

Trade experts dissect China's economic rise

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Forum examines country's success, U.S. efforts to get, keep jobs

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Donna Hopper worked nearly 28 years at the Mettler-Toledo International scales plant in Inman, only to be laid off the day before Thanksgiving last year as the Ohio-based scales maker transferred most of the plant's 150 manufacturing jobs to Changzhou, China.

The company offered workers a choice between early retirement or severance pay, and Hopper, 56, chose the severance pay "because I was planning on going back to work, and it didn't work out that way. I haven't been able to find anything."

Experts sought to clarify the economic forces affecting Hopper and many other Upstate residents during a special forum Tuesday on U.S. - China trade. The panel discussion at the Westin Poinsett Hotel was part of a series on the rise of China sponsored by the Richard W. Riley Institute of Government, Politics and Public Leadership at Furman University.

The five-part series began in April with an address by Jim Lilley, former U.S. ambassador to China, and continued Monday and Tuesday with events at Furman and downtown Greenville.

Panelists at the downtown event found areas of agreement and disagreement during a wide-ranging discussion in front of a couple of hundred people gathered in a ballroom at the downtown hotel.

The Greater Greenville Chamber of Commerce was also a sponsor, on behalf of its Advantage Greenville members.

The moderator was Pieter Bottelier, economist and China scholar at Johns Hopkins University and former chief of the World Bank's resident mission in Beijing. He spoke later Tuesday at Furman, as well.

Panelist John Foarde, staff director for the Congressional-Executive Commission on China, said the United States has "some of the same obsessions" with China now that it had with Japan during the late 70s and early 80s.

"But the Chinese are not 10 feet tall," Foarde said. "The only way they're going to eat our lunch is if we let them."

The challenge for the United States is to "help manage China's rise to great power status," he said.

Foarde said the United States should stress education and innovation, and also "lean on the Chinese to be responsible" and improve their human rights record.

"At the end of the day, the Chinese will make the changes," he said.

June Dreyer of the U.S. - China Economic and Security Review Commission, took a more pessimistic view, saying China is deliberately thwarting attempts by U.S. companies to penetrate its market.

In some respects, "our officials simply aren't doing what they need to to try and make the Chinese conform," said Dryer, a political science professor at the University of Miami.

Also appearing on the panel were Clarke Thompson, senior manager of international trade for the state Commerce Department, and Bern McPheeley, chief executive for Hartness International, a Greenville-based maker of packaging machinery.

McPheeley said his company intends to compete with the Chinese and win, even if the playing field isn't fair.

"If we go out and decide we're going to be successful, we'll find ways to do it," he said. The world is going to change, "and we've got to change with it."

Kate Kaup, a political science professor at Furman who helped organize the events Monday and Tuesday, said the intent was to look at forces operating inside China as well as the effects in the United States.

"There's been quite a bit of controversy lately, particularly in South Carolina, about the impact that China -- and our trade with China -- has had on the U.S.," Kaup said. "Rhetoric has been heated both in support of increased trade with China and in attacking our current trade policies. But very little attention has been focused on the incredibly complex factors that influence the Chinese government's range of options in reforming its economic system."

Kaup said the Riley Institute series will continue next year with an exploration of political transition in China. The institute will take up human rights in China in the winter of 2006 and finish the series with an examination of China's diplomacy in the spring of 2006, she said.

Also, she said, the institute has created the U.S.- China Executive Institute to train Chinese business executives. The idea is to encourage Chinese investment in the United States and teach Chinese about the U.S. political system, Kaup said. She said 12 Chinese businessmen attended the first six-day session at Furman and in Washington, last weekend.