

**MEMÒRIA DEL TREBALL DE FI DE GRAU DEL
GRAU EN NEGOCIS I MÀRQUETING
INTERNACIONALS (ESCI)**

**OPPORTUNITIES WITHIN THE CRISIS
Chinese appearing when everybody goes**

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BACKGROUND

There is an innumerable amount of, on one hand, studies reporting the origins of Chinese immigration in Catalonia and Spain, and on the other hand, researches where Mandarin values are listed and exhaustively detailed. Additionally is available a countless number of interviews to Asian world academics, somewhat formal reports, debates on television and on networks. The vast majority of them stand out for being studies of an anthropological or sociological nature.

On a more formal level it should be pointed all *Joaquín Beltrán Antolín* researches, a social anthropologist, PhD in Political Science and Sociology from the Universidad Complutense de Madrid, professor at the Center for International and Intercultural of the Universidad Autónoma de Barcelona, either for himself or in any of his extensive collaborations with other Asian world litterateurs such as *Ana María López Sala*, *Amelia Saiz Lopez*, *Deborah Betrisey Nadali*, *Paul White*, *Park Hwa-seo* and *Frank N Pieke*.

On a more informal level it has to be fervently highlighted the supplement *Vivir* of the newspaper *La Vanguardia* and the documentaries of the program *30 minuts* in the TV channel *TV3*, for their brief but acute interviews to Chinese entrepreneurs.

Finally, allow an expressly recommendation on the book of Joaquín Beltrán Antolín, *Chinese immigration in Catalonia*, which served as trigger for the elaboration of the study I am about to present.

INTRODUCTION

For the segment of the population that is not explicitly studious of the Asian world, it is common to merely relate Chinese immigrants with bazaars, hairdressers, massage centers and tailoring workshops. To them, Chinese society is a distant culture, slightly curious for it abysmal differences with our society and its sensationalist news of illegal workshops.

However, the economic recession has produced a paradigm shift and the environment is perceived as more competitive and with further threats.

This circumstance is added to a considerable and empirical proliferation and diversification of Chinese owned businesses, such as transfer of bars and cafes, news of great business investment and massive cash purchases of flats by Chinese immigrants. This leads to a polarization of the opinions that society has about Chinese immigrants.

People that hitherto admired Chinese as an ambitious and hardworking culture, presently see them as a group not only businesslike but capable of providing an economic reactivation within the crisis. In accordance we find this statement by Teresa Castellví, President of the Association of Traders of Fondo area in Santa Coloma de Gramanet, which declares that “it is preferable a door of a shop opened by a Chinese, than a door closed. If in a commercial street there are two doors closed, is not a commercial street anymore”, or Joaquin Beltrán Antolín, which maintain that “there are approximately 8,500 Chinese entrepreneurs among us. 8,000 registered to social security as autonomous, and 500 that are nationalized Spanish, although Chinese. If these people were not here, we would have 8,500 fewer companies. Actually they stimulate the economy, opening businesses.”

Nevertheless, due to the increment of rivalry inflicted by the economic scene, a not negligible amount of citizens, who were despised on Chinese immigrants' working conditions and lack of legislation, became to perceive Chinese immigrants as an undesirable and disloyal competition, which is taking the jobs of the Spanish citizens.

Therefore, the present study is aspired to answer the following question:

It is true that, within the same economic framework, Mandarin model performs better than the Spanish model? Which is this Mandarin model? It is a real threat?

OPPORTUNITIES WITHIN THE CRISIS

1 Brief mention of China

At present, China is the first exporter country ⁽³⁴⁾, the first automobile market, it has nine hundred million mobile users and nearly four hundred million internet users, one million millionaires and fifty-five thousand billionaires. And such, has happened in the last thirty years. ⁽⁸⁾ It seems to be missing a generation in the middle, in view that everything has gone so fast. *(See exhibit 1 and exhibit 2)*

Despite the Asiatic Giant is slowing down its growth (the exports are dropping, many factories are closing and twenty-six million people are currently unemployed), ⁽³⁸⁾ China is already coming out of this impasse. The expected growth of the Chinese economy this year will mean half of the whole world growth, and its undergoing what has been described as the second industrial revolution. China's growth has created inequities among population, yet it has almost eradicated the poverty in the world's most populous country,⁽³⁷⁾ and has emerged as the second biggest economy power, only outpaced by United States.⁽⁴²⁾ *(See exhibit 3, exhibit 4, exhibit 5 and exhibit 6)*

Due to its growth, their mindset towards the future is more positive than in Europe. Chinese people manage to get everything earlier than others. The question is whether they will also overcome the recession before anyone.

