China Council for the Promotion of International Trade
(Xian Sub Council)

Team E-Commerce

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Abstract

The remarkable industrial and economic growth that is currently underway in China has done more than just capture the attention of the global market. It has attracted foreign investments, partnerships, and customers. But with so much growth and opportunity in the global marketplace, the need to have a strong advocate that will create platforms to build relationships and exhibit products and industry capabilities is a must.

The following report will explore the role of the China Council for the Promotion of International Trade (CCPIT), (Xian Sub-Council) and the mature industries of the city of Xian. The paper will begin by exploring a brief history of China as well as highlight the geographical, technological, and natural resource advantages in the city of Xian. The purpose of the CCPIT will be discussed. Xian’s technology, agriculture, aviation, labor, and tourism enterprises will also be assessed in an effort to illustrate the strong sectors of Xian of which the CCPIT has a vital role in promoting.
TABLE OF CONTENTS

Abstract................................................................................................................. 2
Introduction to China .................................................................................. 4
Advantages of Xian .................................................................................. 4
China Council for Promotion of International Trade Xian Sub-Council (CCPIT Xian).......................................................................................... 5
Diverse Sectors for Growth in Xian: ......................................................... 5
  Technology ........................................................................................................ 6
  Labor based on specific industry............................................................... 8
  Agriculture................................................................................................. 10
  Aviation ......................................................................................................... 12
  Tourism ......................................................................................................... 14
Conclusion ...................................................................................................... 17
Questions for CCPIT Xian............................................................................. 19
References..................................................................................................... 20
China is the world's most populous country, with a continuous culture stretching back nearly 4,000 years. Many of the elements that make up the foundation of the modern world originated in China, including paper, gunpowder, credit banking, the compass and paper money. After stagnating for more than two decades under the rigid authoritarianism of early communist rule and under its late leader, Chairman Mao, China now has the world's fastest-growing economy and is undergoing what has been described as a second industrial revolution (BBC, 2009). In order to fully take advantage of a globalizing marketplace, a strong marketing and promotion strategy must accompany the positive industrial growth.

Xi’an, the capital city of the Shaanxi Province, has been globally known for its historical and cultural presence in the region. Aside from this, it is an important base for scientific research, higher-education, science, and technology industry for national defense and high-tech industries. Xian offers a unique competitive advantage for growth and prosperity because of the following: Location which plays a key factor and allows for easy access with twenty-nine international flights, becoming the fourth largest international air hub city. In addition, because Xian is located in the center of land territory of China, it has become the largest node city in the trunk road network of the whole country and an important traffic hub to connect north-south ‘Grand Cross’ railway network. It is also a city with solid science and technology foundations and high innovation ability thus ranking third in technology among major markets in China. Xian currently has over 3,000 scientific research institutions, including 93 national key laboratories, 29 national scientific research or industry testing centers and 400,000 professional technical personnel which explains the high ranking. Xian focuses mainly on mechanical equipment, transportation, electronic information, aerospace, bio-medicine, food and beverage and petrochemicals. It has become a research and development center and production base of China at present for high-voltage power transmission equipment. Xian also has adequate supply of energy and human resources. In this respect, Xian is better than many other cities of China. Being in proximity of important energy base of the north of Shaanxi Province, Xian is rich in coal, natural gas and oil and has an adequate energy supply for industrial and residential use. Meanwhile, the human resources and labor cost in Xian is about 1/3 of the average cost of eastern coastal areas. A city that has a large number of cultural relics and abundant tourism resources Xian is known for its rich history. Lastly, broad financing channels and relatively
complete financial system make Xian very attractive for investment (China Economic Review, 2009). With a wealth of enterprises and assets at its disposal, how does the city of Xian broadcast its abundance of resources, technological competence, and manufacturing prowess to the global marketplace? (Why history of the city, when you knew one of the other teams had the city a the focus o their paper?)

