

2024 ABCI XX SYMPOSIUM DAY 2 TRANSCRIPTION

>> **ALUISIO LIMA-CAMPOS:** Good morning, good afternoon, good evening, depending on where you are in the world. Welcome to the second part of ABCI's 20th International Trade Symposium. As I mentioned yesterday--and I hope you had a chance to watch yesterday, which was an excellent discussion on trade--we're going to have a continuation of that conversation today. I would like to welcome you and at the same time remind you that this is a very special occasion for us. It's the 20th anniversary of ABCI and something that we wanted to make a special event. With that in mind, we're going to show a short video of congratulations that we received from our members. So, if you indulge us for four minutes. And, following that, I will invite our keynote speaker to come in. So, Mark, if you would please.

[CONGRATULATORY SHORT VIDEOS FROM MEMBERS AND FRIENDS OF ABCI]

>> **RENATO BAUMANN:** Hi, I am Renato Baumann, from IPEA, a Brazilian government think tank, and a member of ABCI network. I'd like to congratulate ABCI for its 20th Anniversary and to say that I am quite happy to be part of this network which is a very rich source of information. Congrats ABCI!

>> **OTAVIANO CANUTO:** Hello everybody, my name is Otaviano Canuto. I am a former Vice President of the World Bank and former Executive Director of the IMF and the World Bank, and also a former Vice President at the Inter-American Development Bank. Currently, I am a senior fellow at the Policy Center for the New South and a professorial lecturer at the George Washington University. I am here to celebrate the 20 years of the Associação Brasileira de Comercio Internacional, ABCI (Brazilian Association of International Trade). Congratulations ABCI!

>> **CARLOS PRIMO BRAGA:** Hello, I am Carlos Primo Braga. I am an Associate Professor at Fundação Dom Cabral in Brazil and a former senior advisor of the World Bank. I am a member of the ABCI network, and this network under the leadership of Aluisio Lima-Campos has become an important point of reference for discussions about international trade policy, its implications for the global economy, and for Brazil in particular.

>> **NESTOR FORSTER:** I am Nestor Foster. The Consul General for Brazil in Vancouver, Canada. Previously I was the Brazilian Ambassador in Washington DC. In that capacity, I participated in many events organized by ABCI and I want to congratulate them in their 20th Anniversary for the great work they do organizing these discussions on international trade with scholars from the most varied backgrounds. Congratulations ABCI, keep up the good work!

>> **ABRAO NETO:** Hello, I am Abrão Neto, President for Amcham in Brasil, and I would like to congratulate ABCI for its 20-year Anniversary. I am proud to be a part of the network, and they play a fundamental role in discussing issues of Brazil and US, on international trade, international policy which are very dear for Amcham. Keep doing a great job!

>> **ANGELA ESTRELLA:** I am Angela Estrella, attorney for the National Treasury in Brazil, funding member of the ABCI institute, and I would like to thank everyone who contributed to this project. Cheers to 20 years and to many more to come!

>> **WELBER BARRAL :** The ABCI institute plays today a vital role in fostering dialogue and cooperation between Brazilian American legal and business communities. I think one of its key contributions was to bring experts from various fields. It brings invaluable insights in the Brazil and American legal frameworks. Under Aluisio's leadership, it was a key factor to gather scholars and practitioners from Brazil in the United States.

>> **FERNANDO FURLAN:** Hello, my name is Fernando Furlan, I am a former deputy minister of Industry and Trade of Brazil, and also former President of the Brazilian Competition and Antitrust Authority (CADE) and I am a member of the ABCI Institute for quite a while now. And on the occasion of the 20th Anniversary, I would like to congratulate the Institute and all its membership and leadership for the great job they have been doing in these two decades so congratulations to ABCI Institute. Thank you.

>> **JORGE RACHID:** I am Jorge Rachid, a tax and customs consultant. I would like to congratulate this great institute on 20 years of wonderful work. I hope the ABCI institute will continue to be an important think tank for the international trade community.

>> **RENATA VARGAS AMARAL:** Hello, I am Renata Amaral, Secretary for International Affairs and Development at the Minister for Planning and Budget of Brazil. I am a former Vice-Chair of ABCI Institute and a current member of the ABCI Network and I'd like to congratulate ABCI for its 20 years.

>> **ALUISIO LIMA-CAMPOS:** Thank you all. It's an honor for us, and makes us very happy to see these congratulations. I hope you can share that with us. Without further ado, I would like to introduce our keynote speaker today, Tatiana Prazeres. She is the Brazilian foreign trade secretary at the Ministry of Industry, Commerce and Services. She holds a Ph.D. in international relations; a master's degree in law and a bachelor's degree in both law and international relations. With over 20 years of experience in international trade, she has worked in the public and private sectors; international organizations. You might remember her recently as senior advisor to the Director General of the World Trade Organization in Geneva. In China, she was a professor there at UIEB. In fact, UIEB has a relationship with us at the Washington College of Law, and I had a chance to visit them there. She became the Director of the Department of International Relations and Foreign Trade, the Industry Association of Sao Paulo. She's also a professor at the catholic university in Rio. Without further ado, Tatiana Prazeres, the floor is yours.

>> **TATIANA PRAZERES:** Thank you very much, Aluisio, and good morning, good afternoon, everyone. I am delighted to be here with you today. Let me start by echoing my previous speakers, and congratulate ABCI on its 20th anniversary. It is a vibrant community. It brings great people together, very informative. By the way, thanks Sergio, it's interesting to say but ABCI network is one of the ways through which I get informed. You're very quick at keeping us abreast of what's happening. It is very dynamic and intense and active trade policy domain that we have today. Let me also greet professor Padideh Ala'i, very good to see you again, even if remotely. Ambassador Alan Wolff, with whom I've had the pleasure to work with at the WTO, very happy to see you again. And all the community that is connected, happy to be with you. You invited me for this lecture, this keynote address. I thought about maybe covering, maybe some pressing trends that are shaping global trade today. And reflect on how they affect Brazil. Of course, challenges, opportunities but, overall, by understanding these trends I think we can better position ourselves and leverage our strengths and address our vulnerabilities in the international scene. Let me add that Brazil has just completed its G20 presidency with this background of a lot of action and expectations was particular evident. Looking ahead, we also host COP30 next year, and chair the BRICS also next year in 2025. We believe these events present opportunities for us to continue this conversation and shape the global debate on trade. So, in preparing for this conversation, basically I'll map four major trends from Brazil, from where I stand. We believe it's affecting the international trade landscape. And I'll start with the first one which will sound very evident to everyone.

