It's being called the greatest show on earth, a USD$45 billion extravaganza that will draw more than 70 million spectators. The price tag and head count make Shanghai's World Expo 2010 more expensive and far bigger than Beijing's 2008 Olympics – and arguably the single biggest event ever staged anywhere on the planet. Shanghai does nothing by halves – and hosting World Expo only confirms its status as China's most ambitious and audacious city. Branded with the theme of “Better City, Better Life” Shanghai's World Expo also tackles what is looming as one of China’s – and the world's greatest challenges – sustainable urban development. So what can visitors to Shanghai expect from Shanghai and World Expo? And outside China who even knows about it? A quick straw poll at several Melbourne events recently revealed a complete blank about World Expo. Different story if you are focused on doing business with China – this is the unmissable last big opportunity to ply your wares.

The Setting – China's Mega City of Shanghai

Shanghai is arguably Asia's most dynamic and ambitious mega-city. With almost 20 million people, it is also China's wealthiest and most cosmopolitan city. For the past twenty years Shanghai's economy has grown at breakneck speed. According to the United Nations Environment Program (UNEP) Shanghai has one of the world's fastest growing economies; between 2000 and 2008 Shanghai's GDP tripled.

The futuristic skyline of Pudong is the most obvious evidence of Shanghai's ambitions. If you think the soaring Mori Tower (affectionately dubbed “the bottle opener”) is an impressive super tall building, the nearby Shanghai Tower will be even taller when completed. At 127 storeys the Shanghai Tower will also boast the world's highest open air observation deck.

In 2009 Shanghai's booming economy was larger than Hong Kong's and the Shanghai Stock Exchange now challenges Tokyo as the Asian region's number one bourse.

To get the city ready for Expo 2010 the city government outlaid tens of billions on new and upgraded infrastructure, including a massive expansion of the subway and rail network. Once the subway and city rail network is fully completed, it will be larger than London's, previously the world's largest. What took London a century took Shanghai a little over a decade.

In the past 15 years the urban population has exploded from around 13 million to over 20 million. Booming incomes have fuelled demand for housing and cars, which now choke the streets. According to a BBC report, the urban area of the city increased six-fold in the same time frame, from 100 sq km to 680 sq km, including the rapid expansion of new development areas such as Pudong. The pressures of urbanisation, including serious concerns about air and water quality have influenced Shanghai's decision to focus Expo 2010 on ways to improve and enhance urban life on a global scale.

Shanghai Expo – Tips for the Visitor

The first thing to be ready for is scale; Expo 2010 is vast and is spread over an enormous area on both sides of the Huangpu River. The site was once home to some of the city's most outdated and highly polluting industries – now these have been decommissioned or relocated outside the residential area. Some of the old industrial structures have been retained and adapted for new uses, but most of the site has been given over to the world's national pavilions, new parklands and demonstration sites for the latest in environmental and sustainable design and thinking.

Over 5 square kilometres of the city were consumed for Expo and there are literally hundreds of pavilions to choose from. The Puxi side of the river is devoted to major corporates from China and overseas and The Urban Best Practices Area (UBPA) which showcases innovative and sustainable housing and urban design solutions from around the world. On the other side of the river are the national pavilions – all 187 of them. This is where the real action takes place. Getting to see all of Expo – or even most of it – would literally take weeks – so be strategic about choices. The best way to see just how big Expo is from driving across the massive Lupu bridge, the world's second longest steel arch bridge.

The second thing to prepare for is the crowds. Getting into Expo and the pavilions is not for the fainthearted – or the...
Australia's ochre tinted steel pavilion is suggestive of Uluru and the tones of the Australian outback. The total cost of the Australian pavilion is reported to be in the region of AUD85 million – and comes with numerous eco friendly features. In the midst of the crowd, while Denmark has transported crafts, music and desert lifestyles, the Democratic People's Republic of Korea boasts of a "People's Paradise", while Spain's hand assembled wicker basket pavilion, greets visitors with an extraordinary projection of images onto walls and a canopy of a cavern like entrance and a Flamenco dancer performing in the midst of the crowd, while Denmark has transported the city's iconic Little Mermaid all the way to Shanghai for the duration of Expo 2010. Saudi Arabia has a 1600 square metre screen – one of the largest in the world – bringing Saudi's incredible beauty to life ... there's a lot to see and plenty of people to see it with. The city's extensive subway lines are linked to the sites, and an army of Expo taxis ferry passengers around Shanghai. The cab ranks at the Expo site are orderly and well managed. City hotels offer highly accommodating packages, and many of the larger hotels sell day tickets and also assist with transport, directions, maps and helpful instructions. You can also pick up Expo tickets at any China Mobile office – or outside features at the entrances, which are quite daunting – you have to line up to get a ticket to join the official website of the Australian Expo Pavilion 50,000 visitors poured through the Australian site on June 6 – with more than 500,000 people visiting the Expo Park. We've prepared a special guide to Expo and visiting Shanghai: chincommunications.com.au/registerform.php

Pavilions of Note

We've worked on a number of business missions on subjects such as food and beverages, ICT and biotechnology and with careful planning some big deals have materialised at Expo. Quelling the fears of your client is very important. To help you, we've written a new book on etiquette – getting the meetings and greetings right. Contact us for a copy and give your proposition the best chance. And of course, we're ready to help you get your tickets and the whole package.