China Council for Promotion of International Trade Xian Sub-Council (CCPIT Xian) was founded in 1985. CCPIT is made up of influential personalities, enterprises and organizations representing the economic and trade sectors in Xian. The aim of the CCPIT Xian Sub-Council is to operate and promote foreign trade, to use foreign investment, to introduce advanced foreign technologies, to conduct activities of Sino-foreign economic and technological cooperation in various forms, to promote mutual understanding and mutual development of economic and trade relations between Xian and other countries and regions around the world, in line with law and government policies of the People's Republic of China. China is a very large country with multiple economic sub-regions. In 2005, the Department of Commerce established fourteen “American Trade Center” field offices in coordination with CCPIT. These offices cover the important regional markets in China. They are designed to assist American exporters to identify possible agents, buyers, importers or distributors in the regional market through the provision of normal DOC services at standard DOC prices. All services are offered with a proviso that the payment will be returned if the American exporter is not satisfied with the service rendered (U.S. & Foreign Commercial Service and U.S. Department of State, 2006).

The CCPIT Xian has several strong sectors to concentrate and initiate growth and demand such as high technology like Business Process Outsourcing (BPO), labor, agriculture, aviation, and tourism, all in effort to promote globalization and wealth.

Technology

A major international study, "A Special Report on Xian -- Chinas Western BPO Capital" identifies a new potentially world leading Business Process Outsourcing (BPO) center in Xian, Western China -- and identifies what the authors refer to as a "New Army in a Modern City", an Army of bright English speaking graduates and their business leaders who can make Xian a
global BPO Icon -- providing fame and recognition beyond that earned by the world renowned Terra Cotta Army. Xian is now a "must include" destination for all BPO Procurement Specialists, CEOs and CIOs, and Outsourcing Advisors.

"Xian -- Chinas western BPO Capital", a new, comprehensive, and "no holds barred" BPO report, shows how Xian, the cradle of Chinese civilization and the home of the famous Terra Cotta Warrior Army, has tailored and launched its bid to wrest the crown as the latest "go to" destination for BPO services from its Indian and Chinese competitors. Xian is destined to become one of the worlds BPO capitals if a team of successful Chinese business leaders (from overseas and from China) and the farsighted senior officials of Xian and the Shaanxi Provincial Administration have their way. BPO is a critical focus for the Xian team. Already Xian is the home to China’s largest indigenous BPO Company which deals almost exclusively services delivered in the English Language (CompuPacific Inc.) and the city is out to aggressively capture further work in this field from across the globe.

The report shows that Xian uses a Positive Bottom Line Impact to attract business: Competitive Costs, High Quality Labor, Low Labor Attrition, Productivity, Low Overheads, and Investment Incentives. The economics of Xian are competitive when compared with India and other outsourcing destinations and among the lowest in China (salaries and overheads are 50 per cent below what they may be in Shanghai and 40 per cent below Beijing rates). As a result of being one of China’s major academic centers -- with more than 700,000 students in further education - Xian will lever its abundance of low cost, graduate, and English language experienced labor. Couple these resources with competitive incentives and the backing of China’s National Government and the Shaanxi Provincial Government, and Xian cannot help but make a mark in the global outsourcing and BPO market place.

Bill Lewis, Managing Editor of Singapore based China Observer and an international expert in the field of Outsourcing and Systems Integration, says, "In the past three years, the Xian Software Park and Hi Tech Zone leaders have caused the opening of over 300 new ITO and BPO businesses serving overseas and domestic markets from Xian Software Park. Working with Xian’s 100 Universities and further education establishments, who are pumping out thousands of highly competent, English speaking graduates hungry for work in the BPO field, the Xian team
have put together a formidable initiative to build a global BPO center. As they are rapidly adapting to western requirements, investing in BPO related training, quality certification, and gathering appropriate advice from the international marketplace, they will be highly successful and become a world leading BPO player.”