Consequences – of which less evident, I think there's room for discussion. But I'm referring to global tensions, trade fragmentation, the securitization of trade. So, these tensions have intensified in recent years. The impacts though are not uniform across the board, so this is something important to highlight. I think there's some over generalization about this trend. But nevertheless, it is there. In many cases we see the proliferation of trade barriers, export restrictions, so-called strategic sectors, technologies. These changes lead to trade disruption, increase in unpredictability and, of course, they further undermine the multilateral trading system. The concept of trade securitization has taken on great importance with countries prioritizing national security over efficiency when it comes to sectors like technology, energy, et cetera. What it means for Brazil? I think for Brazil, we have – as in all trends I will refer to here -- we have risks, and we have opportunities. On the one hand, the fragmentation of trade could mean for Brazil having to navigate a more complex global landscape with more restrictive, more distorted, trade practices. All that with a weaker WTO. So, Brazil may face a pressure to align itself with specific blocs or find that access to certain markets becomes more challenging. On the other hand, we believe that as countries seek to diversify and develop more resilient partnerships, I think that Brazil is well-placed to position itself as a reliable trading partner. And then expanding to new markets and attracting investors, they're seeking alternatives to the trade -- to the traditional global supply chain hubs. So, this reconfiguration of value chains I think presents itself as an opportunity for Brazil to the extent that we're able to do our homework and improve of course the business environment in the country which we're already advancing. So, these opportunities will materialize to the extent that we're able to improve the conditions for doing business in Brazil and the tax reform in the country is just one example of how we're doing that. But I think when we think about the geopolitical tensions of today's world, the fact that Brazil is situated far from the geopolitical hot spots of our times is an advantage for us, is an advantage worth exploring. It's worth showcasing. We are far from the focus of -- geographically but also politically, right? From the focus of tensions in today's world and that can be an asset for us. So, I covered these geopolitical tensions. We can get to that more in details later on. But I think this is really important to highlight. The second trend that I wanted to turn to here is the reemergence of industrial policy. That affects trade and the global trading scene in a major way. So, it's not -- I'm not saying anything new here when I refer to the fact that industrial policy is experiencing a resurgence globally, right? That is being driven by the fact that countries want to safeguard key supply chains, that is connected to my previous point. They also want to create high quality jobs, et cetera. There is an understanding that, well, industry matters, the industrial sector matters. The Covid-19 pandemic I think has accelerated an emerging trend of trade being perceived not only as an opportunity but also as a risk. This is a major development, right? Trade being perceived, not only as an opportunity, but also as a risk. Or for some, it's probably the other way around. More a risk rather than an opportunity. And that changes. You know, these changes of perception in terms of trade affect the scenario in a very significant way. I think the pandemic underscored the vulnerabilities in relying on a limited number of foreign suppliers. This dispute has ignited a renewed interest in domestic manufacturing and the development of industrial ecosystems that can withstand these disruptions. What does that mean for Brazil? How do we position ourselves in light of that? Of course, we're not indifferent to this trend. I think Brazil has faced a sharp and premature deindustrialization process and the government is keen to halt and reverse that process. Brazil has a large internal market and a strong industrial base and that of course can support, revitalize the manufacturing sector. That can help. That alone is not enough but of course we are better positioned than others that do not have that internal market to help boost industrial activity in the country. So, the Brazilian government is advancing its new industrial policy to foster job creations, stimulate innovation, promote green industrial development. That is all pretty much

part of our agenda. At the same time, and there comes the tricky part, there are also risks to that. As major trading partners, they implement protectionist measures to support their own industries, of course, we face challenges exporting our manufactured goods particularly to markets that are implementing subsidies or tariffs that disadvantage foreign producers. Moreover, and this is something particularly important, the effects of industrial policies adopted elsewhere, these effects are not negligible in our own internal markets. We're very mindful of the risks of a subsidies race. Of course we do not stand to win in a subsidy race. Our industrial sector is competing with countries that have much deeper pockets, as we say, than we do. So how to avoid this race to the bottom, how to address this twin challenge of countries willing to develop their industrial sector -- green industrial sector -- to make it more appealing if people want. But at the same time being fearful, being mindful, being concerned with the consequences of distortions being introduced by the fact that everyone is kind of considering how they can promote their own industrial sector. In Brazil today, we're particularly vigilant about the risks of trade deflection. We believe that, you know, if major markets implement high tariffs and if others follow suit, there's a significant risk that suppliers will somehow redirect products to alternative economies, including Brazil. This puts us at risk of facing an influx of low price, high volume, goods being dumped in our markets, et cetera, we know the drill here. And, of course, the concern is particularly acute now, given the potential of tariffs being introduced in the U.S. And also, in light of the slowing growth in China, which could further lead to demand and supply disruption. So that's my second point here. Bear with me, I only have four. The third one, and I'll be quick here, refers to digitalization. This is something that of course is mostly driven by the private sector but affects the trade landscape and it will increasingly affect trade policies in a very significant way. I'm referring to the introduction of AI robotics, Internet of Things and the growing importance of trade and services in light of these new technologies. By the way, I saw the report that the WTO just launched, and that Sergio shared in our vibrant community. Other colleagues were involved in writing this report about trade and artificial intelligence. And it's great that the WTO is doing work on that because of course, these technologies are transforming both production -- of course the potential for increased productivity as we introduce this technology is evident. But also, that changes trade the way we trade. It changes logistics, it changes trade facilitation. It changes the way we export, if you're talking about services. It helps make supply chains more efficient, more cost effective and all that. And as I said, I think digitalization has spurred a boom in international trade in services, because of course digital goods and remote work are becoming integral to the global economy. So, what does that mean for Brazil? Well, embracing digitalization is crucial. We have challenges there, of course. You know, investing in innovation, in digital infrastructure and education, skilling, upskilling, reskilling, these are all relevant factors, important factors, if we do not want to, you know, miss the train here because it really is a great opportunity for the country. Digitalization can help productivity across everything we do in Brazil, including agriculture. We have very interesting stories, success stories of agri-tech, manufacturing, and services as well. So, this is important to bear in mind. I think sometimes this is underestimated. We just -- many of us tend to focus on the politics of international trade. But digitalization is something that is changing the economics of international trade. My fourth point here, and last, refers to the growing interaction between trade policy and environmental policy. So, this nexus is gaining prominence I think driven by an increasing global focus on sustainable development, on carbon neutrality, et cetera et cetera. Many countries are implementing trade policies linked to environmental standards, such as carbon border taxes and sustainable sourcing requirements. And also, companies are looking at sustainability requirements for their procurement processes, so we have these two dimensions that are known to us. We believe that this creates risks and opportunities not only for Brazil but for economies around the globe. It changes trade patterns; it affects trade policies. For Brazil a

country that is rich in natural resources but that is one of the world's – that has one of the largest renewable energy portfolios-- I think this trend presents more an opportunity than a risk. Though the risks are there. But nevertheless, we believe that by adopting and promoting sustainable practices, Brazil is very well placed to attract green investments; strengthen its agricultural production, its agricultural exports, and establish itself as a leader in environmentally responsible trade. So that is how we see, you know, our vision for this growing intersection. There are many challenges for us related to that. The first one is of course advancing the right, the appropriate environmental policies. And we're doing that. We have good numbers in terms of drops in deforestation rates in the country. Because without that, you know, we don't have any solid basis to build on. So, implementing and having a success story to showcase in terms of environmental policies is the kind of – the starting point of all that. But I think it's important to be mindful of the risks, right? The risks related to this growing intersection, trade policy, environmental policy. I think the most evident one is the proliferation of unilateral trade measures adopted on the argument of sustainability. So, I'm not saying that all cases, clearly not all cases, but in many cases behind good intentions, I think there's a lot of room for protectionism. And for Brazil the challenge is to face that head on. We need to engage in these discussions in a very active and constructive manner. We don't have -- well, the WTO that we would like to have at this point in time, in this moment, where proliferation of unilateral measures, et cetera, in the name of sustainability concerns is something that -- that creates the cause for the need of a stronger WTO, and we don't have it there so that makes the work more complicated. We just addressed this issue in the context of our G20 Presidency. So, I co-chaired the G20 trade and investment working group here with my foreign affairs colleagues. And we managed to facilitate an agreement called the “G20 principles on trade and sustainable development”. And that was a major outcome. We believe that that can pave the way for more progress on this important intersection. But there's a lot to do and the G20 is one, very important, though one forum where these discussions can happen. We need to establish, to create the appropriate platforms, first to ensure that we can -- that trade and sustainable development work hand in hand, they're mutually supported, et cetera. But the work now is more difficult than it used to be. Let me just close here recalling a Global Trade Alert Report that came out recently backing with numbers the argument that governments have expanded their role in managing international commerce. So, there's a lot of activity in our policy domain here. Policy interventions, as GTA noted, they are driven by generational challenges such as climate change and the digital transformation. But at the same time, this moment of intense activity they create a lot of complexities, right? We have a complex trade landscape. This is particularly – this is very clear today. And that poses of course uncertainties for businesses, for governments. For governments alike we ask ourselves every day how things will play out. What scenarios can we consider, how can we get better prepared for things that we consider may come. And it's a very challenging time. I think as we transition from an era of hyper-globalization, understanding and adapting to these challenges will be key for Brazil's future success in global trade. I'll stop there, and I thank you very much for your attention.

