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Beyond revolutions: Mao-era China's market entry strategies in Latin America

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ABSTRACT

How did the People's Republic of China develop commercial relations with the Global South during its Maoist years? This paper aims to explore the question through China's market entry strategies in Latin America. Latin America posed significant challenges for Mao-era China in establishing robust relations. Under intense US pressure and the dominance of conservative politics, most Latin American nations maintained minimal commercial and political ties with China until 1971 when Beijing replaced Taipei in the UN. Notable exceptions were Cuba, following its armed revolution in 1959, and Chile, after its peaceful revolution in 1970, which formally recognised the PRC, leading to substantial trade agreements. This paper examines Chinese trade promotion in the region during the 1960s and early 1970s, contending that commercial ties, particularly Chinese exports to Latin America, were not simply the inevitable outcome of these revolutions and the establishment of diplomatic relations. Policy makers in Beijing and Chinese commercial representatives in Latin America strategically navigated market entry by leveraging cultural promotions, focusing on competitive Chinese products, notably processed foods, and tapping into the Chinese Overseas community as intermediaries. These strategies not only cultivated a favourable image of China in the region but also acquainted Latin American consumers with Chinese brands and products. Moreover, the paper analyzes how Chinese trade promoters recognised and addressed the nuances and disparities among Latin American countries, comprehended the significance of Cuba and Chile within the region, and contextualised Latin America's position in the global market.

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1. Introduction

Over the past decade, the short-lived opening of the People's Republic of China's Ministry of Foreign Affairs Archives between 2008 and 2012 has led to studies that shed new light on Mao-era China's foreign trade. These studies have complicated conventional perceptions of ideology and periodisation. Amy King's (2016) work on Chinese leaders' diverse ideas on Japanese imperialism and industrialisation and their strategic implications for China-Japan commercial relations challenges the paradigm of analysing China's foreign policy by either ideology or pragmatism. Jason Kelly's (2021) research reveals that Mao-era China actively

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participated in the global capitalist economy, suggesting that the history of China's foreign trade should be considered a continuous experience-gaining process rather than the widely accepted separation of Maoist years and the Reform and Opening-up. Case studies examining trade promotion strategies such as expositions and advertisements further reinforce this argument regarding the continuous evolution of China's foreign trade practices and the integration into the global market during the Maoist era (Altehenger, 2020; Chen, 2018, 2023; Zhao, 2018).

Although Kelly (2021) briefly discusses Chinese products in Southeast Asia, and Chen (2023) mentions interactions between Chinese delegates and those from the Global South at the Leipzig Fair, existing studies predominantly focus on industrialised countries. Scholarly works addressing China's economic exchanges with the Global South often emphasise themes such as anti-imperialism, decolonisation, models of economic development, foreign aid, and competition with the Soviet Union (Friedman, 2015; Jersild, 2023; King, 2022; Song, 2019; Sun, 2023). They tend to prioritise political-economic analyses over examinations of commercial strategies and practices.

To bridge this gap, this paper proposes examining China-Latin America commercial relations to establish conversations between Global North and Global South and contribute to discussions on Mao-era China's integration into the world market and the accumulation of experiences. Specifically, the paper explores how Chinese personnel and products entered Latin American markets in the 1960s and early 1970s. Due to US efforts to exclude China from Latin American markets and easy access to North American and Western European products, Latin America was arguably the most challenging region in the Global South for Chinese trade promoters. Cuba, following its armed revolution in 1959, and Chile, after its peaceful revolution in 1970, were the only Latin American countries that formally recognised Beijing and reached substantial trade agreements with China before China's admission to the UN in 1971. However, commercial ties, particularly Chinese exports to Latin America, were not simply the inevitable outcome of these revolutions and the establishment of diplomatic relations. Policy makers in Beijing and Chinese commercial representatives in Latin America strategically navigated market entry by leveraging cultural promotions, focusing on competitive Chinese products, notably processed foods, and tapping into the Chinese Overseas community as intermediaries. Meanwhile, state enterprises in China actively responded to market reports abroad and tailored their products. The responses are consistent with Philip Scranton's (2019) argument that Chinese communist businesses in the Mao era were often more creative than their Central and East European counterparts. All these efforts not only cultivated a favourable image of China in the region but also acquainted Latin American consumers with Chinese brands and products.