Recession has reduced Chinese exports around the world, but China is still the first supplier of fast-moving consumer goods (FMCG). At Barcelona Port is managed the thirty-eight per cent of Chinese global transit.⁽³⁰⁾ The increase in Chinese imports is one of the reasons of the port enlargement, which lust for competing with northern Europe ports, where operate the majority of ships transporting Chinese merchandises. Nearly all Chinese that manufactures or sells in Barcelona, import their products from China.

Simultaneously with the trade, in last decades, also arrived tens of thousands of Chinese immigrants, looking for an opportunity within the crisis, appearing when everybody goes.

2 Appearing from Qingtian

Seventy percent of Chinese immigration in Catalonia comes from Qingtian county, in Zhejiang province. Qingtian is a territory of 2.500 squared kilometers, ⁽⁴³⁾ with a 600.000 population, which 200.000 are in foreign countries and 100.000 in Spain.

Chinese from Qingtian have been emigrating since five generations, from the 20s of last century, and so forth, succeeding inhabitants similarly relocated in Catalonia, where they could receive the support of their Qingtian friends

or relatives already established elsewhere.⁽¹⁴⁾ Nowadays, most part of elderly people in Qingtian outlive due to the remittances of money from their emigrated families. Success is achieved abroad.

Surprisingly, Zhejiang is a notably leading province of China, with a population close to fifty million and the fourth highest GDP of China (just below Guangdong, Shandong and Jiangsu). Moreover, the territory compile a total of 156 industrial clusters, with an average of 923 enterprises per cluster, and 30 percent of the most important private enterprises in China are located in Zhejiang. Nevertheless, Qingtian has invariably been one of the most impoverished regions of the province, merely by departing above there can be find the opportunities missing beyond. (See exhibit 7)

3 The arrival of Chinatowns

Catalonia has become, since year 2000, the first Spanish destination for Chinese people, and this fact is evident in the streets, due to its dynamism with business activities.

The first references we can find of Chinese people in Barcelona, mention a group of barracks in Poblenou district, where lived Chinese immigrants from Philippines, around year 1870 when the Philippines was still a Spanish colony.⁽¹⁾

Later, literary inventions began to label as *Chinatowns*' areas where prostitution and drug sales was focused, although no Chinese person lived there. This resulted in an association between immoral behavior and "supposedly Chinese". As a Chinese proverb says, "anyone knows the good things, still bad things reach everyone".

From Chinese point of view, the employer has to offer to the employees not only a job and a salary, but also a place to live and sometimes even a bowl of rice. For many years in China, the biggest employer has been the State, which owned the majority of the factories and gave housing next to the workplace. Nowadays, with the private economy development, the private employer behaves the same way.

In China, a moderate rate worker, search a salary of one hundred Euros a month approximately (eight hundred Yuan), enough to eat and live. However, if this worker searches a job in a foreign country, with effort it can earn ten times more, also with the accommodation paid by the employer. In the workshops, the employees stretch the work time, to earn a modest salary, save up money, improve the family economy and set up their own business in the future. Most of those work shop jobs are temporary, until the opportunity arises.