>> **ALUISIO LIMA-CAMPOS:** Thank you, Tatiana. We have questions. One from a professor, Vera Thorstensen. How will Brazil position itself in the geo-economical game of the west against China? There's a big variable there. We already know what's coming in terms of the Administration in the U.S. So, if you can answer having that variable in mind.

>> **TATIANA PRAZERES:** It's a big question, right? And of course it's in the back of everyone's mind. Developments in the U.S., what trade policy we can expect in terms of this new upcoming U.S. administration. Responding to Vera's question, I think Brazil has very solid relations with the two countries. And, by the way, Brazil has just hosted two presidents, President Biden and

President Xi Ching Ping here in the context of the G20. Brazil has in China its most important trading partner since 2009. Brazil has in the U.S. its most important economic partner for a long time. We can put together trading goods and services and investments. We understand the complexities of today's world and we're looking at navigating them in the way that is most interesting for Brazil's own interest. We have a very -- it is very important in times of uncertainty. We have very strong business connections linking Brazil and the U.S., Brazil and China. And we hope to count on them to make sure we manage to navigate tensions that may or will arise.

>> **ALUISIO LIMA-CAMPOS:** I will invite any of the panelists here if they have any questions for Tatiana. If not, I will thank Tatiana.

>> **PADIDEH ALAI:** I think there were two hands.

>> **ALUISIO LIMA-CAMPOS:** I'm sorry, I didn't see them.

>> **PADIDEH ALAI:** Alan, please go ahead first.

>> **ALAN WOLFF:** Tatiana, Brazil hopes to have great access abroad for agriculture, better rules. What is the way forward working with other countries? Do you see some bright spots in allies at the World Trade Organization?

>> **TATIANA PRAZERES:** Yeah, thanks, Alan, Professor Wolff. Bright spots! For Brazil, we're looking forward to concluding Mercosur-E.U. negotiations pretty soon. So, we're intensifying technical work. It sounds like -- everyone who is now willing to hold your breath, you are excused because this has been going on for 25 years almost. And but I'm pretty confident we'll be able to make it. I'm talking about two weeks' time. So, in two weeks' time, we'll be having our Mercosur summit to be held in Montevideo. We are really in the final stretch to conclude that negotiation. I think it's important for Mercosur but it's particularly important for the European Union in light of the geopolitical tensions that we are referring to. We didn't get into details about the E.U. but frankly there's a market, there's an economy, a bloc, that should be really keen on securing privileged access to Mercosur. We see the economic dynamism in Asia as an important driver for exports. It's been so for quite a while now. And also in Africa, we see a potential for -- sorry, growth rates that will create a demand for agricultural products. And so by and large -- and it's hard to say because again a lot of uncertainties. But we're confident of our ability to increase productivity, respecting forests, right, respecting our legislation that is quite stringent on that. And in light of developments related to the economy but also to trade policy agreements, we see potential for growing exports.

>> **PADIDEH ALAI:** There are also two questions in the chat, Aluisio if you want to -- one is from Vera and one is from Uri. How would Brazil position itself in the geopolitical game of the U.S. against China, and what is Brazil's strategy for major bilateral agreements beyond the E.U.?

>> **ALUISIO LIMA-CAMPOS:** She already answered that.

>> **TATIANA PRAZERES:** Let me quickly respond to that question. Last year, last December, we concluded Mercosur-Singapore agreement, which is the first free trade agreement signed by Mercosur in 12 years. That was something major. It shows that we can work as bloc, not easy, but we can deliver trade agreements as a bloc. We're confident that if we conclude Mercosur-E.U. negotiations, we can quickly conclude Mercosur-EFTA negotiations. We started this year Mercosur-United Arab Emirates negotiations, and it's moving quite fast. So, I'm quite confident that we'll be able to enlarge, expand the network of agreements that we have that frankly today is not something major.

>> **ALUISIO LIMA-CAMPOS:** Thank you, Tatiana. Right now, I would invite you to stay with us if you like.

>> **SERGIO GOLDBAUM:** Wait please, I guess Carolina wanted to make a question as well. Carolina?

>> **ALUISIO LIMA-CAMPOS:** Go ahead.

>> **CAROLINA MACIEL:** If you still have time, thank you, Tatiana. It was very good to hear you speaking, thank you very much. And I'm -- I would like to -- if you could elaborate a little bit more you said about the G20 principle on sustainable development. So, could you elaborate a little bit more? It sounds really interesting.

>> **TATIANA PRAZERES:** Happy to, happy to. So G20 members by consensus adopted the document called G20 principles on trade and sustainable development. And the negotiations that led to that document were quite interesting for me. That recalled a lot of my WTO times, you know, when Azevedo was there trying to somehow help members get across the finish line. But ultimately, what we managed to secure was a set of nine principles that should inform members when designing and implementing policies that relate to both trade and sustainable development. So, what is in there, Tatiana? We have for example, the right to regulate, it's something we had to start with. But at the same time, we had concerns related to unfair trade practices. We had a principle focused on science, so measures should be based on science. Frankly, it may sound kind of lot evident, but it is not. You would be surprised to see countries reluctant referring to science as basis, as a reference, for their policies affecting trade and sustainable development. We had something related to transparency, to the need of consulting stakeholders-- relevant stakeholders-- and trading partners. We had -- so a set of principles that somehow should inform, again that countries should bear in mind when designing these policies. If you read and say, oh, well maybe -- it's very important. When we think about the evolution of the trade and sustainable development debate, I think this document will play an important role because it provides a basis for us to, you know, move beyond. What is that that we can have in there? How can we have more countries buying in, supporting those set of principles? So, these are some of the references that just come to mind. So, the idea is that you do not create unnecessary barriers to trade, at the same time you recognize the value, the importance of adopting policies, measures, legislation that would help address the issue of sustainable development. I encourage you to check the G20 webpage. I really think it's a useful reference. It's probably the most significant outcome of our Presidency for the trade and investment working group.

>> **ALUISIO LIMA-CAMPOS:** Thank you, Tatiana. Now I would like to ask Mark for the second video. Four minutes. Thank you.

