁵⁷

Some courses are given directly in Latin America by Chinese experts. In 2018, China’s Ministry of Commerce and the University Santo Tomás organized a seminar in Santiago de Chile on e-commerce for micro and small agribusiness entrepreneurs. The message conveyed by Chinese authorities at the seminar was clear: China is at the forefront of the global e-commerce revolution and is willing to share its experience with other countries.⁵⁸

Official invitations have also taken representatives and senators from all over the region to China, again with all expenses paid by Beijing. From 2014 and 2019, a total of twenty-one members of the Chilean Congress went to China, invited by the government or the Communist

⁵³ Pontificia Universidad Católica de Peru, “Funcionarios y académicos latinoamericanos aprenden experiencias de energías limpias en China,” Xinhua, December 3, 2019, <https://investigacion.pucp.edu.pe/grupos/ctierra/noticia-evento/funcionarios-academicos-latinoamericanos-aprenden-experiencias-energias-limpias-china/>

⁵⁴ Pontificia Universidad Católica de Peru, “Funcionarios y académicos latinoamericanos aprenden experiencias de energías limpias en China.”

⁵⁵ Jared Ward, “The PRC Bets on Climate Diplomacy in the Caribbean,” The Jamestown Foundation, January 5, 2019, <https://jamestown.org/program/the-prc-bets-on-climate-diplomacy-in-the-caribbean/>, accessed March 12, 2020.

⁵⁶ Jared Ward, “The PRC Bets on Climate Diplomacy in the Caribbean.”

⁵⁷ “Mamani: China pagará el viaje de 25 funcionarios,” Correo del Sur, July 13, 2017.

https://correodelsur.com/seguridad/20170713_mamani-china-pagara-el-viaje-de-25-funcionarios.html

⁵⁸ “China comparte exitosa experiencia en comercio electrónico con funcionarios y pequeños empresarios chileno,” Xinhua, August 5, 2018. <http://spanish.people.com.cn/n3/2018/0805/c31620-9487754.html>

Party of China.⁵⁹ If we look only to 2019, legislators from at least seven other Latin American and Caribbean countries made similar trips. In April 2019, for instance, eight months after El Salvador cut relations with Taiwan and recognized China,⁶⁰ nine representatives of the country traveled to Beijing.⁶¹ That same month, a delegation of twelve party leaders and legislators from Mexico went to Beijing, invited by the Chinese Communist Party.⁶² In May, seven members of Costa Rica's Congress visited Beijing.⁶³ In June, a delegation of Colombian legislators led by the speaker of the House went to China, again invited by the Chinese Communist Party.⁶⁴

Perhaps the most controversial Latin American visit to China in 2019 involved Bolsonaro's former party, the PSL. A right-wing politician, the Brazilian president historically has been a fierce anti-communist and, as mentioned above, was hostile toward China during his presidential campaign. But in mid-January 2019, hardly two weeks after Bolsonaro was inaugurated, twelve legislators from his then party went to China, with Beijing covering all costs. Their goal was to learn about China's facial recognition technology.⁶⁵ The visit generated discomfort in Bolsonaro's base and was criticized by a leading PSL ideologue, the writer Olavo

⁵⁹ Hernán Claro, "Cómo opera el lobby de China en el Congreso y el Gobierno," *El Dínamo*, September 24, 2019, <https://www.eldinamo.com/nacional/2019/09/24/como-opera-el-lobby-de-china-en-el-congreso-y-el-gobierno/>, accessed March 3, 2020.

⁶⁰ "El Salvador establece relaciones diplomáticas con China y rompe con Taiwán," *EFE*, August 21, 2018, <https://www.efe.com/efe/espana/mundo/el-salvador-establece-relaciones-diplomaticas-con-china-y-rompe-taiwan/10001-3725157>, accessed March 9, 2020.

⁶¹ Eugenia Velásquez, "Diputados justifican viaje a China porque lo harán en vacaciones de Semana Santa," *elsalvador.com*, April 2, 2019, <https://www.elsalvador.com/noticias/nacional/diputados-justifican-viaje-a-china-porque-lo-haran-en-vacaciones-de-semana-santa/580909/2019/>; Antonio Soriano, "Nueve diputados se van 11 días a China con salario," *El Mundo*, April 11, 2019, <https://elmundo.sv/nueve-diputados-se-van-11-dias-a-china-con-salario/>, links accessed March 9, 2020.

⁶² "Viajaron a China Yeidckol Polevnsky y Gerardo Fernández Noroña," *Proceso*, April 24, 2019, <https://www.proceso.com.mx/581133/viajaron-a-china-yeidckol-polevnsky-y-gerardo-fernandez-norona>, accessed March 10, 2020.

⁶³ "7 diputados se van de viaje a China con los gastos pagados," *Repretel*, May 10, 2019, <http://www.repretel.com/actualidad/7-diputados-van-viaje-china-gastos-pagados-150865>, accessed March 9, 2020.

⁶⁴ "A qué se fue Alejandro Carlos Chacón a China?," *El Tiempo*, June 22, 2019, <https://www.eltiempo.com/politica/congreso/que-hace-alejandro-chacon-expresidente-de-la-camara-en-china-379246>; "Máximo legislador de China se reúne con delegación de partido político colombiano," *Xinhua Español*, June 26, 2019, http://spanish.xinhuanet.com/2019-06/26/c_138173414.htm, both accessed March 10, 2020.

⁶⁵ Aiuri Rebello, "Bancada do PSL vai à China conhecer sistema que reconhece rosto de cidadãos," *Folha de S.Paulo*, January 16, 2019, <https://www1.folha.uol.com.br/mercado/2019/01/bancada-do-psl-vai-a-china-importar-sistema-que-reconhece-rosto-de-cidadaos.shtml>, accessed March 10, 2020.

de Carvalho. In a YouTube video, addressed his thoughts for the president directly, stating, “You are doing a crazy thing. You are handing Brazil to China. Are you [an] idiot?”⁶⁶

Yet in September 2019, five more Brazilian legislators were invited to China, this time to be introduced to some of the country’s leading firms: Alibaba, China National Petroleum Company, China Railway Group, and Huawei, among others. Among the delegation was one of Bolsonaro’s sons, Flávio, who is a senator.⁶⁷

These invitations to lawmakers increase China’s influence in the target countries and create in the political elite an admiring narrative toward Beijing’s accomplishments in economic development and technological innovation. Brazilian Senator Chico Rodrigues, one of the five legislators who traveled to China in September, made a speech praising the country after returning to Brazil. On the Brazilian Federal Senate floor, Rodrigues stated that “What has most impressed all of us during our visits was the distance that separates our economic growth from the Chinese economic development.”⁶⁸ He also praised Huawei and stressed that the company could “boost the revolution” that Brazil needs in telecommunications, in particular with the introduction of 5G.⁶⁹