4 Businesses evolution

4.1 Sectors

In 1990 there were estimated 387 Chinese in all country. Catalan workshops managers often chose Chinese handworkers, since they sewed quickly for a modest salary. Nonetheless when textile sector collapsed, Chinese workers began to set up new owned businesses with their savings. ⁽²⁸⁾

Twenty years later, according to Xu Songhua, president of the “Association of Chinese in Spain”, there are roughly 4.000 Chinese restaurants, 3200 bazaars, 1500 grocery stores, 600 wholesalers, 200 textile plants, 120 photo shops, 80 Chinese supermarkets, and several hairdressers and computer shops. ⁽²⁾

Within few years Chinese community extended their presence in a vast number of sectors. Attestive starting point was the establishment of numerous Chinese restaurants which aimed to attract and serve the Chinese workers of the textile plants. All the members of a family worked in the restaurant and whole earnings were destined to the family's fund. However, this mode saturated in the middle of the 90s, not being as profitable as before.

Therefore, Chinese immigrants switched to further sort of businesses, unto specializing in the transfer of bars and cafés, without modifying either the decoration or the menu. This procedure when acquiring a bar avoids confusing customers, it is faster and more cost-effective than setting up a new one. Chinese prefer not to take risks if the business is already effective.

Similarly with the food served most of Chinese restaurants, which is not real Chinese food but a repetition of a culinary recipe that western people accepted, Chinese easily replicate a successful pattern rather than innovating: According to the manager of the Cabo Calleja industrial area in Fuentlabrada, “in 1993 there were installed 800 enterprises, and Chinese ones represented the 1% of the area. Nowadays the 89 Chinese wholesalers represent more than the 10% of the zone”. ⁽²⁾ (See exhibit 8 and exhibit 9)

4.2 Gatherings and information networking

Most important Chinese residential concentration of Spain is located in Fondo area, in Santa Coloma de Gramanet, owing to the textile work offered in the zone. Once Santa Coloma became unable to absorb the entire Chinese workforce, the community expanded nearby to Badalona and Mataró.

A further important Chinese gathering is located in the municipality of Olot, in la Garrotxa, where more than one thousand Chinese work in the meat industry, commonly with one thousand Indian workers. Olot, priory to Chinese

arrival, never had so large amount of available workforce. Such confluences arise in the interest of economic reasons; Chinese community can be distinguished by a great mobility.

Chinese arriving in Spain immediately upon move to Santa Coloma, where is placed the nucleus of a global network. In that area, it converge the information provided by the net of scattered families in different territories, apprising where are the opportunities to invest or open a business all through the country.

Likewise, concentrations of Chinese workers in industrial areas induce the establishment of surrounding call centers, Chinese restaurants or Chinese newspapers kiosks, in order to fulfill those workers requirements.

Furthermore, are notably common the clustering of determined economic activities in contiguous streets, comparable to guilds or professional associations. A popular example is the congregation of Chinese clothes wholesalers in Trafalgar Street, in Barcelona ⁽²⁾. As in China, they generate specialized areas (technology, clothes, luxury products...) to attract clients looking for a determined product and better control the strategies of the competitors.

However, without economic justification, are increasingly encountered residential concentrations.

5 Mandarin values

5.1 Floating population

Nearly forty million Chinese live outside their country. They constitute the second largest Diaspora in the world, ⁽²⁷⁾ and it emigrate citizens of all the social classes. The bank director that immigrated from China, already comes with the capital to perform a business, but the lower social class Chinese, most of the times land with nothing, and need to work twelve hours a day, seven days a week, during various years.

In China, two hundred twenty-five million people that work in the rural sectors are designed as floating population, going where they will find more job opportunities.

We cannot talk about one-of-a kind Chinese, as there are many differences between the inhabitants of the various provinces. However, some Chinese when immigrating spend more than one year stumbling around Spain, with all the family, only to detect a suitable establishment and start up a business. This people fill up the informal economy of a country, performing jobs where low or none qualification is required and obtaining minimum salaries to live. Priorities to succeed on these field are, firstly, occupational training to differentiate among the workers competing for the same

jobs, and secondly but very important, no apprehension on changing the work region and domain, geographically and among economic sectors.

5.2 Spreading the risk

Sales in oriental bazaars have drop fifty per cent. Every day are entering to Barcelona Port less containers from China. Chinese import enterprises down: In 2008 arrived 306,000 containers, one year later were 46,000 less. ⁽²⁵⁾

Chinese families that have greater economic success within this environment are the ones that have been in Catalonia for a longer period of time, so are more adapted, as well as the ones amply distributed throughout Europe and with relatives in China. For example, a Chinese family that has five children, each one living in a different European country, except the parents in China. In this family, each member contributes to the family's welfare, investing in the country where is needed, offering work and accommodation whenever the economy of one country is declining, or sending merchandises from where is cheaper and more suitable.