Analysing the perspectives of Chinese commercial representatives and Chinese products' local impacts, this paper also resonates with scholars of China's contemporary economic relations with Latin America, who address 'locally grounded analyses' connecting 'cultural values, ideologies, domestic histories, and ethnic allegiances' and 'the trajectory of broader political and economic developments' (Hearn & León-Manríquez, 2011, p. 6). Furthermore, the exploration of Chinese migrants' contribution to trade promotion joins broader conversations regarding the intersection of diplomacy and everyday life among Chinese Overseas communities (Zhou, 2019). Additionally, the analysis of Chinese products' social, political, and cultural implications extends discussions in business history, shedding light on the complex interplay between national identity, collective memory, and cultural association

behind brand image in cross-border marketing and their emotional impacts (Barnes & Higgins, 2020; Mordhorst, 2014).

The paper unfolds as follows: Section 2 offers an overview of the trade dynamics between Mao-era China and Latin America, explaining the interplay between commercial objectives and political motivations and the significance of Cuba and Chile. Section 3 studies the exploration of the Cuban market during the 1960s, marking China's initial foray into Latin America, with a specific focus on product design and the Chinese Overseas community. In Section 4, attention shifts to Chile, revealing how Chinese trade promoters drew insights from their experiences in Cuba but also meticulously adapted to the specificities of the Chilean context. The Cuban and Chilean experiences were further extended to their strategies towards other Latin American countries in the 1970s. Throughout the paper, a recurring theme is the astute recognition and management of the nuances and divergences among Latin American nations, coupled with a comprehensive understanding of the regional significance of Cuba and Chile, all while situating Latin America within the global market.[1]

2. Difficulties and breakthroughs

During the latter half of the twentieth century, Latin America remained a diplomatic stronghold for the Republic of China (Taiwan). No Latin American nation other than Cuba and Chile recognised Beijing until its admission to the UN in 1971. While Peru, Argentina, Brazil, and Venezuela established diplomatic ties with Beijing during the 1970s, many other countries, including Panama, the business hub in Latin America, deferred recognition until the twenty-first century. In Brazil, the continent's largest nation, Taiwan's commercial office wielded significant influence akin to that of the Chinese Embassy until the 1990s (Zhang & Chen, 2012). The reluctance of many Latin American nations to engage with Beijing stemmed partly from US pressure to exclude Beijing from the region. A more significant factor was the prevalence of longstanding right-wing governments or military dictatorships across the region.

Given the geopolitical reality, Mao-era China pursued a deliberate strategy towards Latin America, aiming to gradually establish interpersonal networks through commerce with the ultimate objective of securing stable diplomatic relations. Mao Zedong's (1999, p. 403) dialogue with Brazilian journalists in 1958 vividly encapsulates this approach: 'As long as Latin American countries are willing to establish diplomatic relations with China, we would welcome them no matter what; If they do not want diplomatic relations, doing business would be fine; If no business, having some contacts would also be okay'. However, between 1950 and 1959, China's trade with Latin America amounted to only 38.8 million US dollars, a mere 0.14% of its total foreign trade (Chinese Ministry of Foreign Trade & Economic Cooperation, 1990). By 1960, Latin America remained the sole region globally where China had yet to forge significant commercial ties.

'Doing businesses' proved exceedingly challenging from a supply and demand perspective. Latin American nations, buoyed by convenient access to products from neighbouring countries, the United States, or Western Europe at relatively low costs, had extremely limited demand for imports from China. The Chinese Ministry of Foreign Trade acknowledged that for products to gain traction in Latin America, they needed to match the quality and packaging standards of American goods—an aspiration beyond the reach of the Soviet Union, let alone Maoist China.[2] The USSR, perennially ensnared in significant trade deficits with

Latin America, always struggled to promote its industrial products within the region except Cuba (Blasier, 1987). Throughout the Cold War, China had a consistent demand for strategic raw materials from Latin America essential for its industrialisation, particularly minerals. However, the US imposed restrictions on most Latin American countries, preventing direct sales of these crucial resources to China (Kofas, 2002). In terms of agricultural and consumer goods, China lacked an imperative to import from Latin America due to intense global competition in these markets. For instance, when the Chilean government aimed to sell saltpetre, a primary ingredient for fertiliser not subject to US embargo, to China in 1958, China had already purchased similar products from Morocco, which were cheaper and more efficient than the Chilean counterparts.[3] While China could have potentially imported Chilean saltpetre to cultivate diplomatic relations, it viewed North Africa as far more pivotal than Latin America, with a much higher probability of success in establishing and stabilising diplomatic relations. In the same year, the Chinese Ministry of Foreign Trade called for preferential policies towards Asian and African countries but 'equal and reciprocal' relations with Latin American countries.[4]

