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China: commercial areas of globalisation

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China is not just the workshop of the world; it is also an enormous market. There are not only factories controlled by foreign capital, employing migrants from the outskirts of town or former villages, using Fordist methods to mass-produce large quantities of consumer products for the whole world. There are also numerous areas of product circulation and trade, rural and urban markets, wholesale and retail markets, generalised and specialised markets, temporary and permanent trade fairs. Some of these areas are meeting points for Chinese producers, state-owned companies or, increasingly, private companies, and the rest of the world. International buyers are not just paid representatives of big globalised distribution firms, but also independent small shopkeepers of developing countries (Africa, the Middle-East and South Asia, in particular); everybody comes to China to look for inexpensive products that meet the quality or variety requirements of their clientele.

The oldest and most well known of these business areas is the Canton Fair, bringing together Chinese producers and foreign buyers. Since 1957, international buyers fond of Chinese products have been meeting twice a year, in spring and autumn, in the southern capital. Close to the British territory of Hong Kong, Canton has a history of its own because before the Opium Wars it was the only port open to trade with Westerners under the Cohong system¹. In 1957, Zhou Enlai opened the first trade fair. In October 2006, the Prime Minister, Wen Jiabao, inaugurated its hundredth edition. On this occasion, the authorities wanted to reduce their trade surplus in relation to their foreign partners, which led to changing the name of the fair from “Chinese Fair of export products” to “Chinese Fair of

1. An association of a dozen licensed Chinese businessmen holding a monopoly.

export and import products". This hundredth edition saw more than 31,000 stands over 280,000 square metres covering two sites. Li Hua, a building constructed in 1974 in the city centre and Pazhou, with futuristic architecture recently inaugurated on the outskirts of the city (with a total exhibition surface area of more than 33% of the 8 exhibition halls of Porte de Versailles in Paris, placed first among French exhibition centres and fourth among European centres).

As with most markets in China, both in the sector of manufactured goods and services, competition is extremely steep between trade fairs. Most of the best cities organise regular events for national and international buyers. Since 1991, for example, the "Import and Export trade fair of Eastern China" has been held in Shanghai at the beginning of March every year, co-organised, in addition to the economic capital of the country, by the neighbouring provinces of Jiangsu, Zhejiang, Fujian, Jiangxi and Shandong as well as the cities of Nanking and Ningbo. In March 2006, the trade fair brought together more than 5,000 stands over 103,500 square metres. In large cities, as is the case in smaller ones, the local, provincial and national authorities work together for the promotion of commercial events and are equipped with necessary infrastructure: exhibition buildings, conference halls, catering and hotel infrastructure. The construction of these buildings also contributes to urban reconfiguration. While industrial facilities are moved, setting up this equipment in a certain area involves amending and developing land resource strategies. Another example is Hangzhou, capital of the rich Zhejiang province and a traditional holiday resort for its lake and landscape, is becoming the Chinese capital for conferences. Since 2000, the "West Lake trade fair" has resumed. The city is well prepared to restore the pioneer role that it enjoyed. From 1929, Hangzhou organised the first largest ever international trade fair held in China. Its aim was to compete with the large World Fairs organised since the middle of the 19th century in Europe and the United States, and it lasted 137 days. By the lakeside, a museum can be found celebrating this glorious story.

In this world of trade fairs, the city of Yiwu (Zhejiang province) presents an original case of development. 300 kilometres south of Hangzhou, on the railway line that connects the capital of Zhejiang with Nanchang (capital of Jiangxi), Yiwu was formerly a big rural market town. In the span of 20 years, it has become an agglomeration of almost 1 million inhabitants – more than half of whom are migrants – with about 15 wholesale markets that are open permanently everyday, which means, 50,000 stands over more than 2.5 million square metres. "Yiwu, the biggest wholesale market of the world", "an ocean of goods", such are the slogans relentlessly repeated within the city walls. It is presented like a sort of Babel of the globalised economy to the visitor. In some areas, thousands of square

kilometres of socks can be found; in other areas clothes, furniture, toys, etc. More than 400,000 product categories are referenced. The oldest of these markets are simple concrete halls that are exposed to the wind; every tradesman (often also a small producer) displays and then packs up his products again on basic wooden stalls. The most recent are the immense structures over several floors accessed by lifts and escalators, the tradesmen rent out (or buy) real shops equipped with computers and air conditioners. Hotels, restaurants and vast parking spaces are also in the vicinity. Buyers from the Arab world (the Middle East, Africa) are so great in number that Chinese Muslims come from the west of the country to settle down in Yiwu to work in the services that promote commercial activity.

The paradox is therefore that, in a globalised economy and where the internet plays an increasingly important role, the meeting places between buyers and sellers are on the increase, at least in China. Is there still a need to meet face-to-face? Is this an effect of a developmental gap? It could be imagined that other forms of putting products on the market (trading companies, mass marketing) will take over from these markets, if we assume that these markets are at their peak today. At a time when attention is given to the technological rise of the Chinese industry, we are perhaps forgetting too quickly that the trade activity is still generating great wealth. These are reasons enough to conduct investigations on these globalised melting pots of commercial areas.