Xian’s bid for BPO fame is driven from Xian’s Software Park (a National Software Industry Base and a Software Export Base), located in one of China’s premier centers for science and technology Xian’s Hi-tech Industries Development Zone. The Hi-tech industries Development Zone houses 7500 enterprises, of which approximately ten percent are foreign funded, and it includes manufacturers, research and development laboratories. Information Technology, and now BPO, is considered to be "Pillar Industries." Xian has shown success to date by attracting foreign and domestic investment with organizations such as Intel, Fujitsu, Philips, Sybase, Nortel, Thoughtworks, Agilent, Kingdee, NEC, and Huawe. Xian is providing an unusually attractive location by fusing ancient culture (it was China’s ancient capital and one of the four ancient world centers alongside Cairo, Rome and Athens) and modern, hi-tech leading edge developments. Xian is contemporary and modern with an historical lineage. This can be a winning strategy for Xian. Billions of dollars in infrastructure development ensures the city functions easily and well.

Xian’s academia is founded on centuries of learning and today graduates students in subjects ranging from Computer Sciences to Biotechnology to Space Technology (it is interesting to note that sixty per cent of China’s latest manned spacecraft -- Shenzhou VI - originated in Xian’s Research and Development Institutes) (Xian-China BPO Report, 2006).

**Labor and Industry**

At first thought of Xian’s labor force or major industries, it is not unrealistic to think that the average American tourist, or EMBA student, probably does not know too much about these subjects, as they pertain to Xian. In fact, when we received our assignment, none of us really had any idea of how large this city was, much less what industries it supported and what type of labor force was involved. Upon researching the city, it became more apparent that Xian is a vibrant city, with over 8 million people living in the city and urban areas. The labor force is
diverse, supporting many different industries, including everything from information technology, to aviation, to rocket fuels and satellite manufacturing. However, one thing that China cannot escape is the fact that every now and again it gets embroiled in a labor scandal. Xian is one of the largest cities in China and it has also been named in numerous labor scandals which have a negative effect on attracting investment from overseas. On the other hand, there is an entrepreneurial spirit that is alive in Xian. With such a large population and the difficulties sometimes realized in finding sustainable employment, some residents are forced to use their imagination and find work for themselves.

Xian has tremendous focus when it comes to creating jobs for outsourcing. One study suggests that in 2007, Xian “had a plan to graduate 50,000 students and create 100,000 students by 2010” (Xian An Ideal city for Meeting Your Sourcing Needs, 2007). Digital China Financial Software increased its headcount to 700 in a matter of three years. This is due to the incredible number of potential workers and is just one example of how China cities can come to understand the potential money making power of an industry and subsequently focus toward that industry to produce professionals with specific talents. Even more interesting is the disparity in wage rates. While an IT professional in the United States might make upwards of $80,000 a year, the same professional in Xian would only make approximately $6500 a year (Xian An Ideal City for Meeting Your Sourcing Needs, 2007).

One of the predominant industries in Xian is aviation/aerospace. Once again, the labor force is strong enough to train and attract the required workforce. This is a clear competitive advantage to be able to groom your industries. Xian will soon lead China in its aviation industry. As Vivian Yu and colleague’s state, “Leveraging on its strength in this field, Xian will develop middle and large size civil aircraft, new generation rocket engine, effective satellite load and ground system, aircraft part manufacturing and outsourcing production, and make the city the largest aerospace and aviation equipment manufacturing base in China.” This is significant and will obviously require a strong labor force that is highly trained. The Xian Aircraft Industry Company (XAC) currently employees 20,000 workers and covers an area of 3 million square meters (Xian An Ideal City for Meeting Your Sourcing Needs, 2007).

In the United States, coal mining has been a main industry for well over one-hundred years. In China, it is the same. Xian is one of the largest coal producers in China. However, in
order to retrieve coal from the ground, people are required to go into the shafts in order to break it apart and put it on conveyers that subsequently bring it to the surface. This is one of the riskiest jobs on earth. Just in the past 18 months, there have been, at least, fifteen coal-mining accidents in China. From coalmines blowing up, to walls caving in, to digging illegal mines, it is apparent that, in some cases, China does not regulate this industry in such a way to maximize the safety of its workers. Nevertheless, workers are in abundance and ready to learn coal mining, regardless of the dangers (Thaindian News, 2008).