The Great Leap Forward and the 1959 Cuban Revolution disrupted the supply-demand dilemma. In 1959, rice constituted China's primary export, while sugar held that position for Cuba. The Cuban Revolution severed Cuba's traditional rice imports from the US, coinciding with famine-stricken China's urgent need for calorie-rich products like sugar (Pérez, 2019).[5] When Che Guevara visited Beijing for trade negotiations following the establishment of diplomatic relations in 1960, the Chinese government swiftly agreed to import one million tons of sugar, 5000 tons of nickel, and 5000 tons of steel ore from Cuba with twenty percent paid in Pound Sterling cash and eighty percent in Chinese exports, primarily rice. The trade volume was lower than the Cuba-USSR agreement but higher than Cuba's deals with all Eastern European countries combined in that year (Li, 1991). Similar trade deals were renegotiated and renewed annually in the 1960s and 1970s. Despite political tensions arising when Cuba aligned with Moscow in 1964 and escalating during the Cultural Revolution, upon which Castro publicly blamed Mao for the Sino-Soviet split, these disputes did not hinder annual trade deal negotiations. According to Cuba's charge d'affaires in China during the Cultural Revolution, Mauro García Triana (2003), Cuba emerged as one of China's seven principal trading partners globally by the end of the 1960s.

Genuine mutual demand played a crucial role in maintaining trade stability amidst political tensions, yet another significant factor was China's broader strategic agenda for Latin America. Beijing believed that the Chinese Embassy in Havana served as a point of observation for other Latin American countries, offering insights into how China managed its foreign relations during periods of political upheaval. In the early 1960s, the Chinese government identified Argentina, Brazil, Chile, and Mexico as key Latin American economies to target for establishing trade networks. The China Council for the Promotion of International Trade planned to organise major expositions of Chinese products in these nations in 1964. However, Argentina rebuffed the proposal and denied visas to all Chinese officials, despite having exported a substantial quantity of wheat to China to alleviate food shortages (Li, 1991). Mexico, though hosting the exposition with the visit of its President Adolfo López Mateos, encountered significant pressure from the particularly influential Taiwanese embassy backed by strong US support, hindering further engagement with Beijing (González, 2017; Ho, 1990). Brazil witnessed the most hostile turn of events, as nine Chinese trade promoters, posing as Xinhua Agency journalists, were arrested and sentenced to ten years in prison for

alleged espionage (Guedes & Fiuza de Melo, 2014). Although they were released after a year, the incident underscored to Beijing the significant risks associated with promoting trade in Latin America. Consequently, China adopted a cautious approach in the region and refrained from similar activities until Nixon's visit to China prompted a rush by Latin American countries to establish connections with Beijing before the formalisation of China-US relations. In the 1960s, the Chinese government pursued a consistent soft diplomatic approach in Latin America, with particular attention to its activities in Cuba, showcasing political and commercial strategies that were neither too radical nor excessively tied to domestic Chinese politics. Following the incident in Brazil, the Chinese Ministry of Foreign Affairs instructed its embassy in Havana not to change its attitude towards Brazilian diplomats in Cuba.[6] In the meantime, the Chinese Embassy in Havana proactively engaged with influential figures in Mexico, such as former President Lázaro Cárdenas, to explore further opportunities in the country.[7] In 1965, the Ministry of Foreign Affairs directed its embassy in Havana to organise annual cocktail parties for trade deals, aiming to mitigate the intense political atmosphere surrounding bilateral relations.[8]

The proposed serial expositions in 1964 propelled Chile to the forefront of China-Latin America relations, as it was the only country to host an exposition and further connections with China. Following the exposition and the Chilean Presidential Election in the same year, the newly elected Frei government allowed Beijing to establish an official commercial office in Santiago, marking the first of its kind in South America. Even more importantly, the Chilean government defied US restrictions and began to sell copper, Chile's primary export in the global market, directly to China. Confronted by the formidable challenges in the region and increasing political tensions with Cuba, Beijing immediately considered Chile the most favourable Latin American country and deemed this modest 5-person commercial office equivalent to the Chinese Embassy in Havana. The Chinese Ministry of Foreign Affairs appointed Lin Ping, vice-director of the Department of North American and Oceanian Affairs, to lead this seemingly inconspicuous office in Santiago (Huang, 2004). Lin later ascended to the position of the first Chinese Ambassador to Chile in 1970, and two years later, he was promoted to director of the Department of North American and Oceanian Affairs, one of the most significant positions in the Chinese Ministry of Foreign Affairs following Nixon's visit. Analogous to the Chinese Embassy in Havana, the Chinese commercial office, which evolved into the Chinese Embassy in Santiago, emerged as the primary point of contact for neighbouring South American countries. In 1971, the Peruvian government dispatched Chinese Peruvian He Lianxiang to visit the Chinese Embassy in Chile without prior notice, tasked with conveying Peru's request for establishing diplomatic relations with Beijing (Chen, 2001).