[CONGRATULATORY SHORT VIDEOS FROM MEMBERS AND FRIENDS OF ABCI]

>> **RENÉ MEDRADO :** It is a great pleasure to make this video to congratulate all of you for building out the ABCI community. It is a great pleasure for me as President of Ibrac to extend these congratulations and also for being there in the first meeting so one of the ABCI founders, I'm very happy and for that. And actually, all the compliments go to Aluisio's leadership. So, I finish here, congratulating you all. And hoping the best for the next 20 years, thank you.

>> **CYNTHIA KRAMER:** Hi, I am Cythia Kramer. I worked with Aluisio back in 2007 organizing events and I wish ABCI another 20 years of success.

>> **TOMAS ZANOTTO:** Hello, I am Tomas Zanotto. Congratulations to ABCI on its 20th anniversary. During all this time, it became evident to me the importance of its work in fostering the trade and investment relationship between Brazil and the USA. I commend professor Aluisio Lima-Campos on a job well done. Thank you.

>> **MARCIA PULCHERIO:** Happy anniversary, My name is Marcia Pulcherio, a former board member and I'm here today at the European Commission to celebrate your 20th anniversary. Thank you everyone, and thank you Aluisio for bringing together so many amazing minds.

>> **JULIA DIAS LEITE:** Hello, I am Julia Dias Leite, the CEO of Cebri, the Brazilian Center for International Relations. I'm very proud to be part of this network, and I would like to congratulate for the 20 years anniversary.

>> **LUCAS PIRES:** Hi, I am Lucas Pires and an associate here with King & Spalding in Washington, D.C. and I'm very proud former board member of ABCI. Hi Aluisio and congratulations on the 20th Anniversary and thank you very much for your contributions to the international trade community in Brazil and in the US so far and beyond.

>> **SU JUNG KO:** Hello, everyone, my name is Su Jung Ko, and I was fortunate to be part of the journey of ABCI. Congratulations for 20 years of the anniversary of ABCI.

>> **VICTOR LEITE:** Hello ABCI community! I am Victor Leite, a former foreign trade analyst for the Brazilian government and currently as associate at King & Spalding in Washington, D.C. I also served as a board member for the term 2022-2024. I want to congratulate the ABCI institute for its 20th anniversary. The impact that the ABCI institute has in fostering the study of international trade is commendable and I look forward to witnessing the success of this group in the years to come.

>> **MIRIAM CAMPOS:** Hi, everyone, Miriam Campos here. ABCI board member 2022-2024. Happy to be part of this moment. Congratulations ABCI.

>> **FLÁVIO BETTARELLO:** I am Flavio Bettarello, I am career counselor for the Brazilian Foreign Service and head of the trade and economic bureau for Brazil in Madrid, Spain. As a former ABCI treasurer from 2010- to 2014, I am deeply proud and honored to be part of the Institute's history. I congratulate the chairman, board members and all who are part of its history and wish you a very happy anniversary.

>> **ORLANDO LEITE RIBEIRO:** Hello, I'm Orlando Leite Ribeiro, the Brazilian Ambassador to Spain and Andorra. It's a pleasure to celebrate this special with ABCI network on its 20th anniversary. Over the years, ABCI has been a vital space for sharing insights, news, and resources that shape our understanding of Brazil-US relations. Congratulations to everyone involved for two decades on fostering knowledge and collaboration in international trade policy. Here's to many more years of impactful exchange and growth. Happy anniversary ABCI!

>> **GERALDO VIDIGAL:** Congratulations to the ABCI institute on its 20th anniversary. It's great to be part of this history. Congratulations in particular to the board, year after year, keeping us informed, engaged and connected. I hope we have 20 years more ahead of us to discuss international trade and international trade law.

>> **ALUISIO LIMA-CAMPOS:** I would like now to pass the floor to Carolina Maciel who is going to be our moderator now for the next panel.

>> **CAROLINA MACIEL:** Thank you, Aluisio, and thank you everyone who remains here with us in this second panel of our second day of our 20 years' anniversary symposium. So, today's panel now is on multilateralism or what? Our idea is to discuss what kind of arrangements will we see trade regime moving towards to, given all the social, economic, political, and environmental challenges that just keep piling up. To enrich that discussion, we have the privilege of hearing from ambassador Alan Wolff who served as the Deputy Director General of the WTO from 2017 to 2021. He's currently a distinguished visiting fellow at the Peterson Institute for International Economics. He's also an author of a book that has quickly become a reference for the discussion on adapting and rejuvenating global trade in the WTO in particular. Here's the book which I highly recommend you read. We also have here with us, Professor Padideh Ala'i. She's a professor from the American University Washington College of Law, which has been a partner of ABCI for a long time and we have really appreciated this partnership, thank you. She's also coordinator of the Trade, Investment and Development Program of the University. She has coauthored several important articles, and I'll here highlight just two of the ones I have enjoyed a lot. One is "Transparency in International Economic Relations and the Role of the WTO"; another one which is very timely, it's "Climate Change Innovation, Products and Services, and the GATT in the WTO system". And if we have time and we are lucky, we will also hear insights from former panelists including Tatiana, Yuri and Dimitri. To start off, I will invite Ambassador Alan Wolff to please outline some of the factors and events that has led us to the current situation where we see a lot of skepticism towards the WTO, even as an existential crisis. But also, I invite you to take us one step further and to remind us of what is the value the WTO holds, and why is it worth for us to keep that organization in place? So, what are the paths for us? Thank you. And the floor is yours for 15 minutes.

>> **ALAN WOLFF:** Thank you very much. It's an honor to be with you today on the 20th anniversary of ABCI that contributes so much to the dialogue on the subjects that we are addressing at present. It's great to see Tatiana again, my former colleague from the WTO days. And, as well as to be back at the American University with Padideh and Aluisio to address the major problems the WTO and the world trading system face. The central new challenge is of course Donald Trump. And his suggestion that, and intention, to apply tariffs of 10% and 20% to all imports. And 60% to the imports of China. Conversations are taking place in capitals around the world. Should they offer inducements to get the U.S. President to back off? Should they retaliate? Few will decide that they cannot afford not to retaliate, if deals cannot be struck. Will Chinese exports be diverted to third country markets to the point of causing harm to their economic interests? Will the United States double down and adopt restrictive rules on Chinese content of third country exports to the U.S. market? From the vantage point of the global economy, the overriding challenge is for the members of the WTO to resist the gradual disintegration of the rule-based open trading system. Will they resist the temptation to protect their own economies more broadly? Can the damage to the trading system be limited? Even without the election of Donald Trump, the trading system faced serious problems. There was a leadership deficit at the WTO. The U.S. had been absent in this role since at least some time in the Obama administration. And did not look like it was coming back. The European Union was far less effective than could be hoped. China had not stepped up to invest in the global trading system. The gap was not filled completely by midlevel economies. But they did a lot. Japan, Australia, Singapore and others worked hard to keep the trading system going with new initiatives. But it was not sufficient. The willingness to liberalize trade further, generally, on a multilateral basis had largely disappeared among the WTO's members. There were also serious institutional problems at the WTO. The level of successful common effort that was seen in the Uruguay Round with major agreements reached, that was concluded 30 years ago, and we never achieved that level again at the WTO. For the most part, operating by a rule of

