

A photograph of a man in a red safety vest and khaki pants standing on a yellow metal loading platform next to the open cargo hold of a large airplane. The cargo hold is filled with rows of metal crates. In the background, other airplanes and airport buildings are visible under a clear sky.

Lawyers and Others Collaborate to Make Michigan a Global Player

By Jeffrey F. Paulsen

FAST FACTS

Several efforts are underway to increase Michigan's presence in the global arena.

Lawyers play a crucial role in advising and guiding individuals, business personnel, and government representatives who are interested in doing business internationally.

Each one of the more than 460 SBM International Law Section members has a unique experience and perspective on the practice of law in the international community.

Several efforts are underway to increase Michigan's presence in the global arena. State departments, local governmental entities, nonprofit organizations, law schools, and the State Bar of Michigan International Law Section are among those educating businesses, lawyers, and the public about international issues and forming collaborations with other nations, host-country businesses, and nonprofit organizations in the global milieu. This article summarizes some of the recent activities dedicated to making Michigan a global player.

Who is Improving Michigan's Global Profile?

Governor Rick Snyder believes that Michigan's future is dependent on globalization.¹ "We are reinventing Michigan in a way that works better for our businesses and creating strong tools like the Pure Michigan Export Program to help Michigan companies compete globally and diversify their customer base," he said.²

Michigan Economic Development Corporation

The Michigan Economic Development Corporation (MEDC) is one of the organizations involved in transforming Michigan into a global powerhouse. The MEDC is a



public-private partnership serving as the state's marketing arm for overall economic growth. Nearly 96 percent of consumers live outside the United States and two-thirds of the world's purchasing power is in foreign countries. The MEDC believes it makes good business sense to go where the customers are. Exporting presents a significant opportunity for Michigan small businesses to increase sales and profits. Michigan is the nation's eighth largest exporting state, and global trade is responsible for thousands of in-state jobs. The MEDC is committed to increasing Michigan's exporting opportunities by providing resources for businesses to help them identify and enter key emerging global markets.³

The MEDC, through the Pure Michigan Export Program, directly administers two component programs to assist companies with their exporting needs: STEP (State Trade Export Program) and Export Now.⁴ STEP was introduced to help small and medium-sized businesses launch, expand, and enhance exporting opportunities. The Export Now program is a business-to-consumer, e-commerce selling solution in partnership with China that offers businesses providing consumer goods a one-stop, online solution to make it easy to sell internationally. The program is designed to provide the opportunity to reach 1.3 billion new customers in China, the fastest growing economy in the world.⁵ The MEDC, through its partnership with the Chicago-based Council of Great Lakes Governors, has also established foreign offices that are shared by council member states. Michigan now shares council offices in China and Canada.⁶

There are also many ongoing county and city business development efforts to attract international business and improve Michigan's global profile. (See Stephen Huber's article, "Oakland County's International Development Efforts," on page 34.)

Global Detroit

Global Detroit is making an effort to revitalize southeast Michigan's economy by pursuing strategies that strengthen Detroit's connections to the world and make the region more attractive and welcoming to immigrants, internationals, and foreign trade and investment.⁷ Global Detroit has helped connect upwards of \$4 million in philanthropic investments in more than a half-dozen initiatives since completing its initial study in 2010, including launching innovative programs in international student retention, microenterprise training, and lending; the Welcoming Michigan campaign; the Global Detroit Welcome Mat network of immigration and social services; and attracting foreign investment in companies that produce Michigan jobs. Global Detroit is just one of several efforts across the region capitalizing on the

Midwest experience of immigration bringing talent, industriousness, innovation, trade, and diversity, which helps fuel the economic growth engine.⁸

Global Detroit's research yielded 45 potential strategic program initiatives that could help southeast Michigan's economic transformation. The four targeted outcomes of the initiative are (1) making the region welcoming to the international community and immigrants; (2) attracting international investment and businesses that create jobs; (3) strengthening, growing, and revitalizing neighborhoods in Detroit and the region's core communities; and (4) attracting and retaining international talent in the region.⁹

The Global Detroit study revealed several key findings:

- Michigan immigrants are well-educated and a positive addition to our talent-attraction efforts.
- American and Michigan immigrants have the education and skill in the science, technology, engineering, and mathematics fields critical to creating new jobs and industries.
- American and Michigan immigrants start the high-tech and venture-capital businesses that lead entry into the new economy.
- American and Michigan immigrants invent the new technologies that will continue to drive future job creation and regional prosperity.
- Michigan immigrants are entrepreneurial and prone to start businesses.





American and Michigan immigrants have the education and skill in the science, technology, engineering, and mathematics fields critical to creating new jobs and industries.