Legislators from other regional states offer similar fulsome praise after returning from visits to China. After coming back from his trip to Beijing, the Colombian speaker of the House praised China’s success in reducing poverty.⁷⁰ The same topic was raised in an interview by the Mexican legislator Fernandez Noroña, who has visited China.⁷¹ The Salvadorian legislators’ trip happened two months before the inauguration of President Nayib Bukele, a pro-U.S. politician who had criticized China during his campaign and said he would reevaluate the previous Salvadoran administration’s decision to switch diplomatic relations from Taiwan.⁷² In the end,

⁶⁶ Paulo Beraldo and Marcelo Osakabe, “Olavo de Carvalho critica ida de bancada do PSL à China: 'semianalfabetos',” *Folha de S.Paulo*, January 17, 2019, <https://politica.estadao.com.br/noticias/geral,olavo-de-carvalho-critica-ida-de-bancada-do-psl-a-china-semianalfabetos,70002683035>, accessed March 10, 2020.

⁶⁷ Samy Adghirni, “Viagem à China com tudo pago impressiona parlamentares,” *Bloomberg/UOL*, October 8, 2019.

⁶⁸ “Pronunciamento de Chico Rodrigues em 03/10/2019,” *Senado Federal*, October 3, 2019, <https://www25.senado.leg.br/web/atividade/pronunciamentos/-/p/texto/458212>

⁶⁹ “Pronunciamento de Chico Rodrigues em 03/10/2019.”

⁷⁰ “Chacón alista fórmula para combatir pobreza extrema,” *Dinero*, July 18, 2019, <https://dinero.com/Item/ArticleAsync/274387>, accessed March 11, 2020.

⁷¹ “Noroña: desarrollo de china es francamente impresionante, sacaron a 900 millones de la pobreza,” *Sin Censura Media*, May 2, 2019, <https://www.youtube.com/watch?v=pcdjCP8D07k>, accessed March 11, 2020.

⁷² “Bukele evaluará el futuro de las relaciones de El Salvador con China,” *Reuters/Notimérica*, February 8, 2019, <https://www.notimerica.com/politica/noticia-salvador-bukele-evaluara-futuro-relaciones-salvador-china-20190208025837.html>, accessed March 11, 2020.

the new Salvadoran president maintained ties with China and visited Beijing in December 2019. There, Bukele announced that El Salvador would receive “gigantic non-refundable cooperation” from Xi Jinping’s government to finance six projects.⁷³

Besides invitations for Latin American legislators to visit China, there are regular political dialogues between some Latin American states’ parliaments and the National People’s Congress in Beijing. The earliest such dialogue was established by Chile in 2006 and had its 12th meeting in Santiago in 2018 (the 2019 edition was canceled because of the wave of protests in Chile).⁷⁴ Three other countries, Argentina, Brazil, and Mexico, created parliamentary dialogues with China in 2016.⁷⁵

China’s attempt to influence Latin American politicians can, however, generate backlash. One of the best examples of this dynamic is Chile. As China’s ambassador to Chile from early 2018 to October 2020, Xu Bu gained headlines in the local media after criticizing a Chilean lawmaker, in undiplomatic terms, for his meeting with a leader of Hong Kong protests in 2019. In the Chilean parliament, the chairman of the Committee on Foreign Relations, Jaime Naranjo, responded and condemned Xu Bu's attitude as “insolent, rude and meddling in domestic affairs.”⁷⁶

Media

China has been more successful in swaying Latin American and Caribbean political and business elites than it has been at influencing the region’s media outlets and media consumers.

⁷³ Beatriz Calderón, “China otorga “gigantesca cooperación” a El Salvador durante gira de Bukele: un nuevo estadio y biblioteca nacional, entre proyectos acordados,” La Prensa Gráfica, December 3, 2019, <https://www.laprensagrafica.com/elsalvador/China-otorga-gigantesca-cooperacion-a-El-Salvador-durante-gira-de-Bukele-un-nuevo-estadio-y-biblioteca-nacional-entre-proyectos-acordados-20191203-0323.html>, accessed March 11, 2020.

⁷⁴ “Importantes acuerdos dejó una nueva reunión del Comité de Diálogo Político,” Library of Chile’s National Congress, November 12, 2018, <https://www.bcn.cl/observatorio/asiapacifico/noticias/xii-reunion-comite-dialogo-politico-china>, accessed March 12, 2020.

⁷⁵ “Se celebra la 4º Reunión del Comité de Diálogo Político entre el Congreso de la Nación Argentina y la Asamblea Popular China,” Argentinian Ministry of Foreign Relations, March 2019, <https://echin.cancilleria.gob.ar/es/se-celebra-la-4%C2%BA-reuni%C3%B3n-del-comit%C3%A9-de-di%C3%A1logo-pol%C3%ADtico-entre-el-congreso-de-la-naci%C3%B3n-argentina-y>; “China e Brasil reforçam parceria estratégica,” Secretariado Permanente do Fórum para a Cooperação Econômica e Comercial entre a China e os Países de Língua Portuguesa, September 19, 2019, <https://www.forumchinapl.org.mo/lawmaker-says-sino-brazilian-partnership-to-grow-stronger/?lang=pt>; “IV Reunión del Foro de Diálogo Parlamentario México-China,” Mexican Ministry of Foreign Affairs, November 5, 2019, <https://embamex.sre.gob.mx/china/index.php/es/ver-mas/164-com1519>; all accessed March 12, 2020.

⁷⁶ Felipe Vargas, “Desde Chile Vamos al PC: Las invitaciones de China a parlamentarios para visitar el ‘gigante asiático’,” Emol, September 4, 2019, <https://www.emol.com/noticias/Nacional/2019/09/04/960125/China-Xu-Bu-invitaciones-parlamentarios.html>, accessed March 11, 2020.