consensus it prevented any agreements from being formally adopted by WTO members. Had this conversation taken place a month ago, before the U.S. election, we would have addressed whether the WTO again in the near term have binding dispute settlement applicable to all its members to enforce agreements. The answer is not clear. Not before 2029 and maybe thereafter. Despite repeated pledges by all WTO members, far reaching reforms of that sort were never attempted and now are clearly remote. This need not be the case. So why should we care about having the WTO at all, which Carolina has outlined as an issue for us. The world has experienced an overall growth in prosperity over the last 80 years, unsurpassed in the rest of human history. Part of that is due to the existence of the multilateral trading system. Most of world trade flows are under its rules, at least 75%. Adam Smith taught us to envision a geographically wide market as free of barriers as possible so that all productive human endeavor would be permitted to excel at what it did best, to specialize, to become more efficient. This, the world trading system, the GATT and the WTO has delivered. And trade volume today is a large multiple of what it was in 1950. And trade value as well. And trade grows annually despite all of our problems at a sufficiently strong rate. It was essentially not only to lower barriers to achieve global prosperity but also to have agreed rules. It is a rules based system. The WTO's rules first embodied in the GATT in 1947 call for nondiscrimination in the place of the discriminatory trading arrangements that characterized the era before the end of World War II. A solemn, contractual commitment required WTO members not to raise tariffs above the level that they pledged. National treatment is to be given to imported goods once having entered the market. There is to be transparency so that all can know about the measures applied to trade. A means to settle disputes was provided, agreed rules not economic power was to govern trade. There was to be a balance between trade liberalization and WTO members' ability to address harms from trade through trade remedies. That exists on paper, it didn't always exist in practice. There would be limits to rich countries subsidizing their production at the expense of poor countries. That of course is still inadequate. There was to be universality so that all countries could gain through membership in the trading system and testimony to the importance of that principle is the fact that 22 more countries wish to join the WTO currently. This is a world trading economy that was built very substantially by the efforts of the United States. It was instrumental in ending the cold war with a bloodless victory. And has largely prevented the rise of fascist states. It is a system constructed to support peace. So what steps need to be taken to preserve and enhance the world trading system? Will the other members of the WTO step forward to preserve and enhance that system? Will the European Union move to exert leadership which would require a major increase in its level of investment in the liberal world order generally. Not just with Mercosur or bilaterally. But it would have to work for the good of the multilateral trading order without the partnership of the United States, which it's not used to. No one is used to that. No country is used to that. Will China turn away from its export led model of growth and emphasized consumption to greater extent? Will it allow market forces to determine competitive outcomes as it pledged to do when it joined the WTO in 2001? Will the midlevel economies, the like-minded, join with others most particularly the European Union to put the WTO on a firmer footing to make a difference? Institutional changes are needed. Nonparticipants must no longer be able to block agreements reached at the WTO among those who are willing to move forward. Regional and bilateral agreements must be judged on whether they benefit nonparticipants to an extent that trade diversion does not exceed trade creation. Something Jacob Viner specified decades ago. A dispute settlement system must be designed to have all WTO members once again agree to abide by binding outcomes. The balance must be restored between trade liberalization commitments and derogations necessary to remedy trade harms. The new WTO will have to have a workable national security exception, assuring that measures will be exceptional and never cost free. Maintaining the balance of concessions. Trust

that the system is fair and balanced must be earned, it must be restored. These will not be achieved in the next four years. And perhaps even for some years thereafter. It falls to a coalition of the willing to work to preserve the world trade system and to improve it, keeping its values, adding new ones, equity, sustainability, dealing with climate change, with food insecurity, being prepared to deal with future pandemics through trade, providing support for solutions through the trading system. This next period should be one that is not met in a defensive crouch, but by those who can with vision and commitment. Vision of the kind that created the European Union, the African continental free trade agreement, and in the first instance, GATT and later the WTO. That's what is needed. It can't be achieved without the participation of the United States. That is unfortunate, but it is the case we face now. If this is not achieved in the face of the U.S. reversing its trade policy from what it was over the course of 13 presidencies from Franklin Roosevelt to Barack Obama the world economic outcome would be less bright. It is inconceivable the U.S. economy will fare well in a far less prosperous world. That concludes my remarks, and I look forward to hearing from Padideh and others.

>> **CAROLINA MACIEL:** Thank you so much. There is so much of that I also want to ask you to elaborate further. But I will take that advantage that you already make a good transition by reminding us about the American election and American policy, and I will ask our next speaker, Professor Padideh Ala'i if she can also bring in addition to comment a little bit more on where do you see us, trade taking us multilaterally, regionally, or what? But also, if you can bring a little bit of your expertise on the American trade policy and the results of the last election. Thank you.

>> **PADIDEH ALAI:** Thank you so much. I want to thank everyone, Aluisio as well, it's been a wonderful partnership with ABCI. And even before I got to know ABCI, I was always very impressed with the level of quality and of expertise in their Brazilian trade bar. That's something that's a role model for many developing countries. I would always hear that and how it changes the reliance on a really sophisticated trade partner that understands the complexities of the world we live in. I want to underline, it's also a privilege, really, Ambassador Wolff. And I want to say I just reread and looked at the book, "The Revitalizing the World Trading System" and I also -- I was hoping to have Uri on here, I guess he's here, his book on Geopolitics, Trade Blocs and the Fragmentation of World Commerce". So, we can -- I understand there was a conversation yesterday that I was not able to attend, so maybe we can have that with Uri as well. I want to underline something that Ambassador Wolff said at the end that it is important that we don't act in a defensive manner. Because once you start acting in a defensive manner, that just -- you have already lost. Lost the argument of where we stand. And indeed, the elections have changed the framework. We have a President coming in, President-elect, who says like he says his hyperbole that tariff is his favorite word in the dictionary. And that it's the best thing that has ever happened, the fact that we can impose tariffs. Of course -- but there's no question I think that we will impose tariffs. Because that's a promise, and God be damned, whatever the consequences may be for the United States and for the world. I also agree with Uri in his book that the trading system is at a tipping point. He wrote this even before the elections. And that maybe he believes we can contain the avalanche, maybe and we're headed for fragmentation. Now, what shape that fragmentation has, as he correctly says, is uncertain. I really want to underline a couple of things. I wrote a piece, it came out like a year and a half ago, maybe two years ago, about the WTO as a forum for regulatory cooperation, transparency and open plurilateral agreements. It's really consistent with ambassador Wolff's. And this is why I really appreciate the multilateral system book and revitalizing it that Ambassador Wolff has written because there is a role for the WTO to not only be an intellectual sort of hub but to -- what it does in terms of being a convener and the role that it plays. So, in particular, I want to underline a couple of things that Alan says in his work which is