- Michigan immigrants are productive, hardworking, and likely to be of working age.
- Metro Detroit's immigrants contribute markedly to regional prosperity.
- Immigrants are unique catalysts for economic renewal and population growth in cities like Detroit and the region's core communities.
- Immigrants decrease crime and raise property values.¹⁰

Michigan has more than 23,500 international students studying at its colleges and universities—the eighth largest population of international students of any state. These international students contribute nearly \$600 million annually to our local economies, effectively making higher education one of the state's larger exports.¹¹

Metropolitan Detroit has the second largest immigrant population of any Great Lakes regional metropolitan area, with 365,000 foreign-born residents (8.4 percent of the regional population). The region has significant Arab-American, Indian-American, Hispanic-American, Bangladeshi-American, Canadian-American, and Chinese-American populations in addition to dozens of other immigrant groups. In fact, metropolitan Detroit is home to some of the world's largest populations of Albanian, Macedonian, Lebanese, Iraqi, and Yemeni individuals, among others, outside of their home countries.¹²

Nonprofit Organizations

Various nonprofit organizations, including ethnic chambers of commerce, are actively looking at ways to foster cultural and

business relationships with immigrants and foreign nationals who may be interested in investing in business enterprises or creating destinations for foreign nationals. Three such organizations are the British American Business Council of Michigan, the German American Chamber of Commerce, and the Detroit Chinese Business Association. The Detroit Chinese Business Association is a Michigan-based nonprofit organization founded in 1995 whose primary goal is to foster bilateral business relationships between the United States and Chinese companies. The association promotes business opportunities by providing its members and the metro Detroit business communities with conferences, exhibitions, networking events, and consulting services.¹³ (See “Guanxi” is Focus of Chinese Business Community” by James Cambridge and Chaoyi Ding on page 38 as an example of such efforts.)

Law Schools

Michigan's five law schools are actively involved in educating students and providing hands-on training and learning opportunities in the areas of international law:

- Thomas M. Cooley Law School students can choose from more than 20 international study programs for future lawyers. The programs provide a range of legal education opportunities across the globe—from Shanghai to Cape Town to Florence, Cambridge, and Oxford.¹⁴
- At Michigan State University College of Law, articles published in the *Michigan State International Law Review* explore the development of international law.¹⁵ The law school's faculty and students participate in many of the SBM International Law Section's programs.

- The University of Michigan Law School provides a variety of opportunities for students to learn about the many aspects of international law. The International Transactions Clinic, the first of its kind, provides real-world experience for students working on real matters for real clients and combines transactional work with an international focus. Students learn drafting and negotiation skills, analyze ethical issues, build skills at structuring and documenting investments, and deepen their understanding of international economic and financial policy.¹⁶
- The University of Detroit Mercy School of Law actively participates in international law conferences and symposiums. Students have created an organization for those interested in pursuing international law as a career.¹⁷ The school's faculty and students take part in the SBM International Law Section's programs and in international matters. (See "The Globalization of Legal Education" by Andrew Moore, Cara Cunningham, and Margaret Costello on page 40.)
- Wayne State University Law School students can take classes on a range of international topics from international commercial transactions to international environmental law to the use of military force and the protection of human rights. Study-abroad programs give students a firsthand view of other nations' legal systems and their approaches to legal education. The law school also offers an array of internationally oriented student organizations. The Program for International Legal Studies is the focal point for all international activity at Wayne Law.¹⁸ A faculty advisor and student editors are also responsible for the *Michigan International Lawyer*, the signature publication of the SBM International Law Section, which is produced three times a year and covers an array of information on the section as well as educational articles on a variety of international law topics. (See "International Human Rights Litigation after *Kiobel*" by Gregory Fox and Yunjoo Goze on page 44.)

What Michigan Lawyers Can Do

Lawyers play a crucial role in advising and guiding individuals, business personnel, and government representatives interested in doing business internationally. As Michigan-based companies change and global opportunities arise, there may be widely divergent paths and international opportunities for businesses and individuals that have, to date, not been possible or achievable. While strategies for going global will be determined by each company or individual, here are a few possible paths and opportunities:

- Expand their business models and consider new opportunities to work with foreign entities to enter U.S. markets. For instance, a foreign manufacturer producing a high-quality product may not have appropriate U.S. sales and distribution strategies. Michigan companies may be able to help market and distribute foreign-made products and services to U.S. consumers.
- Establish or purchase an international entity and operations. Businesses and individuals can identify targets, conduct due diligence, and consider establishing operations or purchasing foreign-based companies because the vast majority of the world's consumers and purchasing power is in international markets.
- Consider a strategic alliance or joint venture. Business owners should review their companies' strengths and weaknesses and compare them with the strengths and weaknesses of foreign-based businesses operating in the same or similar industry segment. A Michigan-based manufacturer's superior design and engineering capabilities may be a perfect complement to a foreign company's superior manufacturing cost structure. Or the product manufactured with a few branding, design, and market-dictated changes may be a perfect product for distribution in an international market. A strategic alliance or joint venture may be the answer for a Michigan-based company wanting to expand its product offerings or geographical reach.

As lawyers, we can provide invaluable legal advisory and consulting services to Michigan-based clients as they consider their international business options and implement new international strategies to survive and grow.

What is the State Bar of Michigan International Law Section's Role?

