

JWC Monthly Newsletter No.30 June.1, 2002 By Jin Wei Consulting Service Ltd.

(Advance notice: Newsletter No.31 will be e-mailed to you on July 1,2002)

## JWC

1. In order to let you know quite well about the founder of JWC, JWC have publicized Li Jinwei's curriculum vitae and adjusted its some scopes of business which can be found on its web from this day as soon as JWC has also updated its web at: <http://www.jwc.com>  
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2. You can freely subscribe or unsubscribe JWC monthly newsletter on the main page of [www.jwc.com](http://www.jwc.com) also you can check the historical newsletter inside marked Newsletter within English Version of [www.jwc.com](http://www.jwc.com)

## Shanghai

### **1. More foreign talents work in Shanghai**

There are nearly 60,000 foreigners in Shanghai so far, with up to 16,000 get employed in the city.

Shanghai, a metropolis, is attracting more foreigners in recent years with 6,733 foreigners employed in the city for the first quarter of the year. Those foreign employees came from 119 countries around the world. The number of people came from Japan was ranked on the top, covering one-third of the total number, the United States was ranked the second, accounting for up to 12 percent of the total number and those from South Korea, Singapore and Germany covered up to seven percent of the total. More foreigners from India are engaged in the city's software sector so far, with the number placed the 13<sup>th</sup> in the 119 nations. Up to 96 percent foreign employees boasted at least associate degrees and the remaining got special skills such as the chefs of Western restaurants. Up to 81.9 percent foreigners are employed in the wholly-owned foreign firms, Sino-foreign joint ventures or cooperative firms, with up to five percent getting jobs in state-owned enterprises and private firms. More than 80 percent of the foreign employees take the positions as senior managers, secondary or senior experts and technological professionals.

### **2. City's GDP to grow quickly**

By 2007, Shanghai aims to advance its per capita GDP to US\$7,500, if the city succeeds in that goal, it would be a remarkable achievement considering the local per capita GDP has only grown

by about 50 percent to US\$4,500 during the last five years, despite historically rapid economic growth in the city. The next five years will be a critical transitional period that covers the country's Tenth Five-Year Plan (2001-2005) and the Eleventh Five-Year Plan (2006-2010). So, Shanghai keeps its economy increasing quickly and steadily - maintaining our GDP growth at an average 2-3 percent higher than the national average.

With the ultimate purpose of building up Shanghai into an international metropolis, the city should continue to push ahead its implementation of the opening-up policy and its modernization to a new level.

### **3. German bank opens office in Shanghai**

One of the world's oldest banks, the Berenberg Bank from Germany has opened an office in Shanghai. Following such predecessors as the Deutsche and Dresden Banks, the privately owned Berenberg Bank is the tenth German bank to open a branch in Shanghai. Blaus Budelmann, chairman of the bank's board, told a press conference in Shanghai that his bank was upbeat about the rosy economic and financial future in China and Shanghai and believed the booming trade between the two countries would create a big market for Berenberg. Established in 1590, the bank specializes in trade financing, investment management and personal finance. Before basing itself in Shanghai, it built up contact with China's shipping, trade, banking, securities and insurance sectors.

### **3. German lathe firm invests in China**

Europe's leading lathe producer, Gildemeister Group, has announced it is establishing its first production center outside Europe in Shanghai. Tim Smith, the group's chief executive officer for Asia, said earlier this week that his company was stepping up its establishment of a lathe plant in Shanghai as it believed the demand for lathes from China and other part of Asia would increase.

The plant, in southwest of Shanghai and covering 15,000 square meters, will be operational later this year. The initial investment totals three million Euros. Smith said his company would introduce the latest model lathes to the Shanghai plant, which is expected to sell 80 million Euros worth of lathes in China and neighboring areas annually.

Gildemeister is the world's second biggest digitally-controlled lathe maker with 10 plants in Europe.

Nation

Airliner down, 240 killed

A China Northern Airlines passenger plane crashed killed 112 in the sea on the eve of May 7<sup>th</sup> near Dalian, a port city in north China's Liaoning Province. The MD-82airliner carrying 103passengers and nine crew members was on flight No.6136from Beijing to Dalian.At around 21:32 Beijing time,the ground control center lost contact with the plane after its captain reported that a fire broke out in the cabin. Witnesses said the plane crashed into the sea some 20kilometers east of the Dalian airport. Local authorities organized rescue efforts right after the accident.Most

of the passengers are residents of Dalian. On April 15 Air China crashed down within Korea killed 128, both happened within a month.

## World

1. Japanese, Chinese economy combined to overtake US in 20 years

The combined gross domestic product(GDP) of Japan and China will overtake that of the United States in two decades, which will reshape the world's economic map, Nobelprize-winning economist Robert A. Mundell said. Mundell, known as the Father of the Euro, Europe's single currency, said China's GDP would reach US\$4 trillion by 2020 and US\$8 trillion by 2040, equal to the predicted figures for Japan at the same time. The economist, a well-known professor at New York's Columbia University, said the most important event in the 20<sup>th</sup> century was the rise of the United States, and in the 21<sup>st</sup> century, the most important event will be the rise of Asia.

Addressing the Distinguished Scientist Forum hosted by Nanjing University in east China's Jiangsu province, he said Asia is becoming a big area, a big and threatening power and has an equal area to Europe in economic development. China's economy quadrupled to US\$1 trillion in the 16years from 1980, when Deng Xiaoping, architect of China's policy of reform and opening up, initiated the program to quadruple the country's GDP in 20 years, Mundell said.

Two decades ago, many people in the United States dismissed Deng's ambitious program as a joke because they said China had not recorded an economic growth rate as high as 7.2 percent in its several thousand years of history. Other currencies in Asia will remain stable as long as the yen and the Chinese currency remain stable, he added. Stability will enable Asia to create a single currency which like Euro and the US dollar is accepted worldwide.

## 2APEC meet closes, cooperation urged

The Fifth Asia-Pacific Economic Cooperation Ministerial Meeting on Telecommunications and Information Industry closed yesterday with members vowing to work together to improve data security and fight computer crime. The meeting, which was held in Shanghai, resulted in the publication of one major document, the Shanghai Declaration, and two appendices, the Pro-gram of Action, and a Statement on the Security of Information and Communications Infrastructures.

The Shanghai Declaration affirmed that information and communications technologies have significantly promoted the availability and dissemination of knowledge to the public, and made a great impact on economic development, governmental activities and social progress.

But it also pointed out that the rapid development of information technology has led to new threats and forms of crime. After talking about the security of information and communications infrastructures, representatives reached wide-ranging agreement on the importance of cooperation.

The appendices noted that the organization's 21 member economies must develop regional strategies to battle these problems as their basic infrastructures are interconnected.

Members agreed to establish a legal basis to address the criminal misuse of information

technologies and improve law enforcement cooperation to combat such crimes.