the trade and peace angle. We cannot forget that. It's too easy to forget the history. I was looking at some things that, you know, Herbert Hoover said, and one of the statements of Hoover said before the war was tariffs are an internal issue that cannot be discussed in an international conference. He went on to say the U.S. would not surrender our own control of an important part of our domestic affairs to the influence of other nations or alternatively it would lead us into futilities of international negotiations. That's Herbert Hoover, 1930. That is very much reminiscent, in a different way, of that Donald Trump talks about. But very similar kind of isolationism, inward looking and the idea that we do not benefit from giving up our sovereignty to any kind of international multilateral approach and blaming others for our problem. There's not to say that there hasn't been problems, including with China's accession to the WTO. I think the U.S. is, you know -- maybe legitimate -- is an organization that lets China in and lets China continue to be a member and do what it's doing with its command economy is not an organization that is functioning properly. I mean, maybe that's at least how I see it. But in terms of -- let's talk about the WTO. The WTO as a forum for regulatory cooperation, transparency and open plurilateral agreements is extremely important. There is no other place where you can get regulators in the same room -- not to talk about regulations, whether it's TBD, SPS. And I just think that that cannot go away regardless of what happens. At the same time, we have a couple of trends that are happening that are problematic. I have to say the issue of open plurilateral agreements that we have to address -- I mean, we didn't address the fact that we do have at least one country, India, but possibly another one, South Africa, that do feel that open plurilateral agreements will not work. And I see that as one of the ways to go forward. This investment facilitation for development that has got so much traction, including the United States that said I will not object to it in a consensus process. There is something that needs to be done. I want my colleagues to talk about how we would address that is also -- I mean, it's not the United States that's breaking the system alone. I just want to point that out. Although, at this point in time, I think it's true that the United States is not interested in -- with the new administration will probably not be interested in the multilateral approach or the multilateral system. But we are also doing another thing that this area of regulatory cooperation was meant is that in a way we were multilateralizing our vision of an administrative state, right? From 1946 when the U.S. passed the administrative procedures act till the WTO was created, we came to an administrative state and so did the E.U. And this is an important point that then we had the multilateralization in a way to its transparency requirements, to its notice provisions. We have this vision, right? That I think was a correct one, through the WTO. Even though it wasn't expressed in that way. Now, in the United States, we are in the process of dismantling our administrative state. I don't really know what that means in terms of -- I'm not sure it's possible. But we have become very inward looking. So even on that level, it's going to be -- I'm just curious about others' opinions on how that's going to affect the world. I have also another -- I just want to give another, a couple of other random thoughts. One is looking at U.S. history, we talked about that, and we see that the U.S. is being traditionally protectionist except in very select times. And really we are moving away from the corridor halls of the world. We don't have a corridor hall right now that has that vision and saw the importance of-- As a southerner and somebody who comes from the agricultural sector, basically this is going to be great cost to our agricultural sector. There will be costs that are going to be felt in the United States. The United States also does not feel -- I think Donald Trump's mentality is to negotiate things bilaterally. And so, the idea of breaking Europeans apart in the sense of talking to one country versus another and making a deal may be a reality. Now it depends upon how the Europeans react to that. And as ambassador Wolff said, are they going to take the leadership mantle in a cohesive way themselves and as part of the multilateral system. In terms of China, I mean, I love to look at history and I think -- as the U.S. is turning increasingly inward, we have this amazing port that has just been opened in Peru,

one of the largest ever that's going to be controlled by the Chinese, and Brazilians are well aware of this. You go to the republic of Georgia there is also deep penetration by Chinese industry. You go as far as Papua New Guinea President Xi visited new Papua New Guinea. Had we seeing a President of the United States visiting Papua New Guinea at any time? And how they feel about China? I talk to our Pakistani colleagues, and Pakistan is a big recipient of US aid. They love the Chinese because they feel that the money that the Chinese give them is not tied in the same way to human rights and other requirements that the United States makes. The same with my conversation is with Kenyan officials, the Kenya-US trade agreement didn't go anywhere in part because there was too much vested interest in Chinese industries in Kenya. So, although the U.S. is moving into isolationist mode it seems that globalization -- there is another order that is emerging. And I don't really know how that order is going to work out. But it does put a lot of countries, including Brazil, including many others in this crosshair of trying to decide -- and frankly if there's a big power that's investing in your country versus a country that's not and is anti, you know -- the way the U.S. is going -- we might be just from the U.S. perspective just be more and more isolated. And again, this is just a perception. I want to make a couple of comments about China. I mean if you look at the history of China and President Xi is a very good student of history. The Chinese were in the 15th century they had the technology to surpass the west in everything trade related. But at some point in the 16th century, they decided it wasn't worth it for them. It was a big mistake because they paid a cost for it for hundreds of years. President Xi is very well aware of that. They gave up the power they had over the trade routes of the world to the west. That problem is not going to happen again. And I think that it's important to bear in mind that President Xi in particular is a believer in the theories of Han Fe, a Chinese legalist, who would say that human beings are fundamentally selfish, rootless and covetous, and the best way to govern is to control that and to actually have these particular rules in place but ruling -- not rule of law but rule by law. So, the idea of having a very legalist approach, having all these agreements in a way, in a tribute system mentality. I mean, I do believe that China still has -- again I'm out of my depth -- it's about tribute. It's not about trade between partners it's about I -- you pay tribute to me as a power, and I give you protection in return. Or I give you -- that was the old time. But now it's: "I give you aid; I give you investment, and that's my way -- you pay tribute to me for that". It's a completely different mindset than the liberal order, I believe, that we have constructed. And so, we need to be aware of that tribute system mentality that exists. So, these are just some random thoughts. But I really -- I think we're at an inflection point and I have no idea except that I worry about my adopted country and about its waning influence in the world and the consequences of lack of leadership in the world in terms of just the trade and peace connection, going back there. The last time we decided that tariffs were the best thing that ever happened, it didn't end very well for us. So, I'm going to shut up now, thank you.

>> **CAROLINA MACIEL:** Thank you so much. It's all so very interesting and I liked it that you expand beyond the E.U. by touching upon China and Latin America, you mentioned Peru and the E.U. So, I promise, if we were lucky we would still have with us some of our former panelists to also join the discussion to see where they think we are heading to. So, I invite Uri Dadush and Tatiana Prazeres if they would like to share some of their thoughts.

>> **URI DADUSH:** Should I go? or should I go first?

>> **TATIANA PRAZERES:** Please go ahead.

>> **URI DADUSH:** Look it's very interesting, and I actually hadn't prepared for this at all. We had a session yesterday. I did want to say that, you know, I'm very interested by both sets of comments. Alan Wolff may not know this, but he's on the first page pretty much of my book. And what can I

add? I mean, I think a key question for the future of the system is whether this is a definitive change in the United States, by which I mean there's no such thing as a definitive change. But by which I mean something that's going to characterize the next 20, 30, 40 years in the way, you know, more or less the span of time 50 years, 60 years, the span of time of the cold war. Or whether this is something that can change. Not by 2029, before 2029 as Alan said. But beyond that. And so, I would be very interested in Padideh's and Alan's thoughts on whether this situation can change in the United States. And in my book I tried to identify the causes of the huge shift in U.S. trade policy. We have seen in the course of the last -- well, essentially since 2016. So, the last eight years. And I pointed to the commonly understood causes, which is the rivalry with China and the internal tensions in the United States. Rising inequality, polarization, estrangement of a large part of the working class. Estrangement of, you know, the cultural wars and the racial divisions in the country et cetera. And immigration concerns, the backlash against globalization, so on and so forth. And the crucial importance of antitrade constituencies in the swing states. And my question for Padideh and Alan is can you see this changing? Can you see the structural factors that help explain the huge change in U.S. trade policy towards protectionism and isolationism. Can you see that changing in the course of the next ten years or so? I will leave it as a question. Of course, we can discuss further.