In contrast to Cuba, Chile did not annually renegotiate planned trade deals with China, yet trade flourished significantly based on supply and demand dynamics. During the Allende government between 1971 and 1973, China emerged as the third-largest purchaser of Chilean copper globally. Meanwhile, Chile's import of Chinese goods surged dramatically from $1.56 million in 1971 to $13.38 million in 1972 (Joseph, 1985). Most imports from China into Chile comprised processed food, but Armando Uribe, the first Chilean Ambassador to China, was committed to diversifying imports to include light industrial products. The scale of commercial activities garnered considerable attention from other Latin American countries, most of which struggled to boost trade with China until the 1980s due to the lack of previous contact and business interests from major corporations (He & Chen, 2016). In Peruvian Ambassador

to China, Eduardo Valdez Pérez del Castillo's words (1992, p.216), 'Peru should study the Chilean experience in this regard'. Compared to Cuba, a country entirely aligned with the Socialist Bloc, the commercial achievements between China and Chile were far more remarkable, a sentiment also acknowledged by the Pinochet military dictatorship. Despite the military coup, China did not break relations with Chile, consistent with its overarching geopolitical strategy in Latin America since the 1950s. As former Chinese Ambassador to Venezuela and Nicaragua, Huang Zhiliang (2004) notes, Taiwan could have regained foothold in Chile had Beijing severed relations. Meanwhile, the Chilean military dictatorship justified its decision to maintain ties with China by arguing that not severing these ties 'absolutely serves our national interests', given that 'China has become one of the main clients of Chilean exports'.[9]

Hence, Chile undoubtedly stood out as the most significant focal point in Latin America for examining China's market entry strategies. The year 1964 and the Allende period between 1971 and 1973 were particularly intriguing, inviting scrutiny into the efficacy of the trade exposition and the reception of Chinese products in the Chilean market. However, any comprehensive study of commerce between China and Chile must trace back to the inception of China-Cuba relations in 1960. Chinese diplomats and trade promoters specialising in Latin America constituted a relatively small community, numbering several hundred individuals until the 1990s. In the 1960s and early 1970s, almost all of them were either trained or had prior experience in Cuba before venturing into other Latin American countries (Guo, 2019). For example, diplomats Huang Zhiliang and Liu Jingyan transitioned to work at the Chinese commercial office in Chile directly from their training at the University of Havana (Huang & Liu, 1996). Thus, the Cuban experience served as the foundation for subsequent endeavours across the region.

3. Cuba as a commercial laboratory

The inaugural trade pact between China and Latin America, the 1960 China-Cuba trade agreement established during Che Guevara's visit to Beijing, transcended a simple swap of rice for sugar. Guevara found himself compelled to accept significant quantities of consumer goods, many of which were deemed extravagant, including 5,000 boxes of table tennis equipment and Chinese artefacts valued at three million US dollars.[10] This imbalance stemmed from China's insufficient rice production to match the value of Cuban sugar exports. Consequently, in subsequent years, Chinese consumer goods had to maintain competitiveness in the Cuban market for both nations to negotiate similar annual agreements. To achieve this, Chinese trade officials in Beijing and Havana embarked on concerted efforts to enhance their products' appeal and competitive edge.

In the early 1960s, ensuring the timely shipment of Chinese exports to Cuba emerged as a critical priority. China under the Great Leap Forward struggled to fulfil export orders. The central leadership of the CCP prioritised commerce with Cuba as a primary means of supporting the Cuban Revolution, elevating it above trade with the Soviet Union and Eastern Europe and granting Cuba a privileged status in China's global market strategy.[11] Despite ongoing anti-US propaganda, the Chinese Ministry of Foreign Trade allowed shipments between Hong Kong and Latin America to make a stopover in the US. Maritime routes involving the US greatly reduced shipping costs and long waiting times.[12] US intelligence observed that China preferred chartering Western European ships over Eastern European ones for trade with Cuba. For instance, in June and July 1962, sixteen vessels