China's large state-run news organizations are not as prevalent in Latin America as they are in the United States, Europe, Africa, and Asia. For instance, there is no Portuguese version of CGTN, which excludes one-third of the region's population from being able to access CGTN content in their local language. CGTN launched its operation in the United States and Africa in 2012, with headquarters that hired hundreds of local journalists. Based in London, CGTN Europe began its operation in 2019.⁷⁷ Although CGTN is available in Spanish, it broadcasts from Beijing and is dominated by Chinese anchors. Correspondents in Latin America and Spain contribute stories, but most of the CGTN content consists of boring and stiff programs about China and Chinese culture. There is limited data on its ratings, but all indications show that its audience in Latin America is relatively small.⁷⁸ On Twitter, CGTN in Spanish has 604,000 followers.⁷⁹ CNN in Spanish has 18 million.⁸⁰ "Nobody watches [CGTN in Spanish]," says Patricio Giusto, a visiting professor at Zhejiang University and one of the founders of Observatorio Sino-Argentino, based in Buenos Aires.⁸¹ Besides the unappealing content, the signal of CGTN in Spanish has trouble reaching TV sets in Latin America, where there is intense competition from local, U.S., and European channels.⁸²

Latin America and the Caribbean also has not been a major target for "China Watch," the supplement edited by *China Daily* and inserted in prominent print publications throughout world. Only three newspapers in the region carry "China Watch", all in Argentina: *El Cronista*, *Diario UNO* y *La Capital*, which have smaller circulations than the leading Argentine newspapers *Clarín* and *La Nación*. In the United States by contrast, China Watch has appeared in leading

⁷⁷ Patricia Nilsson, "China's state broadcaster set for UK launch," *Financial Times*, August 28, 2019, <https://www.ft.com/content/71d0e972-c998-11e9-a1f4-3669401ba76f>, accessed March 2, 2020.

⁷⁸ Albarnoz, Luis A. and Ye, Peilei, "Chinese Media 'Going Out' in Spanish Speaking Countries: The Case of CGTN-Español," *Westminster Paper in Communication and Culture*, Westminster University Press, 2018, <https://www.westminsterpapers.org/articles/10.16997/wpcc.277/#n13>; Ye, Peilei, "La expansión internacional de la industria televisiva china: el caso de CGTN-Español," *Televisión y Cine: Memoria, Representación e Industria (TECMERIN)* del departamento de Periodismo y Comunicación Audiovisual de la Universidad Carlos III de Madrid, 2018, <http://tecmerin.es/que-es-tecmerin/>

⁷⁹ Twitter account of CGTN in Spanish, <https://twitter.com/cgtneunespanol>, accessed March 13, 2020.

⁸⁰ Twitter account of CNN in Spanish, <https://twitter.com/CNNEE>, accessed March 13, 2020.

⁸¹ Interview conducted by the author with Patricio Giusto.

⁸² Ye, Peilei, "La expansión internacional de la industria televisiva china: el caso de CGTN-Español"; ResearchAndMarkets.com, "Latin America Pay TV Forecasts 2019-2024 - Pay TV Penetration Will Not Climb Beyond the Current 44% of TV Households," Associated Press, 2019. <https://apnews.com/Business%20Wire/e0ef0bf92d0b4fa98e6a1fb41a6eec78>

newspapers including the *Los Angeles Times*, the *Washington Post*, and the *Wall Street Journal*.⁸³

With China's big state-run media outlets not making much headway in the region, Beijing has had more success by organically inserting pro-China narratives into the local media. However, these efforts to use partnerships and other content-sharing agreements remain relatively nascent. In Chile, the newspaper *La Tercera* now has a section called *Conexión China*, which is produced in partnership with China Media Group (CMG), the holding company for CGTN, CCTV, China National Radio, and China Radio International. Launched on January 1, 2020, the section's declared intention is to show an "updated version" of different aspects of Chinese culture.⁸⁴ Its visual presentation, content, and narrative style are modern and relatively appealing. Despite this, it is evident that its purpose is to portray an extremely positive view of China. *Conexión China*'s first feature was about the friendship between Chilean poet Pablo Neruda and Chinese poet Ai Qing, who exchanged visits during the 1950s. Father of the dissident artist Ai Wei Wei, Ai Qing was one of the victims of Mao Zedong's Anti-Rightist Campaign in 1957.⁸⁵ Readers of *Conexión China*, however, were informed only that the poet spent 21 years exiled in China's northeast and then in Xinjiang because of an "accusation" against him. The story did not mention Mao or the fact that Ai Qing was placed in forced labor camps in Xinjiang.⁸⁶

In 2019, Chile's Radio Cooperativa closed a deal with CMG to launch *Efecto China*, an initiative that includes a weekly radio show, videos, and news stories produced by the Chinese side and op-eds, interviews, and news stories generated by the Chilean one.⁸⁷ "We discuss [issues] from trade relations to literature to China's technological progress ... culture and ...

⁸³ Louisa Lim and Julia Bergin, "Inside China's audacious global propaganda campaign," *The Guardian*, December 7, 2018. <https://www.theguardian.com/news/2018/dec/07/china-plan-for-global-media-dominance-propaganda-xi-jinping>

⁸⁴ Francisco Dagnino, "Conexión China, el nuevo canal de La Tercera que muestra una versión actualizada de la cultura china," January 2, 2020, <https://www.latercera.com/conexion-china/noticia/conexion-china-cmg/959387/>, accessed March 13, 2020.

⁸⁵ Gilbert King, "The Silence that Preceded China's Great Leap into Famine," *The Smithsonian Magazine*, September 26, 2012, <https://www.smithsonianmag.com/history/the-silence-that-preceded-chinas-great-leap-into-famine-51898077/>, accessed March 13, 2020.

⁸⁶ Gilbert King, "The Silence that Preceded China's Great Leap into Famine."

language,” said Fabián Pizarro, the radio’s deputy marketing manager.⁸⁸ *Efecto China*’s webpage includes stories about Xi Jinping’s speeches, China’s space program, women’s rights in China, China’s progress in developing a COVID-19 vaccine, and even folk songs from Xinjiang. There are also programs on China’s history, cities, and landmarks, such as the Dazha Tibetan temple in Sichuan province.⁸⁹ In association with the Pontifical Catholic University of Chile’s Confucius Institute and the organization *Cruzando el Pacífico*, Radio Cooperativa also has an annual contest called “88 words.” Currently in its fifth edition, it awards trips to China to the three participants who best master 88 common phrases in Mandarin.

Brazil also has witnessed an emerging form of cooperation and integration into local media, promoted by CMG. In 2019, the Chinese conglomerate closed a deal with Brazil’s fourth-largest television network,⁹⁰ *Bandeirantes*, also known as *Band*.⁹¹ By the agreement, a show launched in September, *Band Notícias*, would feature news or programs produced by CMG. The content is introduced by a Portuguese-speaking Chinese national who works for Chinese state media. *Band Notícias* so far has amassed a modest audience compared to other shows on *Band*.⁹² Notably, the content produced by the Chinese side for *Band Notícias* is presented as an organic part of the show. Yet it varies from inoffensive—and uninteresting—stories about moon cakes and tourism in China to pure propaganda. On November 11, *Band Notícias* featured a story about Huawei’s presence in Brazil and its plan to invest \$1 billion in the state of São Paulo, an investment it claimed would generate thousands of jobs.⁹³ Yet Huawei’s investment had actually been announced three months earlier, in August, and the investment actually was worth \$800

⁸⁸ Library of Chile’s National Congress, “Fabián Pizarro: Efecto China demuestra que las relaciones van más allá de lo comercial,” Observatorio Parlamentario, December 3, 2019, <https://www.bcn.cl/observatorio/asiapacifico/noticias/fabian-pizarro-efecto-china-radio-cooperativa>, accessed November 22, 2020.