Some families divide through different countries to search new businesses abroad, and the rest maintain the business ran in Catalonia, since, on account of the initial investment needed to set it up, the family cannot easily abandon. Chinese during crisis import less and sell less, but stand thanks to their self-help systems: certain relatives work with imitation jewelry in Belgium, other relatives work in the textile sector in Italy, another sell shoes in France, and if one market deflates, remaining ones support the business. If a wholesaler in Trafalgar Street, Barcelona, has difficulties, the relative from Italy will sell the products to him on credit, or at minimum cost price, until the situation revamp.

Chinese system takes into account the possibility of failure. Simulating multinational enterprises, with branches around the world, most successful Chinese families in recession time are the ones living as a web, being global citizens but all connected to the central frame of the family itself.

5.3 Sense of entrepreneurship

Even though in 2012 Spain was the European country where raised more entrepreneurs (with a total of 71,600 new entrepreneurs, only beat by United Kingdom and Romania), ⁽²¹⁾ Spain is still one of the less entrepreneur countries in the world ⁽²²⁾ and this collective have been reduced by 11,32 percent since the start of recession. ⁽³⁵⁾ Within foreign entrepreneurs, Chinese ones are the most extensive in each Spanish community, followed by Romanians and English. ⁽⁴⁰⁾

The facts speak for themselves: In Spain at February 2013 there were 2.997.806 entrepreneurs. 7.1 percent of those are foreigners (a total of 212,907). ⁽³²⁾ And the 18.66 percent of the foreign entrepreneurs are Chinese, representing the 1.33% of the total entrepreneurs in Spain, with an absolute number of 39,871. In Catalonia, one every four Chinese has a shop.¹ ⁽⁹⁾ (See *exhibit 10, exhibit 11, exhibit 12 and exhibit 13*)

Unstable jobs in textile factories or as waiters are just temporary roles, merely entry modes. With this method you are guaranteed with a plane ticket and a workplace. Chinese can work uninterruptedly during three, five or even ten years, with the only purpose of earning enough money to establish an owned business. Chinese goal in work settings is not being an employee but your own manager. "If I win enough money, I will open my own business, so I do not have to be an employee anymore"² ⁽¹⁸⁾

As we can see in the *exhibit 14*, Chinese in comparison with Spanish are a very collective society, which routinely rely on the family, and with a high long term projects indicator.

Chinese collective has developed this effective system of social mobility. Considerable amount of current business owners' aroused from contemptible working conditions, and presently are proprietors of import-export enterprises or Chinese restaurants chain.

5.4 Fast actuation

Chinese close less business and get more projects started. ⁽³⁵⁾ (See *exhibit 11, exhibit 15 and exhibit 16*)

During recession periods, every worker instinctively sacrifices itself to sustain the enterprise. Employees extend their work day in exchange for a lower salary, and so forth goods can be sold at more modest prices, with better payment conditions and, if necessary, better quality controls to become even more competitive. However, if business is not running as expected, and do not provide enough benefits to support it, Chinese do not try to maintain it getting involved in debts, they just close it and immediately search another profitable one.

¹ Is important to take into account that, maybe those data are below the real facts, by reason that significant amount of Chinese immigrants are not registered in the social security or in the ATA - national entrepreneurs association -

² Documentary "30 minuts: Esvair la crisi." TV3, May 10, 2009. Minute 26'

5.5 Economizer culture

Chinese maintain that, the way of managing their family earnings, overly differs with foreigners conduct in this matter: central idea on Chinese culture is preserving the cash amassed and use it only when it's absolutely necessary, like in recession years. Nowadays, most Chinese businessman's that kept money during past favorable years, are pursuing opportunities to invest in.