from the UK, Greece, West Germany, and Norway completed journeys between mainland China and Cuba despite the US embargo.[13] When the US Department of State urged these countries to dissuade ship owners from fulfilling China-Cuba contracts, Chinese representatives in the London ship charter market insisted that all contracts with China include a clause permitting trips to Cuba, leveraging the threat of terminating all business with owners who refused compliance. China's substantial presence in the global ship charter market rendered its bargaining power too significant to overlook. The US Department of State acknowledged that China's manipulation of its role in the global ship charter market was effective, and it was the only Socialist country in the world to adopt such a strategy.[14] Policy makers in Beijing had realised that its leverages in the global market would significantly facilitate trade with Cuba. In 1963, when China's rice production fell short, they asked Australia to divert 6,000 tons of wheat to Cuba which were previously sold to China. Despite being a US ally and without diplomatic relations with China, the Australian government did not notify the US this diversion until being discovered by the US Embassy in Canberra.[15] Beijing's calculated approach to managing its global trade relations, coupled with Cuba's privileged position, ensured a seamless initiation of large-scale trade between China and Latin America.

In Havana, to navigate an entirely unfamiliar market, Chinese trade officials initially sought to explore the potentials of the Chinese Overseas community. At the time of the Cuban Revolution, approximately 35,000 Chinese immigrants lived in the country, most of whom were small business owners and workers (Zeng, 1997). There were 3,150 Chinese bodegas and grocery stores across Cuba in 1960, 2,300 of them in Havana (Herrera Jerez & Castillo Santana, 2003). Shopping at Chinese businesses, which typically offered American-made products at competitive prices before the 1959 revolution, was an inalienable part of Cuban everyday life. In 1960, the Commerce Department of the newly founded Chinese Embassy collaborated with the Cuban revolutionary government to set up a Committee of Chinese Imports to place Chinese made products in these migrant businesses, and the Cuban government allocated 500,000 Cuban pesos (1 peso equalled to 1 US Dollar in 1960 official exchange rates) to subsidise operating loss and appease Chinese immigrants (Zhang,1962). Diasporic businesses served as a natural platform for advertising Chinese products in Cuba.

The influence of the Chinese Embassy on the lives of Chinese migrants and its potential implications for further engagements in other Latin American countries deeply concerned US intelligence. In 1961, President Kennedy specifically requested a report from the CIA on Chinese activities in Latin America.[16]. This report speculated that not only would 'the island's 30,000 Overseas Chinese' be under direct influence from Beijing but also '35,000 Chinese elsewhere in Latin America'.[17] However, this assessment proved misguided. Chinese migrant businesses quickly lost profit when the Cuban government and the Chinese Embassy centralised the distribution of imports from China, resulting in more than half of Cuba's Chinese population fleeing to Miami, New York, and Northern New Jersey in the 1960s (Cristina García, 1997). Zeng Tao (1997), Beijing's first official representative in Cuba, acknowledged flaws in their works towards Chinese Overseas, as too many Chinese fled the island while identifying with Taiwan. This exodus was not entirely unexpected, since a large proportion of Chinese immigrants had fled the Chinese Communist Revolution in 1949 and arrived in Cuba in the early 1950s (López, 2013). Reports from migrants arriving in Miami indicated that, among the Chinese community in Cuba, no more than five percent supported communism and the Cuban Revolution (Escobar, 1960).

Outside the Chinese Overseas community, Chinese trade officials conducted thorough research in stores and cooperatives across Cuba to evaluate the popularity of Chinese products. Adopting the role of market researchers in their new environment, Chinese diplomats discovered a particular demand for canned meats from the renowned food processor Shanghai Maling. This preference arose from the dissatisfaction with Soviet and Eastern European products, which were often deemed too oily and failed to satisfy the discerning palates of the tropical island's residents. Drawing on customer feedback, they proposed specific adjustments to Shanghai Maling's product line: 'Reduce one third of oil in luncheon meats; remove cinnamon leaves from canned pork; add more salt to canned chicken; remove bones from canned chicken; attach Spanish labels to satisfy Cuban housewives'.[18]

Established in 1930 and nationalised in 1954, Maling was one of Shanghai's largest export-oriented enterprises in the 1960s. With a keen sensitivity to international market dynamics, its product designers quickly responded to suggestions in the Cuban market, tailoring new formulations to align with Cuban preferences. Chinese diplomats revisited Cuban retailers with the updated products and were gratified to report a sell-out of Chinese canned meats (Shanghai Maling Foods, 2012). These Cubanized Chinese food products encountered no competitors in the local market, allowing for a steady increase in exports of canned meat year by year. Despite public denunciations of Mao Zedong by Castro and escalating Sino-Soviet conflicts reaching their climax during the Cultural Revolution, the Cuban government maintained an unwavering commitment to importing Chinese canned meats.[19] Two decades later, in 1983, the value of Chinese canned meat exports to Cuba equalled that of rice.[20] What once began as an experimental product transformed into a cornerstone of Chinese exports to Cuba.