⁸⁹ Radio Cooperativa, “Efecto China”, accessed November 22, 2020, <https://www.cooperativa.cl/efectochina/>.

⁹⁰ “Dados de audiência nas 15 praças regulares com base no ranking consolidado – 02/03 a 08/03/2020,” Kantar Ibope Media, March 11, 2020, <https://www.kantaribopemedia.com/dados-de-audiencia-nas-15-pracas-regulares-com-base-no-ranking-consolidado-02-03-a-08032020/>, accessed March 16, 2020.

⁹¹ Nelson de Sá, “Band fecha acordo com TV estatal chinesa,” Folha de S.Paulo, November 6, 2019, <https://www1.folha.uol.com.br/mercado/2019/11/band-fecha-acordo-com-tv-estatal-chinesa.shtml>, accessed March 16, 2020.

⁹² Duh Secco, “Band Notícias faz milagre e levanta grade noturna,” March 3, 2020, <https://rd1.com.br/band-noticias-faz-milagre-e-levanta-grade-noturna/>, accessed March 16, 2020.

⁹³ Band Notícias, November 11, 2019, <https://www.youtube.com/watch?v=hAV7344Vams&t=2648s>, accessed March 16, 2020.

million.⁹⁴ Still, the story provided an opportunity for *Band Noticias* to talk about Huawei's and its relevance to the emerging Brazilian 5G network, and to say that "Chinese technology is increasingly present in Brazil."

Similarly, the leading Brazilian newspaper *Folha de S.Paulo* announced in July 2020 an agreement with the Chinese financial outlet *Caixin*. Between its signing and November 22 that same year, *Folha* republished 18 stories from *Caixin*, perhaps the most independent news outlet in China—yet still one that has to live within the strictures put on journalism in China.⁹⁵ Most of the featured articles discussed topics beyond economics and finance, such as the consequences of forced birth control methods, Chinese students in the United States, Hong Kong's political situation, and Shenzhen's 5G network.

To wield influence within Latin American media, China goes beyond deals with news organizations. It also increasingly promotes its films, miniseries, and documentaries abroad. In early 2018, China International Television Corporation announced deals with networks in Colombia, Peru, and Mexico to broadcast the historical drama series *Princess Agents*, whose first season had 58 episodes of one hour each.⁹⁶ It was a success and many Latin American viewers were frustrated by the lack of a second season.⁹⁷

Still, Chinese efforts have not translated into significant changes in how the leading Latin American news outlets cover events within China. Few Latin American media organizations have correspondents based in China. When they report on China, they usually use stories picked up from U.S. and European news agencies and newspapers, such as the *Associated Press*, *Reuters*, the *New York Times*, or the *Financial Times*. They rarely utilize full stories from the official Chinese news agency Xinhua. Indeed, the foreign editor of one of the largest Brazilian newspapers told me he does not use Xinhua because of its lack of independence and ties to the

⁹⁴ Igor Gielow, "Huawei anuncia nova fábrica de US\$ 800 mi em São Paulo," August 9, 2019, <https://www1.folha.uol.com.br/mercado/2019/08/huawei-anuncia-nova-fabrica-de-us-800-mi-em-sao-paulo.shtml>, accessed March 16, 2020.

⁹⁵ Search for "Caixin" in *Folha de S.Paulo*'s website, https://search.folha.uol.com.br/search?q=caixin&site=todos&periodo=todos&results_count=143&search_time=0%2C873&url=http%3A%2F%2Fsearch.folha.uol.com.br%2Fsearch%3Fq%3Dcaixin%26site%3Dtodos%26periodo%3Dtodos&sr=26, accessed November 22, 2020.

⁹⁶ China Radio, Film & Television Programs Exchanging Center, "China International Television Corporation's In-depth Development of the American Market Has Achieved Remarkable Results," January 30, 2018, <http://www.chnpec.com/en/2018/01/30/ARTI1517274742119354.shtml>, accessed November 22, 2020.

⁹⁷ Señal Colombia, "Por qué no hay una segunda temporada de Princesa Valiente?," July 2, 2020, <https://www.senalcolombia.tv/serie/princesa-valiente-conflicto-legal>, accessed November 22, 2020.

Chinese Communist Party.⁹⁸ None of the leading Brazilian outlets regularly publishes news picked up from Xinhua.

But with the growing financial difficulties of many news organizations, there might be opportunities for Xinhua to expand its presence in Latin America and the Caribbean, notes Joshua Kurlantzick, senior fellow for Southeast Asia at the Council on Foreign Relations.⁹⁹ He mentions the experiences of Thailand, Cambodia, and other Southeast Asian countries as a preview of what might happen in developing nations in Latin America.¹⁰⁰ Kurlantzick observes, “Xinhua is potentially more effective than other state media because it has a broader reach, and it has been more successful at getting picked up by major publications around the world, particularly in the developing world, and thus it reaches more people than something like CGTN. Other networks are not picking up CGTN, but many publications now use Xinhua’s wire service, in part because it is usually cheaper than other wires, or even free.” He further elaborates that “Xinhua is aggressively signing content-sharing deals with news outlets in many countries, principally developing countries. These content-sharing deals will help Xinhua spread more widely in the coming years.”

Beijing also has launched programs to increase Latin American journalists' exposure to China and potentially promote a South-South narrative that might boost popular opinion of China in Latin America. In 2016, Xi Jinping participated in the First China-Latin America Media Forum, which was held in Chile; it had a second session in Argentina in 2018. In a speech, Xi defended the need for cooperation among news outlets of both regions, stating that “A more vivid image of China and Latin America could then be unfolded in front of the world.”¹⁰¹ Xi also announced that China would train five hundred journalists from Latin America and the Caribbean in the following five years.¹⁰²

⁹⁸ Interview conducted by the author.

⁹⁹ Interview with Joshua Kurlantzick conducted by the author.

¹⁰⁰ Jasmine Shea, “Thai media is outsourcing much of its coronavirus coverage to Beijing and that’s just the start,” Thai Inquirer, January 31, 2020, <https://www.thaienquirer.com/7301/thai-media-is-outsourcing-much-of-its-coronavirus-coverage-to-beijing-and-thats-just-the-start/>, accessed November 22, 2020.