>> **TATIANA PRAZERES:** Can I quickly just maybe build on these interesting remarks made by Uri. But what I had in mind was if Alan and Padideh could maybe explore how you see the landscape, the international trade landscape in four years' time. So, what will be left for us, how do you -- what would be the main features, how would you characterize the state of things in four years from now in light of, you know, what we expect will come? Will you have a WTO? Will you ever have -- I will not ask the questions, but I would like to have your views on the main features. Will national security be all over the place? The fragmentation of trade policies related to sustainability, the undermining trade flows, how do you see this scenario in four years' time?

>> **SERGIO GOLDBAUM:** Carolina, if you allow me, there is also an interesting question from Vera Thortensen, and I think we can get at those three questions for the panelists. Would you mind please?

>> **CAROLINA MACIEL:** Sure. So, we had one question here for Ambassador Wolff. What can be done at the WTO to convince some of its members and particularly India to stop blocking all advances in plurilateral negotiations? The floor is yours Alan Wolff and Padideh for the three questions that came up to you.

>> **ALAN WOLFF:** Thank you.

>> **URI DADUSH:** All easy questions.

>> **ALAN WOLFF:** These are great questions. The WTO before the GATT was about pragmatism. I should say the GATT not the WTO. Was about pragmatism. There was no real GATT secretary. There was a secretary that existed for nearly 50 years with no formal recognition, no legal status. Even got a building, the old ILO building. And it occupied that building and had no legal status. So, pragmatism won out. Roberto Azevedo did an important thing by saying the joint statement initiatives will meet, these people -- people want to get together and talk about moving the system forward. I'll give them a room and they can meet, and it was a dramatic breakthrough. India said how can you do that? He said I can do it. If you want to meet, you can have a room. We have to take the next step. Can you have agreements? Of course, you can have agreements. Those who are in the investment facilitation for development or in E-commerce talks, can say we now agree among ourselves this is binding among us, and we'll meet on Tuesdays, Thursdays in Room D and

it's part of the WTO. And India says, well, how can you do that? We just did it. I think -- I'm in the just do it school. So, can you get past India? Of course you can get past India. Just like the WTO actually has a Director General despite the fact that the United States didn't want her to be serving as Director General. They did it. So, I have faith in the just do it school. Can we recover? Which is a great question. It's an interesting thing what presidential leadership can do. And eventually really elect a different kind of leader in the United States. In 1930 we had Smoot-Hawley and tariffs were astronomically high. In 1934 we had Franklin Roosevelt, and he said we're going to negotiate tariff reductions and in four years there was a dramatic turnaround in trade policy in the United States through presidential leadership. Cordell Holland and FDR. 1970, there was a bill that went through the House that would have put quotas, never mind tariffs, that would have put quotas by trigger mechanism on everything. But largely starting with textiles and footwear. That was a totally protectionist regime worse than arguably than Smoot-Hawley and along came Richard Nixon and he said I'm not in favor of that and please give me complete authority to open foreign markets and open the U.S. market and he didn't survive, but his bill did. And became the trade law -- Trade Act of 1974. Again, in four years, the United States completely reversed policy with presidential leadership. I do have faith. Padideh has raised superb questions and observations that the WTO is a convener, and we have problems of trade finance for developing countries. The WTO under Azevedo and under Pascal-Lamy convened the major banks and said we got to do something about trade finance. For the pandemic, we didn't manage to have useful rules, frankly for trade. But we did have convening of those who had vaccines and those who had medicines with both the private sector and the governments, and Ngozi Okonjo-Iweala found a way to get them all to contribute to finding solutions for the next pandemic. It's not fully in place. It's not part of rules. I would say also with respect to what Brazil did at the G20, the G20 was not about binding rules. It was about how political commitments and there's a room in the system for political commitments. There's also room in the system for binding rules, which is what the WTO and the GATT before it were about. The China challenge. China met the WTO challenge and actually failed the test in my view. And the WTO for its part failed the China test. Namely, China came along and said well, there's no assumption that our economy will be guided by market principles. Well of course there is an assumption in the WTO that -- and China agreed to this in 2001 on accession that market forces would determine competitive outcomes. Otherwise, none of the WTO commitments make the slightest bit of sense. The market has to determine whether competitive outcomes will be determined by its forces, its private sector forces or with state participation but limited. So, you know, is there way forward? I think there is way forward. It's going to have to be without the United States for a period of time. And are the participants up to it? In my view, it is not sufficient to have E.U.-Mercosur -- I wish them well in their endeavor but that's not the multilateral trading system that's a side agreement. I want to know does it contribute to the welfare of all countries to some degree because of economic growth. The E.U. is discriminatory by its nature. So is the United States, it's 50 states. But why do we tolerate the discrimination of the E.U. or EFTA or the African Continental Free Trade Agreement or for that matter RCEP? Because we believe that the world can be better place with the contribution on a regional basis. Not at war with the idea of multilateralism but actually in support ultimately of multilateralism. So, I have faith. I have faith that institutions like ABCI, American University School of Law, the writings of Mr. Dadush and Padideh and others. The Brazil that is represented by Tatiana Prazeres, as opposed to some prior incarnations of Brazil, they can make a difference in a positive sense for the world. And we have to revive in the United States those in Congress who believe in trade. They have local interests. I mean, in the House of Representatives. And those who have specialty crops in the state of Washington, Oregon or the specialty crops of California or the great grains production in the middle of the state, they're going to hear from their constituents, and the constituents are going to

say what do you mean we can't have trade with other countries, we need trade. And the situation is going to improve. It may get worse before it gets better. But it will improve. And then there are this little thing of exchange rates where, if this administration coming in believes that you can just put tariffs on everything and that it won't affect the exchange rates, it will! It will frustrate them. The economists are going to have the last word and then the trade lawyers will come back in and help make a difference I hope in a positive way again. Anyway, that's my comment.

>> **CAROLINA MACIEL:** Thank you so much. I really share and enjoy your enthusiasm, your faith for the system. And our contribution as a whole like Brazil and ABCI. I can see we are almost at the hour, but I would like to give the opportunity to Padideh if she would like to give any closing remarks.

>> **PADIDEH ALAI:** I will just say that I completely agree with everything that Ambassador Wolff said. My grandmother used to say that god's short memory, short time is 40 years. Can you imagine what is a long time? This is a translation. I think we cannot judge things with a year or two. I do believe that the GATT many times was announced to be dead. So, institutions go up and down. I think it's very important to emphasize -- I mean the quality of the Secretariat, the quality of the people that work at the WTO, every time I go there I'm so impressed. And the work that's being done, the information that's being gathered about all the laws, you know, at least in the SPS committee that I'm more familiar with, or the TBT committee. Nobody else can do that. These are important things. And if we want to have a peaceful ordered world we need this organization. Now, these are not front and center, and they don't make front page news. We have all known that there is a problem, because the middle class in the developed world has been under strain. While middle class in some emerging economies has been growing. So, this has to do with the pain that people feel. I don't see how economic policies of an added tariff is going to help with inflation. I do not see how people's lives are going to get any better. That's the only hope that I have, that there's going to be a change in the process. At some point mid-year, with elections in two years, or four years. As Alan has pointed out, we went from Herbert Hoover to Cordell Hall. Would we have another Cordell Hall here, I don't know. The world looks slightly different and the role that China is playing I think is significant and not well understood. So, I do believe that that's a bit of a question mark. Are we in for really difficult times, I believe we are. And I don't think the order that's going to come out of this is going to look the same as what we went in after World War II to the present. I don't think it's going to be the same order.