Although it is clear that workers in China do not make the same amount of money as those in other modern cities, it is clear that even in a communist state, there is an entrepreneurial spirit. Take the bicycling painters for example, where in a down economy; men in Xian are taking to the streets to paint houses. As Dan Washburn states, “They arrive by the dozen, hundreds of them, every morning, pedaling eagerly to the corner of Feng Gao Xi Lu and Xi Er Huan Lu, looking something like hobo jousters, wooden poles topped with paint rollers strapped like lances to their rundown bicycles.” This article further states that between 1995 and 2002, 45 million workers were laid off, including 35 million from the private sector. At the time, the Chinese government stated unemployment to be approximately 3.2%, but the number in Xian is likely closer to 15.9%. The reason for this is the special way unemployment is calculated. As the article continues, “The wide gap between the two figures is filled by China’s huge ‘floating population.’ Estimates of this neither-unemployed-nor-employed population’s size range from 75 million to 130 million.” This is considerable when comparing the entire population of the United States.

So, as the unemployment numbers rise, due to the world economy, these painters try to make a living by riding their bikes to a particular corner in Xian and hope for work. Most expect to earn an average of approximately $120 USD in a month. This sounds like a paltry figure, but statistics show that it is actually more than the average household in the region, which is approximately $74 USD per month.

Since this is a communist country, one must ask if this is legal-collecting on a corner in order to vie for painting work around town. The answer is no, it is not technically legal. This
does not stop the painters though, as survival, evidently, is sometimes more important than hoping for a government sponsored job (Shanghai Diaries, 2004).

Agriculture

The CCPIT has played a vital role to bring recognition of the agriculture region around Xian and boost trade efforts of China’s agricultural products within China and abroad. Xian is one of the important “gene banks” with 1200 species of native plants that are of known economic value and 1000 plants with medicinal value (The People’s Government of Shaanxi Province, 2009). Many of these plants are manufactured in Xian into organic products such as feed additives and fertilizers. Trade events and fairs hosted by the CCPIT are held in Xian to promote these goods, products and companies. Mr Wei Liu of Changsha Xian Shan Yuan Agriculture & Technology Co., Ltd. claimed that the CCPIT was pivotal in boosting his trade efforts with Vietnam. Not only did they help him and his company get involved in the trade expos in Xian, the Council set him up as a representative in an expo hosted in Vietnam (Wei, 2009). Ms. Flora Xin of JoryHerb Ltd. also claimed that the CCPIT was very beneficial in the global market for China’s trade efforts (Flora, 2009). The Council has been very important for small businesses in China to make their presence on the world stage who otherwise would have not had the revenues to successfully promote their goods.

The Construction Project of Xian Vacuum Frozen Dry Food Production Line is one example of a project within a company that the CCPIT promotes for investments. This project has a total investment of RMB 94.06 million including fixed asset investment of RMB 84.06 million and initial working capital of RMB 10 million. Of this, RMB 29.06 million is raised by the enterprise and the rest RMB 65 million is from a bank loan or financing. The form of the cooperation can be joint venture or cooperation (ITFXEW, 2009). With the help of the Council, projects such as this one get global recognition for investors to discover.

The Eleventh Investment and Trade Forum for Cooperation between East and West China simultaneously with the Sixth China Western Region International Investment and Trade Forum were held in Xian to promote international cooperation on the basis of exchanges between the provinces. This extravaganza drew crowds of 400,000 people with over 10,000 projects for
business promotions and exchanges (CCPIT Shaanxi Sub-council, 2006). With the success that the CCPIT has had organizing events such as this, they have utilized the exceptional climate and historical recognition of Xian to successfully bid and hold world events such as the International Horticulture Exhibition for 2009. Estimates show that visitors could exceed 10,000,000 for this event (CCPIT Shaanxi Sub-council, 2006).

