



Summer 7-15-1993

Media Advisory

Bob Aaron
Illinois Wesleyan University

Follow this and additional works at: <https://digitalcommons.iwu.edu/news>

Recommended Citation

Aaron, Bob, "Media Advisory" (1993). *News and Events*. 6124.
<https://digitalcommons.iwu.edu/news/6124>

This Article is protected by copyright and/or related rights. It has been brought to you by Digital Commons @ IWU with permission from the rights-holder(s). You are free to use this material in any way that is permitted by the copyright and related rights legislation that applies to your use. For other uses you need to obtain permission from the rights-holder(s) directly, unless additional rights are indicated by a Creative Commons license in the record and/ or on the work itself. This material has been accepted for inclusion by faculty at Illinois Wesleyan University. For more information, please contact digitalcommons@iwu.edu.

©Copyright is owned by the author of this document.

July 15, 1993

Contact: Bob Aaron, 309/556-3181

MEDIA ADVISORY

Three Illinois Wesleyan University business and economics faculty have just returned from the People's Republic of China (PRC), where they saw first-hand the problems and prospects of the PRC's new "socialist market economy" and its 1.1 billion consumers.

Their itinerary included traditional international business and trading centers in Canton and Shanghai (including Shanghai's new stock exchange), and two "special economic zones"--Shenzen in southeast China (which has grown from a population of 15,000 to 2.3 million in a decade) and Pudong near Shanghai--where much of the PRC's burgeoning capitalist economy is showcased.

The IWU faculty are: **Frederick Hoyt**, associate professor of business administration; **Pamela Lowry**, assistant professor of economics; and **William Walsh**, assistant professor of business administration.

They visited automobile, television, silk, and carpet factories--some state-run, others joint ventures with foreign corporations; a university in Nanjing and a trade school in Hangzhou; and many cultural and political landmarks, including the Great Wall, the Summer Palace, the Great Hall of the People, and Tiananmen Square, where the democracy movement was crushed four years ago and an estimated 5,000 people were killed.

They also saw many examples of China's rapidly expanding consumer economy. "There were little stalls with people selling things everywhere," Lowry said. "You can't walk two feet without being accosted by a seller--there aren't any sidewalks left. Free enterprise is alive and well, blossoming and flourishing in China."

Hoyt, a veteran of three trips to China, will return to the PRC in January with a group of IWU students as part of a study abroad course. He also has studied the prospects in China for Avon, the giant door-to-door cosmetics giant, which is in a joint venture with the Guangzhou Cosmetics Factory in south China. Within a year, Avon had about 25,000 Chinese salespeople. Hoyt's paper is entitled, "Avon in China: No Cosmetic Changes Needed."

Paramount leader Deng Xiaoping took the first tentative steps to overhaul the sputtering PRC economy in 1978, triggering an influx of more than 42,000 joint ventures valued at more than \$50.9 billion by the end of 1991. The results have been spectacular: a 9 percent average annual growth rate.

While many are bullish on the PRC's economic prospects, there are big risks. "Foreign investors are going into a political unknown," Walsh said. "For someone in business, my advice is if you can recoup your investment in five years, it's probably worth giving it a try. Also, start small and grow." And for students interested in international business and eyeing a foreign language to study, Walsh advises, "I'd tell them to study Chinese, particularly Cantonese, the language of South China and Hong Kong."

Editor's Note: Hoyt, Lowry, and Walsh are available for interviews about what they saw and learned in China. To arrange for interviews, call Bob Aaron, IWU Public Relations, 309/556-3181.