

## A wicker caravan in New York

The first thing a visitor to the Dec. 6-28 China Trade Exhibition in New York saw was a mini-Great Wall adorned with Chinese flags planted firmly in the middle of Columbus Circle. The Chinese announced their arrival in New York for three weeks to show their nation's produce with a big splash. Hundreds of thousands of New Yorkers, like Chicagoans and San Franciscans before them, flocked to the fair. Some thousands of them are buyers for American firms.

The exhibition itself begins with the arts and crafts display, ranging from museum pieces to brush paintings of flowers that attracted small storekeepers. The arts and crafts drew most of the spectators, and also the largest group of buyers, some 26 percent. Indeed, Chinese Foreign Trade Ministry official Chen Ke-chang told *EIR* that this is what China expects to sell most—handicrafts, wicker baskets, bamboo items. Chen explained that few sales were made at the fair itself. "In this regard it is not quite successful," because the buyers did not know China's products yet.

Passing from the arts and crafts into the garment section, silk blouses in the 50-dollar range were most on display. Few mass-produced clothes or even textiles could be found. Chen explained that synthetic textiles or garments are out. "We cannot compete with Korea or Taiwan since our raw materials are so expensive." Asked if China has the wherewithal to ship cotton goods, since its own cotton production has stagnated since 1972 and its domestic demand is rising, he replied, "It's hard to say. We have one billion people—a lot of people. They want more."

The reaction of the textile buyers, the second largest group, numbering 22 percent of the visitors, was mixed. Some said they would buy garments, others expressed dismay at the lack of "gray goods" textiles for display, and still others thought they could get better quality at cheaper prices from Korea, Hong Kong, or Taiwan.

Chen said he discovered that the real market for China in the U.S. is the bargain-basement stratum. "We thought we had to bring all our best-quality goods. But we learned that, in many cases, price is the main consideration, for example, in paint brushes." Indeed, Gary Furst of the American Brush Company told *EIR*, "I came here looking for cheap stuff. The products here were of better quality than I expected,

but priced too high." Chen also suggested that cheap, throwaway beach thongs could become an American boom item.

The real selling at the fair was not done by the Chinese, who made little in immediate sales, but by the "Bloomingdale's People's Market." This department store for New York's "beautiful people," which has consistently promoted U.S. ties with Peking, took over a whole floor of the exhibit. They sold polyester shirts, of the type usually available for about \$7, for \$16; they hawked woolen rugs and silk blouses, revolutionary posters and porcelain Buddhas and bamboo hats.

One of the most interesting exhibits, though little visited by either spectators or buyers, was the display of Chinese machine tools. The lathes, borers, and so forth ranged from Soviet-designed models to more up-to-date automated designs. They were nothing spectacular, but could conceivably fill a gap in the lower-level tools no longer made in the United States, should quality and price prove to be competitive with Korea or Taiwan. Clearly this was the best China had to offer, in contrast to the more typical models at home that receive so many complaints of poor workmanship.

More interesting than the machines themselves were the technicians accompanying them. At least some of them represented a side of China that shows why Deng Xiaoping will have a tough time fully enforcing his abandonment of heavy industry. The technicians were clearly proud of their machines. Naturally, they had been educated prior to the Cultural Revolution.

One had even been a Red Guard. "But by 1967, everybody knew it was wrong. People were being killed, my friends were sent to the countryside." Asked why Mao is not posthumously on trial with his widow Jiang Qing, he replied, "Without Mao, China could not have become independent. No matter what he did later, this cannot be taken away. But it is true that without him, the Gang of Four and the Cultural Revolution could not have happened." At the point that he and millions of Chinese like him understand that Deng's wicker-basket economics is not so different from Jiang Qing's, Bloomingdale's may have to look for new suppliers.