The CCPIT not only helps promote trade within China and around the world, but they help to spur investments for projects in the industries as well. China has long had issues of diminishing soil conditions and depletion of nutrients, which in turn has set China up to be one of the leaders in green sustainable agriculture. Extensive reforestation, terracing and irrigation have reclaimed much eroded land and increased agricultural output. Projects such as Rainwater Harvesting Agriculture, have allowed for crops to be reintroduced to areas that are semiarid but soil conditions are excellent. China’s focus on good stewardship of the land and its resources have pushed agriculture back into a profitable business.

New cash crops are being introduced into the areas around Xian due to the improving soil conditions and favorable climate. The CCPIT has pushed for foreign and domestic investment into these new adventures and has high expectations for returns. The fruit industry in the Shaanxi Province is the largest in China and in the world (Prashan, 2009). This area has been known to produce the best apples in the world but produces much more. Pears, kiwi, red jujubes, oranges, persimmons, and peaches are to name a few other fruits that have already been established. Multiple new projects are being introduced to the area that are expected to bring additional revenues. The Grape Wine Production is expected to do very well in the temperate climate costing RMB 160 million with an expected five year recovery period for the initial investment and RMB 35 million in revenues each year (ITCEFW, 2009).

With the vast amount of natural resources, temperate climates and new ventures into green sustainable agriculture, Xian has an endless amount of opportunity to promote their future. China and especially the Shaanxi Province are on the forefront of technological advancements that the CCPIT are promoting and seeking investors to join in on to propel them to the top of the world stage.
Establishing itself as the hub of Western China, Xian’s explosive growth in the aerospace industry has positioned the region for attracting foreign investments and competing in the global marketplace. The industry’s growth has greatly strengthened the CCPIT’s ability to promote China in the interest of increasing foreign direct investments, exports, and foreign business partnerships. In 2006, aviation was named to China’s key national economic sectors and it continues to play a vital role in the economic growth today (People’s Daily Online, 2008). Second to Shanghai, Xian has become a national leader in the region’s civil aerospace industry (CCPIT Domestic Economic Analysis, 2006). There is also an additional benefit to the growing aerospace industry in Xian. Its rapid development in Western China has assisted in population redistribution efforts. This has attracted workers to Western China from rural areas who would have typically migrated to the coastal cities of Shanghai and Hong Kong in search of employment.

In what appeared to the liberal world as drastic strategies to compete, in the past, China has made sweeping changes in an effort to bolster its lagging aviation industry. In the 10 to 15 years prior to China’s accession to WTO (World Trade Organization), the international aviation industry experienced dramatic change (U.S. Department of Commerce - National Trade Data Bank, 2000). In 1999, the Chinese government decided to establish 10 new state owned aviation corporations (U.S. Department of Commerce - National Trade Data Bank, 2000). Realizing that it must gain foreign economic and political alliances for economic growth, China joined the WTO in 2001. This fueled the period that was characterized by the loosening of the foreign policy in China, which increased the appeal for foreign investment. The WTO, formally known as GATT (General Agreements on Trades and Tariffs), was born in 1947. The CCPIT was established approximately five years later in 1952. Although these two organizations appeared to have similar purposes, China did not become a part of the WTO until approximately 50 years later. This reluctance to open itself up to the international community is perhaps a contributing factor to the lagging of its aviation industry as seen in the late 70’s and 80’s.