>> **CAROLINA MACIEL:** Thank you very much for --

>> **ALAN WOLFF:** Is there room for one more sentence? The laws of economics and human behavior are as immutable as the Newtonians laws with respect to gravity. So, does everyone who produces something wants to have an opportunity to sell it at a profit and to excel at what they do in the marketplace? They do and it doesn't get repealed by any Administration. It's where we come back to that there are -- Adam Smith looked around. He was not an economist; he was a philosopher. He looked around the world that he saw at his time, and he theorized that openness made more sense than being closed. You can't do away with that.

>> **PADIDEH ALAI:** I want to add one thing, what has happened in the last 25 years, the fact we've had an appellate body, the fact that we have had this jurisprudence, even if the U.S. doesn't like it, the fact that it doesn't exist anymore more doesn't erase history, doesn't erase the fact that we have these things, that this happened. And there is -- that can come back some of the positive aspects and that is I think important. This concept of anti-fragile, I believe it's not as fragile as we may think it is, if we are looking at it within a certain timespan. That's my [comment].

>> **CAROLINA MACIEL:** Okay, I see one hand up from my colleague, Sergio.

>> **SERGIO GOLDBAUM:** Thank you very much, Carolina. I would like to make a very short quick comment linking the two sessions that we had today. The first one from Tatiana, and the second one bringing together Alan, Padideh and Uri. It's about the importance of the international multilateral system that you have nowadays. Regarding Tatiana's speech, I remember the last time I saw her in person was in a seminar by Ibrac when she said something that I think it was very intelligent, and I also repeat it to my students. She was asking if she saw the whole situation in the global stage, it's not a threat, but an opportunity to Brazil. She said she saw it as a threat, more a threat than an opportunity because it's in Brazil's best interest to stay neutral among all sides in the world. And it's much more easier to be neutral if you have solid international rules. And as we saw yesterday, Uri said that we're going to see the erosion of those rules that we know. So I always repeat that to my students. I think it was a very smart comment from her. And it's still valid today and even more important after Donald Trump's election I guess. And going to the global stage, the second part of the -- our session today, yesterday I mentioned Montesquieu, today I mention Karl Polanyi. He said the international multilateral system was important to, let's say to -- without it we went to the First World War. So we need it to prevent the market forces to bring us destruction. So, I guess I also agree with Uri's last statement yesterday that we should keep the international -- the institutions we made, we created, we built after the Second World War in Bretton Woods because it's better to -- it's always easy to resume activity than to start from scratch. Regarding the inertia laws that Alan Wolff mentioned, if you start from scratch you need a lot of energy. If you have something that is already there, hopefully it's easier to resume activity. Just a comment, thank you very much for the opportunity. Please Carolina go on.

>> **CAROLINA MACIEL:** Thank you very much. Well, you did my job which was quite very good which was to merge those two presentations. So I thank you for doing that. And with that, relief out of my to do list, I pass now for Aluisio to close. Thank you.

>> **ALUISIO LIMA-CAMPOS:** Can you hear me well? I'm on my cell phone now, I had to switch because my power line just broke. I don't know what happened to my computer. But, anyways, I would like just to add that we are -- to get into-- I would call complicated times. And because trade today is not different than it was four years ago. The current administration didn't change anything that was done before. So we are in challenging times right now. But we have a big variable coming in in January. And I don't know how much of a big change that's going to be in practice. My hope is that we can maintain some of the structure in the case of international trade that it is there. I was watching the other day an old interview with Milton Friedman if you remember him, explaining how do you make a pencil. And talking about where that pencil came from. Part by part. And he comes to the conclusion that trade is absolutely essential because otherwise that pencil wouldn't be so affordable. And you know it's always good to remind us at the end Economics is the answer. Supply and demand and cost that's going to make the difference and maybe influence what policies are going to be. So that for me is the bottom line. And I share Wolff's hope that this thinking is going to win at the end. And maybe we go back to more reliable or maybe more free of surprises kind of international trade policy. So we'll see. It remains to be seen what's going to happen in January. I will at this point I'll unless someone has any additional comments to make, I would thank you all and I would ask Mark to put the final video in for the celebration of ABCI's 20 years.

[CONGRATULATORY SHORT VIDEOS FROM MEMBERS AND FRIENDS OF ABCI]

>> **ANTONIO FERNANDO BESSA:** Dear friends I am Antonio Fernando Bessa. Most of you know me very well. So I don't need to present all the curriculum vitae. As a matter of fact, as old as we are, we have more curriculum less vitae. But anyhow, I would like to express my awesome gratitude for ABCI network for all the excellent job done all over these 20 years. Aluisio Lima-Campos and the team, congratulations. I deserve more 20 years of excellent job done towards this international relations. Bye bye, thank you.

>> **FERNANDO BENJAMIN BUENO:** Time to celebrate, ABCI! Congratulations on reaching the remarkable milestone of 20 years since its foundation. Thankful to be part of the group and a big thanks to Aluisio. Looking forward to many many more years of excellency and prosperity.

>> **JOSÉ CARLOS DA FONSECA JR:** My name is José Carlos da Fonseca Jr. I am a former career diplomat. I was based in the Brazilian Embassy in Washington DC many, many years ago where I met Aluisio Lima-Campos, this incredible professional, highly respected, who has been heading and leading this amazing network of ABCI, now getting to become a 20-year-old initiative. Congratulations Aluisio and to all members of this amazing network. Long live ABCI! It is important for Brazil; it is important for the U.S., and it is important for international trade.

>> **RAFAEL BENKE:** Hello, I am Rafael Benke co-founder of ABCI and CEO of PROACTIVA RESULTS. It's amazing we reached this milestone of two decades of ABCI. A platform for exchange, discussion and networking around international trade, connecting U.S., Brazil, and the international communities. Thanks to everyone who has been involved in this achievement and our special thanks and compliments to Aluisio Lima-Campos who has been a sherpa in keeping this community and its ideas alive and active.

>> **FELIPE BERER:** Hi, everybody, my name is Felipe Berer I am a partner at the law firm of Reed Smith in Miami. I'm a founding member of ABCI. I am a former Vice Chair of ABCI. I wanted to congratulate Aluisio, I wanted to congratulate the current board of the organization, and all the friends and members who dedicated their time and their efforts to making ABCI what it's become. And congratulate everybody for the 20 year anniversary of the organization. I'm very proud to be part of this story. Thank you.

>> **ALUISIO LIMA-CAMPOS:** So, thank you, Mark. With that, I would like to thank everyone for joining us. I think it was a great 20th Edition of ABCI's International Trade Symposium. And I would like to thank our moderators, our speakers, and most of all to the team at the Washington College of Law. Mark, Denise, for all the work and the support to make this work. So, I will at this point let you know that we'll be here next year, more or less the same time, same channel. And hopefully we'll have then a new situation on the international trade front that will be I'm sure a lot of themes for discussion at the time. So thank you all for a great event. And to whoever from ABCI or panelists that want to say a final word.

>> **SERGIO GOLDBAUM:** Thank you very much to everybody. The recording will be available on our website, thank you very much.

>> **ALUISIO LIMA-CAMPOS:** Thank you, Sergio.

>> **CAROLINA MACIEL:** Bye bye everyone, have a good day. Thank you. Bye.