¹⁰¹ Chang Jun, “Chinese, Latin American media urged to cooperate,” China Daily, November 24, 2016. http://www.chinadaily.com.cn/world/2016xivisitpc/2016-11/24/content_27479553.htm

¹⁰² Ministry of Foreign Affairs of the People’s Republic of China, “Xi Jinping Attends Opening Ceremony of China-Latin America Media Leaders Summit,” November 2016. https://www.fmprc.gov.cn/mfa_eng/topics_665678/XJPDEGDEBLZLJXGSFWBCXZBLLMjXDYTJHZZDESSCLDRFZSHY/t1418647.shtml

After that announcement, China began to invite journalists from the region to spend six months in China. During this period in the country, the journalists typically send stories about China back to their outlets in Latin America. Brazilian journalist Thiago Coppeti, from the regional economic newspaper *Jornal do Comércio*, was one of the thirteen journalists from the region who participated in this program in 2018. There were also 26 journalists from Africa and 16 from Asia on the same program that year. According to him, the group initially feared being used as a propaganda instrument by Beijing. But Coppeti said they were not pressured to report or not report on particular stories. There was a schedule of interviews and visits organized by the host that naturally steered the coverage to approved themes, to be sure. Yet journalists had periods of free time, during which they could pursue their own stories around Beijing.¹⁰³

Coppeti said the experience improved his views about China and shook his convictions about the supremacy of democracy as a political model: “Before going, I thought people would be clamoring for political change in an authoritarian system, but I saw people happy on the streets and in the buses and started to question if it is not worthy yielding some freedom in favor of a better quality of life.”¹⁰⁴ Still, upon returning to Brazil and following reports of China’s internment camps in Xinjiang and crackdowns on protests in Hong Kong, Coppeti’s positive views of China somewhat faded. Although he had a positive experience overall during the program in China, Coppeti believes there are limits to what Beijing can do in influencing the Latin American press via these programs. In part, he notes, it is because Latin American journalists can see how the government controls the Chinese press, “The lack of independence of Chinese media is a great barrier. For them, the press is blurred with propaganda.”¹⁰⁵

Another journalist who participated in the 2018 program, Peruvian writer Sonia Millones Alvarado, said she was pleasantly surprised by what she saw in China.¹⁰⁶ The innovation and technological advancements of the country impressed her the most. Millones also changed her political perceptions of China, “I expected to encounter stronger controls. In Beijing, I saw gay couples on the streets displaying affection publicly without repression.” The six months Millones spent in China also helped change other stereotypes she had about the country, “There is a lot of

¹⁰³ Interview of the author with Thiago Coppeti.

¹⁰⁴ Interview with Coppeti.

¹⁰⁵ Interview with Coppeti.

¹⁰⁶ Interview of the author with Sonia Millones Alvarado.

injustice in the information about China, and this kind of program allows us to see reality with our own eyes.”¹⁰⁷

Universities and Think Tanks

In recent years, China also has increased its cooperation with universities and think tanks in LAC. There has been an intense flow of invitations for academics to go to China for conferences and seminars with all expenses paid by the Chinese government or Chinese universities and think tanks. At the same time, there has been an influx of Chinese delegations to universities in Latin America in search of partnerships and exchange programs. The intensification of contact has helped increase the number of Chinese centers dedicated to studying Latin America: in 2018, there were at least 60.¹⁰⁸

Brazilian academics see cooperation with China as a chance to do research through developing countries' lenses, instead of passively consuming work produced in the United States and Europe. According to Celio Hiratuka, a member of the Study Group on Brazil-China at the University of Campinas, “We have common problems. In the area of science and technology, for instance, there is a great space for cooperation in urban mobility, smart cities, artificial intelligence, and 5G.”¹⁰⁹ For him, one of the best precedents of a successful partnership between two emerging countries is the China-Brazil Earth Resources Satellite (CBERS) program, created in 1988. Since then, it has put six satellites in orbit, the most recent one in 2019.¹¹⁰

Conceived in 2004 as conduits to promote the Chinese language and culture around the world and to build people-to-people contacts with other countries,¹¹¹ Confucius Institutes also play a role in China's effort to project soft power in the region. The first Latin American Confucius Institute opened in Mexico City in November 2006, two years after the arrival of the first Confucius Institute in the United States. Currently, there are 45 Confucius Institutes and 6 Confucius Classrooms (which focus on schooling below the university level) in Latin America,

¹⁰⁷ Interview of the author with Sonia Millones Alvarado.

¹⁰⁸ Margaret Myers, Ricardo Barrios and Guo Cunhai, “Learning Latin America: China's Strategy for Area Studies Development,” June, 2018, Inter-American Dialogue, <https://www.thedialogue.org/wp-content/uploads/2018/06/Dialogue-Area-Studies-Report.pdf>, accessed March 18, 2020.

¹⁰⁹ Interview to the author.

¹¹⁰ “China-Brazil satellite launched into space to monitor Amazon rainforest,” Reuters, December 20, 2019, <https://www.reuters.com/article/us-china-space-satellite/china-brazil-satellite-launched-into-space-to-monitor-amazon-rainforest-idUSKBN1Y00JQ>, accessed March 18, 2020.

¹¹¹ Confucius Institute Headquarters (Hanban) - http://english.hanban.org/article/2010-07/02/content_153912.htm, accessed March 23, 2020.

across 26 countries in the region. Brazil has the most, followed by Mexico, Peru, Argentina, Chile, and Colombia.¹¹² Since they came to the region, roughly 100,000 students have enrolled at Confucius Institutes in Latin America.¹¹³ Each year, five hundred of them travel to China on fellowships provided by the Chinese government.¹¹⁴

Lourdes Zilberberg, director of the Confucius Institute of Fundação Armando Álvares Penteado (FAAP), a private Brazilian university, observed that the initiative has sparked broader academic exchanges between Brazil and China as well.¹¹⁵ In Unicamp, for instance, the Confucius Institute organizes a group of ten academics to visit China every year. In this case, airfares are paid for by the Brazilian side, while the host country is responsible for other expenses, according to Bruno De Conti, economics professor and director of Unicamp's Confucius Institute.¹¹⁶

As is the case in other regions, Confucius Institutes in Latin America also are active in promoting of cultural activities. Besides the obvious celebrations for Chinese New Year and other festivals, they bring musicians, dance groups, movies, and writers to Latin America. An estimated 800,000 people in the region attend these types of cultural events every year.¹¹⁷

Besides these interactions, there is also a formal mechanism for think tank exchanges between the two regions, the Forum of Think Tanks from China and Latin America, created in 2010.¹¹⁸ In October 2019, it had its fifth session in Beijing, with a theme dear to Xi Jinping, the Belt and Road Initiative.¹¹⁹ In the following month, Chile hosted the first Dialogue of Chinese and Latin American Think Tanks, organized by the University of Chile, the Information Department of China's State Council, the Chinese Embassy in Chile, and the China International

¹¹² Confucius Institute Headquarters (Hanban), "Confucius Institutes/Classroom," http://english.hanban.org/node_10971.htm, accessed March 23, 2020.

