

Business

Volkswagen puts its foot on the pedal

By QIU BO

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FAW-Volkswagen, the German auto giant's joint venture, is moving up a gear in its expansion in Chengdu.

The company's Chengdu factory expects to deliver more than 600,000 vehicles this year, says Li Hua, deputy director of the Economic and Technological Development Zone of Chengdu, capital of Sichuan province.

The German joint venture has invested more than 17 billion yuan (\$2.7 billion; 2.03 billion euros) in Chengdu since 2009, and there could be an additional 3 billion yuan by the end of this year, Li says.

FAW-Volkswagen is seen by many people as essential to Chengdu's automotive industry and the city's economic development.

Last year, the Chengdu factory produced 480,000 vehicles, about a third of the joint venture's annual production in China.

That accounts for about 60 percent of Chengdu's annual vehicle production, the local authority says.

Thanks to the rapid growth of the joint venture, the area's automotive industry made 732,000 cars last year, almost double the number the year

before, and 90 percent of Sichuan's production.

Sales revenue from the economic zone surged to 109.3 billion yuan, 60 percent higher than last year, with tax paid surpassing 25.7 billion yuan.

Sichuan, which is best known for its pandas and cuisine, lost almost its entire automotive industry to Chongqing in 1997, when that city broke away from the province and became China's fourth municipality.

Three years later, the province decided to launch the economic zone in Chengdu's Longquan district. It aims to revitalize manufacturing, particularly in the automotive sector.

In 2009, FAW-Volkswagen was invited to set up its third Chinese whole-vehicle manufacturing plant in Longquan, covering an area of 560,000 square meters, Li says.

The district is 12 kilometers from downtown Chengdu.

Eight German whole-vehicle or auto parts makers, such as FAW-Volkswagen and technology provider Bosch, have set up shop in the zone.

The performance of FAW-Volkswagen's Chengdu factory has made a great contribution to Volkswagen's performance in China this year.

In the first half of the year the German company's two joint ventures,



German Chancellor Angela Merkel with FAW Group CEO Xu Jianyi during her visit to the FAW-Volkswagen plant in Chengdu on July 6.

FAW-Volkswagen and Shanghai Volkswagen, have put more than 1.8 million cars on the Chinese market, says Jochem Heizmann, a Volkswagen Group board member and president and CEO of Volkswagen Group China.

The figure represents growth of 17.5 percent over the corresponding period last year, he says.

The Chengdu factory supplies two economy cars, the Sagitar and the Jet-

ta, with prices that make the sedans among the most popular in the local market.

German Chancellor Angela Merkel toured the factory this month on the first leg of her seventh China trip since she took office in 2005.

She said she was impressed with the company's efforts to cut energy consumption by 26 percent and water use by 90 percent by using new tech-

nology in the factory's oil and gas workshop.

One of her main interests when she visited was the company's training programs, Heizmann says.

"In China we are creating a lot of jobs that demand highly qualified people."

More than 9,000 people work in the factory, and its presence can indirectly create more than 100,000 jobs, such as for car dealers and their employees, the company says.

"We attach great importance to German business entities and welcome all German businesses," Li Hua says.

The German government ceased direct financial aid to China in 2009, but it started to invest in sustainable industries such as environmental protection and energy efficiency, says Feng Zhongping, vice-president of the China Institutes of Contemporary International Relations.

"That's why they are paying so much attention to the automotive industry in China."

Zhao Junjie, an expert on Europe at the Chinese Academy of Social Sciences, says that several years ago, Japan was the leader in vehicle sales in China, but German cars have overtaken them.

culture report

Spreading Confucian thought in the modern world

By ZHAO RUIXUE

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Some 2,500 years ago, Confucius traveled around China to spread his teachings. If the great thinker were alive today, he would be delighted to see his philosophy has reached far beyond his home in Shandong to influence young people around the world.

Efforts by his real and intellectual descendants continue in modern times as a delegation from the Shandong International Cultural Association and Shandong provincial government information office visited Poland, Hungary and Greece from July 2 to 11 to promote cultural exchanges.

In Poland, the delegation set up a Nishan Room at the University of Warsaw on July 3.

Confucius is believed to have been born on Nishan Mountain in Qufu, Shandong province. Today reading rooms of the same name serve as places where students can read hundreds of books about Chinese culture donated by the Shandong Friendship Publishing House.

"Confucius born 2,500 years ago has great influence on enriching world civilization," said Marcin Palys, headmaster of the University of Warsaw.

"We will use the Nishan Room to promote cultural exchanges with China."

The outreach to Europe followed the Third Nishan Forum on World Civilizations that was held in Jinan, capital city of Shandong province, in May. With the theme "common human ethics amid different beliefs", it attracted 130 experts and academics in philosophy, theology and cultural studies from around the world.

In Confucian teaching, there is no isolated being, so people's lives are filled with relationships. That sense of interaction fosters tolerance, generosity and respect, which can help people overcome hostility toward others, Fred Dallmayr, a professor from the University of Notre Dame in the US and co-chair of the World Public Forum, said at the Nishan Forum.

By 2015, 153 Nishan Academies are expected to be built across Shandong province.

In Hungary, a Confucius bust was placed at Eötvös Loránd University on July 4.

Standing almost a meter high, it sits on a marble base with the inscription "Confucius (551 BC-479 BC), great philosopher, educator and the founder of Confucianism in ancient China" carved in both Chinese and English.

Dezs Tamas, director of the Arts College at the university, said members of the college council voted to accept the Confucius bust as one of the few statues in the university.

An exhibition that displayed some

200 photos of the province's beautiful scenery was also held at the university.

As well, an agreement between Qilu Film and Media Co Ltd and a noted local film company was reached to make a documentary on the friendship between Hungary and China.

In Greece, a cooperation protocol on tourism and cultural exchanges was inked between Zakynthos and Shandong on July 6.

The Shandong delegation presented a Confucius bust to Zakynthos city hall that will be on public display permanently.

A talk on culture and comparisons between Confucius and Greek sages Socrates and Plato was held between the Shandong delegation and representatives of Greek projects at UNESCO and the National Historical Museum of Greece. More dialog on Confucian and Socratic civilization will be organized in the future, said officials.

The visiting delegation also had talks in Zakynthos on tourism, agriculture, business and hospitality trade.

Qilu Film and Media Co Ltd signed a similar agreement with the Greek tourism association to make a documentary about the friendship between China and Greece. It will also cooperate with a local television station to make a scenic film about Shandong and Greece.



Ding Jianyuan, head of the Shandong Friendship Publishing House, and Marcin Palys, headmaster of the University of Warsaw, at the Nishan Room opening ceremony on July 3.



Jiang Tiejun, executive vice-president of the Shandong International Cultural Association, presents a Confucius bust and calligraphy to Dezs Tamas, director of the Arts College at Eötvös Loránd University in Hungary.