4. 'Made in China' defined in Chile

Chinese trade officials established a presence in Chile around the same period as the Cuban Revolution, nearly a decade before Salvador Allende assumed power in 1970. During the tenure of the right-wing Jorge Alessandri government, Xinhua News Agency reporter Li Yannian was granted a long-term work visa in 1961, becoming the first permanent Chinese commercial representative in South America. Li worked solo in Chile until the 1964 Chinese trade exposition. Despite not speaking Spanish or English, he encountered no obstacles concerning commercial proposals, social activities, or logistics. The political landscape in Chile had been witnessing a rise in left-wing movements since the 1950s, and the country hosted the largest pro-Beijing friendship association in Latin America, the Chile-China Institute of Culture. Notable figures among its participants included the future President Allende and former Minister of Economy and Finance Guillermo del Pedregal (De la Fuente, 1992). The institute had been advocating for closer ties with Beijing, and Li Yannian's arrival was a direct outcome of their lobbying efforts. Moreover, although the Chinese Overseas community in Chile numbered only around 1,000 individuals, many had been deeply influenced by local left-wing politics due to factors such as inflation and social conflicts, and they became enthusiastic supporters of the institute's initiatives as a part of their involvement in local political movements (Chou, 2004). Their businesses, especially restaurants, played a crucial role in providing logistical support for Li's endeavours.

Between 1963 and the 1964 Chilean election, political atmosphere in Chile began to lean leftward further. Despite pressure from the US, politicians in Chile advocated for fair and

open trade with the Socialist Bloc. It was a consensus across the political spectrum that the Chilean copper industry made a huge sacrifice by not selling its products to Socialist countries (San Francisco, 2016, p. 200). In 1963, under the guidance of left-wing politicians, Li addressed the prospects of copper trade in a letter to the Chilean Ministry of Foreign Affairs, proposing the hosting of a Chinese trade exposition in Santiago:

> 'We are currently in talks with the copper department to acquire ten or twenty thousand tons of copper to be paid in cash and in hard currency…The People's Republic of China is interested in buying nitrate based on an exchange with Chinese products. As it should be known, the People's Republic of China acquired ten thousand tons of Chilean nitrate in 1960, which were canceled. As Chinese products were not well known in the local market, the exchange between the two countries was suspended…We believe that through this exposition, it is possible to establish wide contacts between the commercial and industrial circles of both countries, which would allow a better knowledge on both sides of Chilean and Chinese products'. [21]

The Chilean government swiftly approved the proposal. However, Li and the China Council for the Promotion of International Trade did not plan a conventional trade exposition showcasing Chinese industrial and agricultural products, most of which were not competitive in the region. Instead, they believed that China, as an unfamiliar and exotic country, should promote its traditional culture to establish a positive public image in South America before initiating commercial projects. An article by the Taiwanese Embassy in Chile's second-largest newspaper, *La Nación*, vividly captured the exposition's setup:

> 'they exhibited a series of wonders in silk, rugs, fine fabrics, porcelains, lovingly worked jewelry, jades, hard stones, lacquers, porcelain tableware, etc. The current Chinese, who march militarily behind Comrade Mao made them? No way! This is ancient China, with 6000 years of culture'.[22]

Furthermore, local Chinese residents in Chile, particularly young people, were hired as interpreters for the cultural sections of the exposition. Their participation as immigrants and neighbours, rather than Communist propagandists, significantly enhanced the reputation of the exposition and attracted audiences with diverse political views.[23] Latin Americans particularly valued diaspora public opinions, as immigrant business communities played an essential role in the region's economic development and entrepreneurship throughout the twentieth century (Austin et al., 2017). Additionally, Chinese exposition organisers rented cinemas to play highly regarded Chinese movies, such as romance comedy 'Five Golden Flowers' (1959) and animation 'Havoc in Heaven' (1961) and distributed free tickets. Under eased political controls in the late 1950s, these movies had unique character settings and drew from Hollywood techniques (Du, 2019), offering Chileans a refreshing departure from Hollywood productions to which they had become accustomed. The culturally immersive exposition in Santiago attracted over 400,000 visitors, roughly one-third of the city's population and the most among all Chinese expositions in Latin America until China's Reform and Opening-up.[24] The bustling crowds in the exhibition halls served as the most effective advertisement for trade. Encouraged by the positive public opinion and bolstered by strong support from Chilean left-wing politicians, the newly elected Frei government defied the US blockade and opted to sell copper directly to China, offering Beijing the opportunity to establish a permanent commercial office in Santiago.