¹¹³ "ENTREVISTA: China y Latinoamérica entrelazan culturas e idiomas para compensar sus barreras geográficas," Xinhua Español, November 23, 2018, http://spanish.xinhuanet.com/2018-11/23/c_137626790.htm, accessed March 23, 2020.

¹¹⁴ "ENTREVISTA: China y Latinoamérica entrelazan culturas e idiomas para compensar sus barreras geográficas."

¹¹⁵ Interview with Lourdes Zilberberg conducted by the author.

¹¹⁶ Interview with Bruno De Conti conducted by the author.

¹¹⁷ "ENTREVISTA: Importante dar a conocer la totalidad de la cultura china, afirma director de CRICAL," Xinhua Español, May 17, 2019, http://spanish.xinhuanet.com/2019-05/17/c_138064588.htm, accessed March 23, 2020.

¹¹⁸ "Breve introducción sobre el foro de intercambio entre think tanks de China-América Latina y el Caribe," China-Celac Forum, July, 6, 2015, http://www.chinacelacforum.org/esp/zyjz_2/zylyflt/zlzkjllt/t1278805.htm, accessed in March 21, 2020.

¹¹⁹ "Se inaugura en Beijing el 5º Foro de Think Tanks de China-América Latina y el Caribe," October, 28, 2019, CGTN Español, https://www.youtube.com/watch?v=-EkqIGQ_BcU, accessed March 21, 2020.

Publishing Group. Among the panels, one reflected Xi's priorities: "Construction of a Community of Common Destiny [between] China-Latin America."¹²⁰

A member of the board of the Argentinian Council for Foreign Relations (CARI), Francisco Santibañes said he is "impressed" by the intense activities of Chinese think tanks and universities in his country.¹²¹ In 2019, academics from CARI received six invitations to conferences in China, with all expenses paid by the host, he noted. According to him, China's presence is a marked contrast with U.S. think tanks, which are mostly absent in Argentina.

One of the consequences of these exchanges and other programming is that a new generation of Latin American China experts is being formed with significant exposure to Beijing's views of foreign and domestic policy. In his opinion, there is a risk that this will lead to a lack of independence and critical thinking toward China among students and academics in Argentina and the region as a whole.¹²²

THE SOFT POWER OF TECHNOLOGY

During September 2019, the most popular Sunday show on Brazilian TV, *Fantástico*, showed a four-episode series about China's technological advances that helped bolster China's image in Brazil. Each Sunday, at least 50 million people watched as the narrator described China as the place where the future had already arrived: a land of smart cities, the home of the largest network of high-speed trains in the world, a leader in the production of electric cars, an innovator in online payments, and a pioneer of telemedicine.

The *Fantástico* series was one of the most prominent examples of Chinese technology's emerging attractiveness in Latin America. Broadcasted by Globo TV, the leading Brazilian network, the four segments were a condensed version of a longer, eight-episode program presented by another channel of the same group, *Expresso Futuro*. The idea was to describe the effect of technology on the daily life of Chinese citizens and point to experiences that Brazil could replicate in areas such as transport, health, education, and public safety. According to Miranda, "China's business models in this area tend to be more successful in developing

¹²⁰ "Think tanks chinos y latinoamericanos se dieron cita en nuestro país," University of Chile, November 4, 2019, <http://www.iej.uchile.cl/noticias/think-tanks-chinos-y-latinoamericanos-se-dieron-cita-en-nuestro-pais.html>, accessed March 21, 2019.

¹²¹ Interview with Francisco Santibañes conducted by the author.

¹²² Interview with Francisco Santibañes.

countries than the ones from Silicon Valley, which are more expensive.” Miranda, a Brazilian fluent in Mandarin who studied Political Science at Renmin University with a scholarship from the Chinese government, further elaborated that “Chinese models are designed for an emerging middle class with relatively low income, and are flexible, cheap, and easier to mass produce.”¹²³

The Chinese Embassy in Brazil liked the project and agreed to grant visas and organize the logistics for the crew to shoot in China. Miranda presented a list of forty Chinese companies he wished to visit and got access to all of them. To finance a two-month reporting trip, the group reached out to Chinese companies that would be interested in selling a high-tech image in Brazil. Huawei and BYD decided to sponsor the series. A third source of money was the Brazilian firm Stone, which specializes in digital payments, in which Alibaba’s Ant Financial invested \$100 million in 2018.¹²⁴

There was no criticism of China in the show, not even when the topic was the use of cameras for facial recognition—an issue that worries many civil society activists in Latin America, since facial recognition could be used for surveillance and other abuses. According to Miranda, this lack of criticism of China was a deliberate choice, “When people talk about facial recognition, the first thing that appears is surveillance. We wanted to focus on another aspect: the convenience of living in a technologically developed country. If the Chinese managed that, we could do the same.” Instead of a “journalistic” documentary, with different points of view, Miranda said they opted for an “aspirational” one, to present the audience what Brazil could be if it followed China’s steps, “We kind of promoted Chinese soft power, but it wasn’t an initiative of the Chinese government,” claimed Miranda.¹²⁵

Even if Beijing does not directly promote it, innovation has been one of the most fruitful new sources of Beijing’s influence in Latin American. Chinese tech companies have increased their investments in the region, injected money into local startups, expanded market share for their products and services, and intensified the fight in the region with U.S. competitors. The largest manufacturer of clean energy cars in China, BYD, has sold 1,035 buses to Latin America in recent years, grabbing 71 percent of the regional market of pure electric

¹²³ Interview with Otávio Costa Miranda.

¹²⁴ Carolina Mandl, “China’s Ant Financial to commit \$100 million to IPO of Brazil’s StoneCo,” Reuters, October 22, 2018, <https://www.reuters.com/article/us-stone-ipo-alibaba/chinas-ant-financial-to-commit-100-million-to-ipo-of-brazils-stoneco-idUSKCN1MW2YA>, accessed March 26, 2020.

¹²⁵ Interview with Otávio Costa Miranda.

buses.¹²⁶ The e-commerce platform AliExpress, part of Alibaba, is also expanding its presence in the region. In Brazil, AliExpress now ranks among the eight largest e-commerce platforms by the total number of orders.¹²⁷ Amazon, however, still fulfills a larger number of orders in Brazil.¹²⁸

Alibaba and other Chinese e-commerce platforms also have become a source of inspiration to retail companies in Brazil that want to jump from the analog to the digital world. Alberto Serrentino, founder of a Brazilian consulting firm, started to organize Brazilian executives' missions to China in 2017. In 2019, he organized three such missions, with a total of one hundred fifty people, among them CEOs of some of Brazil's largest retail, finance, and technology companies. The goal was to familiarize his clients with China's gigantic digital ecosystem and e-commerce platforms.