The SBM International Law Section celebrated its silver anniversary in September 2013.¹⁹ While many of the section's early leaders have reached their own "silver" events, the influx of younger, diverse, and energetic future leaders bodes well for the number of Michigan lawyers interested and active in international law matters. Section membership is free for law students and lawyers in practice for two years or less; annual dues for all others are \$35.

International Law Section leaders are often asked, "Who is a typical international lawyer?" Our membership is diverse in years and types of practice and involvement in international legal matters,²⁰ and we have instituted programs and focused our efforts to increase the diversity of membership.

Some of our members are involved with public international law—the law governing relations between nations—which includes treaties, human rights, international environmental law, international criminal law, and law on the use of military force. Other section members practice international private law and commercial transactions. This includes business dealings across national borders, the applications of foreign law, international trade law, antitrust rules, and international protection of intellectual property.

As lawyers, we can provide invaluable legal advisory and consulting services to Michigan-based clients as they consider their international business options and implement new international strategies to survive and grow.

The International Law Section holds quarterly business meetings followed by programs on international topics including humanitarian rights causes such as sex trafficking and human rights violations; cybercrime and international espionage; developments in investment treaty arbitration; international commercial arbitration; multijurisdictional litigation; global privacy regulation; the U.K. Anti-Bribery Act, the U.S. Foreign Corrupt Practices Act, and money laundering; the U.S.-Canada international bridge debate; diversity and a global workforce; immigration issues; international trade issues; structuring international joint ventures; intellectual property and unfair trade practices; and business opportunities in Africa, Brazil, China, Mexico, and Russia. Whether you have an interest or experience in international business transactions, tax treaties, trade, employment and immigration, human rights, or alternative dispute resolution or in emerging nations such as Brazil, Russia, India, and China, section members are actively engaged with clients in legal issues on these topics and the section provides interesting educational programming on these issues. Each of the more than 460 International Law Section members has a unique experience and perspective on the practice of international law. In addition, the section and its members are actively collaborating with other Michigan-based organizations to improve the state's global profile.

Section-sponsored international law programs involving hundreds of experienced lawyers, government representatives, and business leaders have been held across Michigan for more than 25 years. The section has long had a group of volunteer lawyers who have invested many hours to gather information, arrange conferences, and provide professional and educational international programs multiple times every year. The section's website²¹ provides State Bar members and nonlawyers access to international law information and activities.

Following a long line of distinguished volunteers, the International Law Section members continue to freely devote their time in the belief that it is critically important to Michigan's future to

collaborate with other internationally minded organizations and for Michigan lawyers and nonlawyers alike to have a better understanding of international legal issues. If you share these interests, join us! ■



Jeffrey F. Paulsen, owner of Paulsen Law Firm and immediate past chair of the SBM International Law Section, has more than 25 years of experience as an international business transactions lawyer. A former general counsel and business services partner of an Am Law 200 firm, his practice includes strategic counseling of clients and drafting and negotiating business agreements for domestic and international business clients.

ENDNOTES

1. See generally Michigan Economic Development Corporation, Export Assistance <<http://www.michiganadvantage.org/ExportAssistance>>. All websites cited in this article were accessed October 3, 2013.
2. MEDC, Sustainable Energy for Sustainable Development Conference, October 23, 2012, available at <http://www.egr.msu.edu/bae/files_bae/documents/14-UNConf2012RichesonExporting%20Sustainable%20Energy%20Products%20to%20the%20World.pdf>.
3. MEDC <<http://www.michiganadvantage.org>>.
4. Export Assistance, n 1 *supra*.
5. *Id.*
6. Council of Great Lakes Governors <<http://www.cglg.org/>>.
7. Global Detroit <<http://www.globaldetroit.com>>.
8. *Id.*
9. Global Detroit, Vision & History <<http://www.globaldetroit.com/about/vision-history>>.
10. *Id.*
11. Global Detroit, International Student Retention <<http://www.globaldetroit.com/project/international-student-retention>>.
12. Global Detroit, Welcome Mat <<http://www.globaldetroit.com/project/welcome>>.
13. Detroit Chinese Business Association <<http://www.dcba.com/who-we-are>>.
14. Thomas M. Cooley Law School, Foreign Study Programs <<http://www.cooley.edu/foreignstudy/>>.
15. Michigan State International Law Review <<http://www.msuir.org>>.
16. Michigan Law, International Transactions Clinic <<http://www.law.umich.edu/clinical/internationaltransactionclinic/Pages/default.aspx>>.
17. University of Detroit Mercy School of Law, International Law Society <<http://law.udmercy.edu/index.php/students/student-organizations/8-students/248-international-law-society>>.
18. Wayne Law, Program for International Legal Studies <<http://law.wayne.edu/international-studies>>.
19. SBM International Law Section <<http://www.michbar.org/international>>.
20. See SBM International Law Section Active Members 2012 <<http://www.michbar.org/international/pdfs/demo.pdf>>.
21. SBM International Law Section <<http://www.michbar.org/international>>.