Unlike in Cuba, Chinese Overseas in Chile significantly contributed to Beijing's trade promotion efforts. Li Yannian recognised the deep connection between the Chinese Overseas

community and local left-wing politics, understanding that he did not need to take an overly proactive approach. For instance, he extended an invitation to Alejandro Valencia Joo, one of the most influential Chileans of Chinese descent and a former mayor of Iquique, to visit China in 1965. Li emphasised to Beijing the importance of not politicising the visit and allowing Valencia Joo to freely explore and develop a positive impression of his 'motherland'.[25] This approach by Li and other Chinese officials towards the Chinese Overseas community in Chile caused considerable anxiety at the Taiwanese Embassy in the mid-1960s. Sociedad Beneficencia de la Colonia China (1964), Chile's largest Chinese migrant association under the Taiwanese Embassy's direction, publicly criticised Chinese Overseas individuals who attended the exposition, stating 'for our Chinese Overseas, only a few ignorant people who failed to differentiate between the enemy and ourselves and the pro-Communist cockroaches went there…in the exposition's cocktail party, Mr. Yang's daughter was present'. Such public shaming and singling out of individuals, particularly someone's daughter, proved detrimental to diplomats and migrant association leaders seeking support from the Chinese Overseas community. When Lin Ping and the Chinese commercial office commenced operations in 1965, they were warmly welcomed by a significant proportion of the Chinese Overseas community.

With political, public, and diasporic support, along with the challenges faced in other Latin American countries, it becomes clear why the Chinese government regarded Chile as its commercial and diplomatic breakthrough point in Latin America. However, one lingering issue persisted: trade between China and Chile remained one-way due to the lack of competitiveness of Chinese exports. This situation continued until a year into the Allende government and the establishment of China-Chile diplomatic relations. Initially, trade negotiators from the Allende government struggled to identify suitable Chinese products to import to Chile. Given that the Chilean diet primarily consisted of meats, they believed that the most competitive Chinese product would be frozen pork. In 1972, the Chilean government encountered a food supply crisis, exacerbated by increased food consumption as an essential component of the social welfare state introduced after Allende's rise to power in 1970 (Frens-String, 2021). As food insecurity worsened, Chilean officials repeatedly requested Chinese Ambassador Lin Ping to increase meat exports. While China could not provide large quantities of fresh or frozen meats, Lin Ping, considering previous success in Cuba, offered Shanghai Maling's luncheon meat as an alternative. Chinese luncheon meat, or 'chancho chino' in Chilean Spanish, soon became the most common meat dish on Chileans' dining tables. The Chilean government ordered four shipments between September and November 1972, totalling 161,000 boxes.[26] Chinese luncheon meat was popular in Cuba ten years earlier because it was considered an exotic snack in addition to local meat dishes, but in Chile, it was the only source of meat for many families. It remained well favoured but could not replace the taste of fresh meat in everyday meals. After the military coup, memories about 'chancho chino' constituted a battlefield of historical consciousness: for the Chilean Left, this Maling product reflected the Allende government's consistent effort to stabilise food supply amid difficulties in international markets; for the Chilean Right, it symbolised the nation's collective memory about economic hardships caused by leftist politics (Montt Strabucchi & Chan, 2020). Five decades later, many Chileans still recognise the Maling brand as the exclusively authentic symbol of everyday life during the Allende administration.[27] The political and socio-cultural significance led to Shanghai Maling becoming the inaugural widely recognised Chinese brand in Latin American business history.

Following the Chilean military coup and the country's embrace of neoliberalism, Chinese products once again became less relevant in the country. However, in the final three years of Mao's China, diplomatic relations extended to other Latin American countries such as Peru, Mexico, Argentina, and Venezuela. Chinese diplomats and trade officials drew from their experiences in Cuba and Chile on public image, exposition design, and dynamics of the Chinese Overseas community, while paying attention to local specifics. For instance, in 1975, the Chinese Embassy in Mexico targeted the US-Mexico borderland and arranged an exposition in Tijuana to showcase China-made products. The primary aim was to test the waters for entrepot trade that could pave the way for burgeoning China-US trade relations in the future. The commercial counsellor of the US Embassy in Mexico and the US Consul in Tijuana attended the exposition, which attracted 250,000 visitors in 18 days, including 20,000 from the US. Chinese Ambassador Yao Guang visited the homes of Chinese Overseas in Tijuana and Mexicali, persuading them to volunteer for the exposition. Considering that most Chinese Overseas in Northern Mexico identified with Taipei, Yao adopted a proactive approach, framing participation in the Chinese exposition as an act of patriotism to Beijing. Ambitious migrants seeking political and social status seised the opportunity, expelling supporters of Taipei from Chinese Overseas associations in Northern Mexico immediately after the exposition with the embassy's support.[28]