One of his clients was Frederico Trajano, CEO of Magazine Luiza, one of Brazil's largest retail groups. In 2018 Trajano spent almost a month in China visiting the immense e-commerce platforms, "When I looked at the world in search of references, I saw that China had a company, Alibaba, that not only digitalized itself but helped to digitalize the country," recounted Trajano. Now, he wants to do the same in Brazil.¹²⁹

The ride-hailing company Didi Chuxing also has increased its presence in Latin America. Didi has grabbed 30 percent of the market share in the cities it operates in within Mexico.¹³⁰ The company also is present in Chile, Colombia, and Costa Rica.¹³¹ In October 2020, it began

¹²⁶ "BYD Leads Sales of Electric Buses in Latin America with More Than 1,000 Units," BYD press release, December 17, 2019, <http://www.byd.com/en/news/2019-12-17/BYD-Leads-Sales-of-Electric-Buses-in-Latin-America-with-More-Than-1%2C000-Units>, accessed March 27, 2020.

¹²⁷ E-commerce Brasil/Netrica, "Top e-commerce ranking reports – Brasil – Rank by orders," January to September 2020, <https://ecommerce-brasil.rankings.netquest.digital/#/global-ranking>, accessed October 25, 2020.

¹²⁸ Pablo Petovel, "Amazon se fortalece en Latinoamérica para evitar que crezcan nuevos Alibaba," December 13, 2019, <https://www.merca20.com/amazon-se-fortalece-en-brasil-para-evitar-que-crezcan-nuevos-alibaba/>, accessed March 27, 2020.

¹²⁹ Webinar organized by the China-Brazil Business Council, "China e a Transformação do Varejo Brasileiro," October 21, 2020, https://www.youtube.com/watch?v=76ER7E_aoo4&t=1816s&ab_channel=ConselhoEmpresarialBrasil-China, accessed November 22, 2020.

¹³⁰ Julia Love, "Uber's Latin American stronghold pursued by SoftBank-funded rivals."

¹³¹ Katia Tincello, "Didi Chuxing threatens Uber's Latin America stronghold," Latam List, November 29, 2019, <https://latamlist.com/2019/11/29/didi-chuxing-threatens-ubers-latin-america-stronghold/>; Johnny Castro, "DiDi comenzó a operar en Costa Rica desde la media noche," November 19, 2019; both accessed March 28, 2020.

operating in Peru and Argentina.¹³² With this expansion, Didi could become a serious competitor to Uber in Latin America and the Caribbean.¹³³

Chinese brands are also increasing their regional presence in mobile communications, both in infrastructure and consumer products. Huawei operates in twenty Latin American countries and saw its market share in the regional smartphone market grow from 2.3 percent in 2013 to 9.4 percent in 2018.¹³⁴ In Colombia, Huawei now has 25 percent of the local smartphone market. But the company has not been successful in Argentina and Brazil in the smartphone segment.¹³⁵ Huawei is investing in cloud computing in the region as well, with two data centers in Brazil and Chile and plans for a third in Mexico.¹³⁶

Despite pressure from the Trump Administration, the Chinese company likely will continue to be able to sell 5G and other telecommunications equipment to the region, where most countries do not seem willing to submit to U.S. pressure.¹³⁷ Huawei has been in Brazil for 21 years, and its products comprise roughly 35 percent of the Brazilian mobile telecommunications infrastructure.¹³⁸ The Trump Administration has pressured Brazil to block Huawei and offered a \$1 billion credit line to mobile operators to buy equipment from the Chinese company's competitors, Swedish Ericsson and the Finnish Nokia.¹³⁹ As mentioned above, there are reports that Bolsonaro's inclination is to follow Washington's lead, but the decision will be announced only in 2021, when Trump will not be in office anymore.¹⁴⁰ And beyond Brazil, for most

¹³² Jesús Veliz, "Nueva app de viajes llega a Perú: DiDi inicia operaciones esta semana para competir con Uber," RPP Noticias, October 12, 2020, <https://rpp.pe/tecnologia/apps/apps-de-taxis-didi-inicia-operaciones-en-peru-para-competir-con-uber-noticia-1298002>; "Desembarca en Argentina DiDi, un nuevo jugador para competir con las apps de transporte", *Ámbito*, October 14, 2020. <https://www.ambito.com/negocios/transporte/desembarca-argentina-didi-un-nuevo-jugador-competir-las-apps-n5140255>, both accessed October 24, 2020.

¹³³ Julia Love, "Uber's Latin American stronghold pursued by SoftBank-funded rivals."

¹³⁴ Juan Paulo Pérez-Tejada, "Huawei expanded in Latin America during 2019," *Latin America Tech*, December 2019, <http://www.latinamerica.tech/2019/12/21/huawei-expanded-in-latin-america-during-2019/>, accessed March 27, 2020.

¹³⁵ Juan Paulo Pérez-Tejada, "Huawei expanded in Latin America during 2019."

¹³⁶ Juan Paulo Pérez-Tejada, "Huawei expanded in Latin America during 2019."

¹³⁷ Margaret Myers and Guillermo Garcia Montenegro, "Latin America and 5G: Five Things to Know," December 14, 2019, <https://www.thedialogue.org/analysis/latin-america-and-5g-five-things-to-know/>, accessed March 27, 2020.

¹³⁸ Cláudia Trevisan, "Artigo: Brasil não pode se atrasar para pegar o 'bonde' do 5G," *O Estado de S.Paulo*, January 29, 2020, <https://economia.estadao.com.br/noticias/geral,inglaterra-impoe-derrota-aos-eua-em-guerra-com-a-china,70003176587>, accessed March 27, 2020.

¹³⁹ Alexandre Martello and Guilherme Mazui, "Acordo prevê crédito de US\$ 1 bilhão dos EUA para financiar projetos no Brasil, incluindo 5G," *G1*, October 20, 2020, <https://g1.globo.com/economia/noticia/2020/10/20/acordo-preve-credito-de-us-1-bilhao-dos-eua-para-financiar-projetos-no-brasil-incluindo-5g.ghtml>, accessed October 25, 2020.