Crouching Tiger Ready to Pounce

In 2009 China evaded the economic recession that engulfed much of the world's economies. Powered by an aggressive government-backed stimulus package, China's economy recorded GDP expansion of 8.7%, with fourth quarter growth of 10.7 percent. China's outlook for 2010 is very optimistic. Preliminary estimates for first quarter GDP growth are around 11.9 percent. China's economic rise seems unstoppable.

World's Biggest

China's ability to maintain high growth, even in times of an economic global downturn, has reinforced a view that it is on track to outstrip Japan and ultimately the USA to become the world's biggest economy. In 2040, the Chinese economy will reach $123 trillion, or nearly three times the economic output of the entire globe in 2000. China's per capita income will hit $85,000, more than double the forecast for the European Union, and also much higher than that of India and Japan. In other words, the average Chinese mega-city dweller will be living twice as well as the average Frenchman when China goes from a poor country in 2000 to a super-rich country in 2040. 2010 China's GDP will roar ahead after the GFC and in 2010.

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Mid-century

GDP $123 trillion (forecast) $85,000 per capita income (more than Japan and EU – forecast)

2010

China’s GDP: approaching $5 trillion USD Per Capita Income: $3677.00 USD
China Key Reason for Avoiding Worst of GFC

The importance of China to Australia has thus moved beyond its attraction as a growing export market or potential source of new investment capital, tourists or fee paying students. The continued health of the Chinese economy and sustained demand for raw materials and inputs is now critical to the overall health of our national economy.

Among the key factors that contributed to the relatively mild impact of the global financial crisis on Australia and our strong recovery in recent months is China. China's unexpectedly robust rebound from the GFC throughout 2009 and into 2010 (along with other emerging economies in Asia) has helped Australia avoid the problems that engulfed other developed economies, many of which are yet to see signs of real recovery. Predictions of a strong Australian economy in 2010 and into 2011 rest in no small measure on China continuing to grow strongly – and continuing to purchase our raw materials.

Footnote for Doing Business with China – Revaluing the RMB

After months of speculation, China's central bank announced on 19 June that China would introduce a more flexible approach to managing the value of the Yuan (RMB). The Yuan had been pegged to the $USD since mid 2008. The move came after intense pressure on China from the international community – especially the United States – to allow the Yuan to appreciate on international markets.

China's decision immediately drew positive international responses from the United States and others.

Expectations are that a stronger Yuan will be good news for China's international business partners, including Australia. A stronger Yuan potentially gives Chinese consumers greater spending power to buy foreign goods – which could assist foreign companies to export more to China. For Australia a stronger Yuan may boost China's buying power for minerals and natural resources, an expectation that has initially helped push Australian mining stocks higher. Economists also tip some benefits for China, principally an opportunity to shift economic reliance on exports (which had arguably been propped up by an artificially low Yuan) to a more sustainable domestic growth model.

Despite the move, the details of how the flexibility will be managed are still unclear and China's move does not constitute an official revaluation of the Yuan. Economists expect a gradual appreciation of the Yuan against the $USD and other currencies.

Rudd Government Good on China Management

Respondents gave the Rudd government's handling of ties with China the best score of all countries in the 2010 survey. Relations with China were either 'a lot better' (13%) or 'a little better' (33%) with only 10% saying they were either 'a little worse' (9%) or 'a lot worse' (1%). Forty-one per cent said relations were 'about the same'. Handling of relations with Japan and India, in contrast, were seen as worse under the Rudd government.

Interestingly, when it came to whether 'the United States should give China a larger say in regional affairs', Australians opinions were almost equally divided: 45% agreed it should while 49% disagreed.

Australia has moved on from its European Identity

For anyone interested in Australia's identity with the Asia Pacific region, the 2010 Lowy survey revealed an interesting picture of how Australians see their place in the world. Thirty-two per cent said Australia was more a part of Asia, 31% the Pacific and 31% said it was not really part of any region, while only 5% said Australia was more a part of Europe. The survey also polls Australians on which countries they feel warmest towards. The top three in 2010 were New Zealand, Canada and France. Singapore was the highest ranked Asian nation and fourth overall with 69%. The USA was next with 68%. China was tied in mid table with Indonesia on 54%.

According to the 2010 Lowy survey, 73% of respondents agreed that China's growth has been good for Australia. This is an increase of ten points since 2008. At the same time 69% also agreed that China's aim is to dominate Asia, up from 60% in 2008. The number of Australians who feel the government is allowing too much investment from China was 57%, up from 50% in 2009's survey. Forty-six per cent of respondents said it was likely China will become a military threat to Australia in the next 20 years, up five points since 2009, while 52% now said it was unlikely. Sixty-six per cent disagreed Australia was doing enough to pressure China to improve human rights.

Lowy surveys. What did the 2010 survey reveal about current Australian attitudes to China – and Asia more generally? For the past six years the Sydney based Lowy Institute has been conducting surveys of Australian public attitudes to a range of international issues, including how Australians perceive our regional and international neighbours. The economic rise of China – and its pre-eminence as a trading partner, has made it one of the key countries covered in recent