Shaanxi, the home province of Xian, is home to 41 aviation enterprises. The assets belonging to these entities amount to a quarter the national total and their output value accounts for one third of the industries (Hong Kong Trade Development Council, 2007). Establishing
itself in the commercial aviation market as a global competitor, Xian’s strong aviation industry presence has benefited from the promotion and exhibitionist efforts of China’s CCPIT. In 2006, the “Sixth Air Show” China was held of which 550 aviation and space companies participated from 33 countries and regions around the world. During this seven day event, 15 contracts and letters of intents were signed totaling $3 billion U.S. dollars. Contracts involving Xian based enterprises and foreign clients made up over a quarter billion U.S. dollars. AVIC One (The China Aviation Industry Corporation One) Xian Aeroengine (Group) Ltd., inked deals with SNECMA Moteurs France on cooperation in production of aircraft engines and parts, worth 177 million U.S. dollars (CCPIT News, 2006). Another noticeable deal promoted by the CCPIT organized event was also made between Xian Aeroengine (Group) Ltd. and GE. This deal involved the signing of a long-term understanding memorandum worth $140 million U.S. dollars (CCPIT News, 2006). Although these are some of the more recent foreign trade activities, Xian based aviation companies has had some past success in leveraging deals with foreign peers in the industry. Aerospatiale, which is now Airbus France, signed the first product sub-contracting agreement in 1985 with Xian Aircraft Company on manufacturing and assembling access doors for Airbus A300/A310 wide body aircraft (Defense Talk.com 2004).

In the battle for the next great aviation market, AirBus is in fierce competition with Boeing and has adopted strategic maneuvers to align the company for market leadership. Recent events have led to the city of Xian and its aircraft manufacturing presence to be added to the short list of candidates for a proposed French owned AirBus plant. The plant will build its A320 line of passenger jets (The New York Times, 2009). This serves as another example of not only how the walls of communism are being dissolved by globalization, but also Xian’s ability to gain foreign respect is attributed to its strong presence in the aviation industry.

Tourism

Tourism is one of the major components of China’s economy, contributing approximately 7% of China’s GDP and 15.7 % to the Xian GDP. This contribution puts tourism on top of other leading industries such as culture, service, hi-tech and manufacturing. CCPIT-Xian with the help of Chinese’s government understands the potential of this industry to its local and foreign trade
as a result the government has actively promoted and facilitated the establishment of a new international economic order, which is fair and rational. China believes that the new order should give expression to the demands of the development of history and progress of the times and reflect the universal aspirations and common interests of the peoples of all the countries in the world (China Kindness Tour.com 2008).

With its quest to create a good relationship, China believes that five principles of coexistence should govern international relations and serve as new form of commitment to mutual respect between countries. This is one of the most important components of China's foreign policy to actively develop good and sound relationship with other countries. This position has enabled the creation of better and trustworthy business and trade environments for investors. In addition, China imposed a new law that would expand economic cooperation and technological exchanges with other countries. This law was meant to help foreign enterprises and other economic organizations or individuals to establish Sino-foreign cooperative enterprises (China – Africa Business Council, 2005).

CCPIT-Xian exposed Chinese culture to the rest of the world by utilizing the policy in place to promote tourism activities within the Xian regional. With the use of technology and China’s foreign economic policies CCPIT-Xian has created Xian to be one of the best sights for tourism activities. CCPIT-Xian has created good environments for investments by taking advantage of culture, religions, and geographic location existing in Xian.

The cultural heritages and historical relics in Xian are complete and systematic, with the quantity, density and grade all ranking first in China. Hence, Xian is praised as a Museum of Natural History. The Remains of the Lantian Ape-Man over one million years ago, the Banpo Remains of over 6,000 years, the Qin Terra-Cotta Warriors and Horses famed as one of the world wonders, Yang Mausoleum of Han dynasty, the Big Wild Goose Pagoda first built in the Tang dynasty, the Forest of Steles built in the Song dynasty, and the ancient 12 miles City Wall of the Ming dynasty are all world famous and important scenic spots. These tourism resources with their unique characteristics have made Xian one of the best international tourism destinations. Chinese government and CCPIT-Xian have constantly advertised the Chinese
heritage to the rest of the world. In return, there have been over 100 head of states and government officials from around the globe who have recently visited Xian. This is a direct response of a successful collaboration between local government and CCPIT in an effort to stage Xian around the world. In addition, CCPIT promotes standards that transform tourism facilities and environment in Xian to meet international conventions (Xian Investment and Trade Guide, 2003).