¹⁴⁰ Marina Dias, "Embaixador do Brasil nos EUA diz que decisão sobre 5G no Brasil só sairá no ano que vem," *Folha de S.Paulo*, October 20, 2020, <https://www1.folha.uol.com.br/mercado/2020/10/embaixador-do-brasil-diz-que-decisao-sobre-5g-so-saira-ano-que-vem.shtml>

countries in the region, Washington's pressure does not stop their desire to implement high-speed telecommunications networks, including ones provided, relatively inexpensively, by Huawei.¹⁴¹

Tencent, the gaming and social media giant, also has been expanding in the region. In 2018, it used \$180 million to buy a minority stake in the Brazilian Nubank,¹⁴² the region's leading fintech company, which had a market value of \$4 billion at the time.¹⁴³ In Argentina, Tencent has partnered with the Japanese SoftBank to invest \$150 million in the fintech company Ualá, and with a Brazilian fund to inject US\$ 50 million in Satellogic, a startup dedicated to capturing satellite images of Earth.¹⁴⁴

Chinese surveillance technology also is spreading in Latin America. At least six countries in the region have received cameras with facial recognition free of charge: Brazil, Bolivia, Costa Rica, Dominican Republic, Panama, and Uruguay. Argentina, Ecuador, and Mexico have bought surveillance systems from Chinese firms. Ecuador was the first to deploy facial recognition capabilities, thanks to a Chinese loan of \$240 million granted in 2012.¹⁴⁵ With 4,300 cameras, the Ecuadorean system is among the largest in the region and was mainly developed by Huawei and the state-owned CEIEC (China National Electronics Import and Export Corporation).¹⁴⁶ In March 2019, the Argentinian province of Jujuy signed a \$30 million contract with Chinese giant ZTE for the implementation of a surveillance system with facial-recognition cameras.¹⁴⁷ The Chinese participation in the project was criticized by the Trump Administration, which said Beijing uses surveillance data to promote corruption, create arbitrary means of surveillance, and

¹⁴¹ Margaret Myers and Guillermo Garcia Montenegro, "Latin America and 5G: Five Things to Know."

¹⁴² Carolina Mandl, "China's Tencent invests \$180 million in Brazil fintech Nubank," Reuters, October 8, 2018, <https://www.reuters.com/article/us-tencent-holdings-nubank-m-a/chinas-tencent-to-acquire-stake-in-brazil-fintech-nubank-source-idUSKCN1MI20L>, accessed March 28, 2020.

¹⁴³ Jonathan Shieber, "Nubank is now worth \$4 billion after Tencent's \$180 million investment," Tech Crunch, October 8, 2018, <https://techcrunch.com/2018/10/08/tencent-cash-values-nubank-at-4-billion/>, accessed March 28, 2020.

¹⁴⁴ Ricardo Quesada, "Satellogic consiguió US\$ 50 millones para ampliar su constelación de satélites," El Cronista, December 23, 2019, <https://www.cronista.com/apertura-negocio/empresas/Satellogic-consiguio-us-50-millones-para-ampliar-su-constelacion-de-satelites-20191223-0006.html>, accessed March 28, 2020.

¹⁴⁵ Edward Fox, "China Loans Ecuador \$240 Mn for Security Program," InSight Crime, October 22, 2012, <https://www.insightcrime.org/news/brief/chinas-role-regional-security-growing/>, accessed March 28, 2020.

¹⁴⁶ Paul Mozur, Jonah M. Kessel and Melissa Chan, The New York Times, April 24, 2019, <https://www.nytimes.com/2019/04/24/technology/ecuador-surveillance-cameras-police-government.html>, accessed March 28, 2020.

¹⁴⁷ Cassandra Garrison, "Cámaras de seguridad in Jujuy, un súbito foco de conflicto entre EE.UU. y China," La Nación, July 5, 2019, <https://www.lanacion.com.ar/tecnologia/camaras-seguridad-jujuy-subito-foco-conflicto-eeuu-nid2265032>, accessed March 28, 2020.

silence dissent. Yet a source of the Argentinian government said the Trump Administration's response was a manifestation of U.S. "anxiety" with the expansion of Chinese companies, particularly in the context of 5G technology; Argentina went forward with the project.¹⁴⁸

Beyond the Trump Administration, some Latin American voices have expressed concerns about the effect of the surveillance systems on privacy and civil rights in the region.¹⁴⁹ Still, the alarming levels of violence in the region tend to skew the debate toward the effectiveness of surveillance technology in reducing levels of crime. In Ecuador, one of the earliest adopters of Chinese-style surveillance, the cameras seemed to help reduce crime rates.¹⁵⁰ The rate of homicides per 100,000 inhabitants in Ecuador fell from 12.38 in 2012 to 5.79 in 2017. It has since increased to 5.81, in 2018, and 6.1, in 2019, but it is still much lower than the levels registered at the beginning of the decade.¹⁵¹

CONCLUSION

Helped by its trade and investment ties with Latin America and the Caribbean, China has managed to increase its influence in the region. Beijing has reinforced the positive effect gained from trade and investment with direct attempts to boost its image among Latin American political, academic, media, and business elites. Innovation and technology also have changed the way China is perceived. Instead of being identified as a source of low-quality products, the country is increasingly associated in Latin America with modernity, high-speed trains, online payments, smart cities, and electric cars.

China's efforts to woo Latin America also occurs in the context of a lack of clear U.S. policies to engage the region. Centered on issues like immigration, drugs, and protectionism, the Trump Administration's agenda did not really win hearts and minds in Latin America. Despite that, the United States continues to be the leading source of soft power in the region. Most Latin

¹⁴⁸ Cassandra Garrison, "Cámaras de seguridad in Jujuy, um súbito foco de conflicto entre EE.UU. y China."

¹⁴⁹ Jamila Venturini, "La sociedad exige explicaciones sobre la implementación de sistemas de reconocimiento facial en América Latina," Derechos Digitales, February 21, 2020, <https://www.derechosdigitales.org/14207/la-sociedad-exige-explicaciones-sobre-la-implementacion-de-sistemas-de-reconocimiento-facial-en-america-latina/>, accessed March 29, 2020.

¹⁵⁰ Bárbara Bécares, "Cómo la tecnología ECU 911 ha ayudado a mejorar la seguridad de Ecuador," Siliconweek, November 16, 2015, <https://www.siliconweek.com/security/como-la-tecnologia-ecu-911-ha-ayudado-a-mejorar-la-seguridad-de-ecuador-63385>, accessed March 29, 2020.

¹⁵¹ "Homicidios suben por primera vez desde 2010," Primicias, January 22, 2020, <https://www.primicias.ec/noticias/sociedad/homicidios-suben-primera-vez-desde-2010/>, accessed March 29, 2020.

Americans watch U.S. movies and listen to U.S. music, and, at least before the novel coronavirus pandemic, the U.S. remained the preferred destination for Latin American tourists and students. Latin Americans use Facebook, WhatsApp, Instagram, Google, LinkedIn, and Twitter. Brazil is the second largest foreign market for Netflix, only behind Great Britain.

China does not have anything close to U.S. soft power in Latin America, at least at the moment. And Beijing's attempts to create this soft power, though they have made some gains, are still hindered by the increasingly authoritarian nature of the Chinese Communist Party regime. But China is slowly gaining ground, especially on the technological front. The question is if the appeal in this area will translate into broader Chinese influence and a deep reservoir of soft power in Latin America and the Caribbean.