

Developing economies offer rapidly expanding opportunities

by Doreen Hemlock
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With China and India growing fast, the United States is losing clout in the world economy.

This year, for the first time, the world's emerging markets combined, led by China, will contribute more to the world's economic growth than all the developed countries. The relatively slow-growing United States -- now a smaller piece of the global pie -- will drag down the rate of world expansion, according to a recent panel held in Miami.

But fret not over the shift, international analysts say.

Gains for the billions of people in the world's poorer countries offer huge opportunities for international business.

London's Economist Intelligence Unit found in a recent poll that a record nine out of 10 chief executives worldwide see prospects as "very good" or "good" this year and the next few years -- encouraged by growth in developing nations.

"If we aren't already betting on emerging markets, we should be," John Price, president of consulting firm InfoAmericas of Coral Gables, told the panel in Miami, organized by Coral Gables-based publisher WorldCity Inc.

To tap the growth, panelists suggested U.S. companies look to sell to China. The Asian giant is working to change its tax system to stimulate consumption and to slash its massive trade deficit with the United States.

China and Hong Kong combined already rank as the No. 3 U.S. export market, after Canada and Mexico. And the pace of U.S. sales to China should quicken as Chinese consumers buy more, panelists said.

In South Florida's prime market of Latin America, Venezuela and Argentina will continue to account for much of the growth, spurred by high prices for their exports of oil, grain and other commodities.

But two countries making fewer headlines offer strong opportunities: Colombia and Panama, said Jerry Haar, a business professor at Florida International University.

Colombia's able leadership under President Alvaro Uribe has boosted business confidence, prompting some Colombians in Florida to return to their homeland and invest.

Panama's economy is surging, propelled in part by plans for a \$5 billion expansion of the Panama Canal, a key cog in world trade, Haar said.

Overall, the world economy should grow by almost 5 percent this year, down slightly from 2006, but enough to ensure the best five-year growth in decades, the International Monetary Fund said.

While China's economy should grow about 10 percent and Latin America more than 4 percent, U.S. growth should slow to less than 3 percent this year, according to the IMF.

Events

The Florida Foreign Trade Association has unveiled plans for trade missions coming into South Florida from Latin American and Caribbean nations.

Visiting executives mainly seek to sell goods from their homeland, find distributors and in some cases, buy supplies from the United States.

Plans call for incoming missions from Honduras from Feb. 25 to March 2; El Salvador from March 25 to 30; Dominican Republic from April 22 to 27; the English-speaking Caribbean nations of Trinidad & Tobago, Barbados, and Jamaica from June 24 to 29 and Peru from Sept. 23 to 28, the association said.

The official hotel for the incoming groups will be the Doubletree Hotel in Miami's Coconut Grove area.

For information, call the association at 305-305-471-0737 or check www.ffa.com.

Updates

The Association of Certified Anti-Money Laundering Specialists topped 5,000 members even before its fifth anniversary, the Miami-based group said.

Membership now spans 106 countries, sparked by tighter regulations on money laundering after the Sept. 11, 2001 terrorist attacks on the United States.

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