In cooperation with Xian’s Municipal Government, CCPIT is putting forward the objective of constructing an economically powerful city and the best in western China. The effort of creating the best environment in tourism, recreation and inhabitation build Xian into a modern metropolitan with an advanced economy and a beautiful environment suitable for start-up, development, which are all reasons to invest in Xian. CCPIT, in addition to its local tourism activities focuses on external possibilities which enable Xian to stand tall in the global economy.

CCPIT believes that Xian’s fast and continuous economic growth will surely bring forth more and better investment and business opportunities to all sectors. With the help of Xian’s Business & Investment Guide, CCPIT-Xian through its people is sincerely inviting friends from other parts of China as well as abroad to Xian for sight-seeing, trading and investment as well as various forms of economic and social exchanges. This call is an effort to create a promising future for Xian and share the plentiful fruit of the large-scale development of western China together with investors from all around the world. Our research indicated that Xian possesses altogether over 170,000 beds for tourists, of which 28,000 belong to the 60 star hotels (4, 5-stars, 8, 4-stars, and 36, 3-stars). With 181 travel services in Xian, 27 for international travel service and 154 for domestic, Xian received 19 million person time domestic tourists with revenue of 10.5 billion Yuan. The number of foreign tourists received, yield in a foreign exchange income of 320 million US dollars (Xian Investment and Trade Guide, 2003). This has been consistent and in line with CCPIT Xian’s tourism strategies.

Conclusion
In order to more effectively understand the role of the CCPIT in Xian we identified five key influences which have profound impact on continued development and expansion. If Xian is to sustain and improve its position on the world stage it must work with Xian CCPIT to continue to focus on advancing Technology, Labor/Industry, Agriculture, Aerospace and Tourism. Each of these influences has the potential to further contribute to Xian's economic expansion and quality of life. Our analysis of these key areas helped us to draw several conclusions and helped us to come up with multiple recommendations.

From a Technology standpoint we see a positive bottom line is attracting more interest in a wealth of Xian's talent increasingly in the high-tech and sophisticated workforce. This interest is a result of the continued focus on education and an emphasis on Computer Sciences, Biotechnology and Space Technology. From a Labor point of view, we would suggest that Xian implement better work standards to avoid labor scandals or human rights violations that could pose Public Relations nightmares that would reflect badly on Xian and companies associating themselves with Xian. We believe there is room for an increase in wages as the average worker is still only making 40-50% less in comparison to other major cities in China. This would have a twofold impact, first build a more sustainable middle class, second protect against migration of the labor force to other cities in search of better pay. The reemergence of agriculture has a positive and dramatic impact on opening up new markets and new opportunities. A continued emphasis on further expanding agriculture will no doubt result in greater versatility and less reliance on others for resources. Furthermore, it is important for Xian to continue to lead the way towards more effectively utilizing its natural resources. This could give the city an advantage from a cost standpoint and will protect the environment. Often referred to as the Museum of Natural History for China, Xian has a rich cultural heritage that is second to none. We believe that the CCPIT should embrace this as the identity of the city and allow the tourist industry to continue to flourish. The goal could be to attract a different kind of tourist, one that comes initially to do business and then stays the weekend to explore the city's incredible historical lineage. Aviation has been a solid investment for Xian that will continue to pay big dividends as long as China can continue to attract partnerships with companies like Airbus, Aero engine and GE.
With its centralized location, rich historical value and its continued economic growth, Xian has the potential to become a leader in the heartland of China. A continued emphasis on the further development of key industries will secure the future of this amazing city.
Questions

(1) As Xian continues to make strides to compete on a world scale, what are the most prominent cultural barriers to economic growth that still remain today?

(2) What can China and more specifically Xian and the CCPIT, do to adapt and continue to flourish in an unsure and changing world market place?

(3) How does the CCPIT help to promote the entrepreneurial environment?

(4) Is Yao Ming of the Houston Rockets, the first thing that comes to mind when someone mentions the City of Houston? How did Yao get so tall?
Works Cited


China Kindness Tour.com, Crisis strikes Xian’s tourism. http://www.chinakindesstour.com