5. Conclusion

This paper unveils a nuanced history of commerce between Mao-era China and Latin America, transcending mere state-to-state exchanges. Instead, it was a complex interplay involving mid-tier diplomats, ground-level trade promoters, Latin American left-wing politicians, and the Chinese Overseas community, all of whom significantly influenced the trajectory of commercial relations. Chinese trade officials' market entry strategy centred on the creation of a favourable image of China and its products through meticulous market research, innovative product design, cultural-economic expositions, and deliberate engagement with the Chinese Overseas community, tailored to the local political landscape. Their actions were in line with China's relatively pragmatic political objectives in the region, driven by geopolitical complexities. Many of these approaches were born out of personal experiences in Latin America and often involved improvisation, exemplified by the successful expansion of Chinese luncheon meat from Cuba to Chile. Beyond these insights, further research could explore the long-term socio-economic impacts of these commercial interactions in shaping trade between China and Latin America in the Reform and Opening-up period. By continuing to explore these avenues, we can gain a deeper understanding of the intricate interplay between political tides, public opinions, cultural impacts, personal experiences, and diasporic dynamics in the context of China's commercial activities in the Global South.

Notes

1. This paper focuses on mainland Chinese activities and strategies rather than competitions between Beijing and Taipei in Latin America. The Republic of China's Embassies and representatives play a minor role in the analysis. Therefore, terms such as 'China' and 'Chinese' refer to the People's Republic of China.

2. '对外贸易部办公厅编印: 我国同古巴贸易计划 [General Office of the Ministry of Foreign Trade Edits: Our Trade Plan with Cuba]', September 1960, T5/9. In *1958-1965*中华人民共和国经济档案资料选编, p.356.
3. Consulado General de Chile en Hong Kong, 'China: producción y compra de fertilizantes', May 23, 1960. Archivo General Histórico, Ministerio de Relaciones Exteriores de Chile. Fondo Histórico 5649. In 1959, the PRC imported 500,000 tons of nitrate from Morocco and only 10,100 from Chile (Chou, 2001).
4. '对外贸易部党组关于党组会议讨论今后对外贸易发展趋势、任务、方针政策和重要措施的报告 [Ministry of Foreign Trade's Party Discussion over Trends, Tasks, Policies, and Important Measures in Future Foreign Trades]', May 11, 1958, National Archives of China, Z9-855-4. In Chinese Academy of Social Sciences & National Archives Administration of China (2011), *1958-1965*中华人民共和国经济档案资料选编 *[Collections of the People's Republic of China's Economic Archival Files]*, China Financial & Economic Publishing House, p. 8.
5. '中共中央批转财贸办公室关于继续扩大高价糖果和高价糕点供应范围的报告 [Report of the Central Committee of the Communist Party of China's Finance and Trade Office on Continuing to Expand the Supply Scope of High-Priced Candies and High-Priced Pastries]', Feb 28, 1961, The Chinese Great Leap Forward-Great Famine Database.
6. '驻古巴大使申健离任和古巴同意王幼平为驻古大使 [Ambassador to Cuba Shen Jian re-signed and Cuba agreed to appoint Wang Youping as ambassador to Cuba]', May 14, 1964, The Chinese Ministry of Foreign Affairs Archive, 117-01139-05.
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8. '中国-古巴建交五周年活动 [Activities celebrating the fifth anniversary of the establishment of diplomatic relations between China and Cuba]', August 26, 1965, The Chinese Ministry of Foreign Affairs Archive, 117-01246-01.
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10. '中商部下达1961年对古巴出口计划 [The Chinese Ministry of Commerce sends out export plans to Cuba in 1961]', Shanghai Municipal Archives, B98-4-1470.
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27. Social media provides valuebale insights into 'chancho chino' in today's Chilean culture and political debates. See 'Se vuelve a poner de moda el Chancho Chino,' https://www.youtube.com/watch?v=Zdp6JmMmcMQ and discussions on Facebook https://www.facebook.com/photo/?fbid=1250776955016955&set=a.556119347816056.
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