There can be mentioned several examples, as HNA Chinese group which bought 20% of NH Hotels,⁽²⁰⁾ acquisitions like the famous case of Geely, an automobilist enterprise from China that bought Volvo in 2010, in the height of recession,⁽²⁹⁾ or the numerous examples of bars and establishments managed by Chinese, transferred entirely with cash. This amount of liquidity is achieved by many years of work and by several family members' savings.

In contrast, one of the main concerns in the occidental world is the lack of liquidity and purchasing power of the households. Chinese mindset can surprise in our consumerist society, where is not specially valued the saving nor the effort, yet Chinese do. Without neither holidays nor incurring in debts, are becoming an extremely competitive collective.

5.6 Family members for money, merchandise and manpower

Propensity after getting married, in Chinese culture, is establishing a business with your partner. Before marriage both fiancées usually work in distinct family enterprises, and so forth, with the new activity they earn less money and have less free time (at least the first years). However, Chinese are gratified by making profit according to their efforts and amount of work done.

The couple hires their own relatives as employees: brothers and sisters, brothers-in-law, cousins, some of them just arriving from China. Chinese trust in family, it assures them a trustworthy output. Moreover, this couple commonly lives with some relatives too. For Chinese a house is merely a place to sleep rather than what Spanish consider a *home sweet home*.

In China, when closing a deal among companies, members of both business groups have lunch together and eventually go to karaoke, for the reason that personal relations among colleagues are paramount. Personal relations and confidence are extremely important in a business, and simply Chinese have more bounds of trust with the family. Assistance offered by the family in Chinese culture is limitless.

5.6.1 Social rules versus Market rules

Both families and friends are the ones lending the money to set up the business, without banks as intermediaries, so the couple feels the necessity from the honor and the sense of shame, to work hard and return the debt immediately. Chinese do not understand Spanish tendency to request mortgages and loans for every little thing, from the house to the car or the white goods. Some Chinese from youngest generations are getting involved with some bank loans, still wide majority “cannot sleep well with a mortgage to pay”. ⁽¹¹⁾ In Chinese culture, favors are always rewarded, and ignoring reciprocity is considered immoral and causes mutual damage of reputation or *mianzi*, social capital. ⁽³¹⁾ ⁽⁴¹⁾

This particular deed can be simple illustrated with the following example:

“A daycare center closed at five o’clock. Still, large amount of parents were ten minutes late when collecting their children, and so forth daycare employees had to work overtime. On account of this, manager decided to impose a fine of three Euros per ten minutes being delayed. Surprisingly for the manager, the amount of parents arriving late increased.”

Once Social rules are applied, actions are accomplished without expecting reciprocity, and if rules are infringed, you feel guilty and responsible. Nevertheless, when Market rules are applied, there is imposed a mercantile sanction, therefore, the wrongdoer perceive is already indemnifying and even exculpating his behavior. Social rules are more powerful and convincing than Market rules.

When Chinese request loans among relatives and friends, are implementing Social rules. The honor, disgrace and shame constrain on the obligation to repay the debt.

Zhou Chang emigrated from Zhejiang province in 1992. During three years he worked in the restaurant of his cousin while simultaneously sewed in a textile plant in Badalona. Later, Zhou had enough savings to ask for a loan to his relatives and friends, and open a bazaar shop in Granollers. After ten years more, he inaugurated his own import-export enterprise, trading with toys, towels, porcelain figures, and all kind of products. His friends and relatives from China supplied him the merchandises under profitable conditions. Zhou paid them after selling the wares, and all the contracts among them were agreed through verbal commitment pacts. Nowadays Zhou Chang is a 47 years old businessman, and he assures in another way, without *guanxi* or social network assistance, it would had been impossible to succeed. ⁽²⁸⁾

5.7 Sequential and efficient in time

Chinese consider time as a scarce resource, as something measurable, and consequently, time is materialized into money. They maintain that is more useful to take one task at time rather than many assignments at once, still being extremely productive with the time designated to each affair. Although is important to work several hours, is even more determining to be efficient during these laboring time.

6 Social toll barriers

Unlike our democratic society, China does not have some essential political and social *toll barriers*. For this reason, several conditions can substantially differ from what we are accustomed to.

Due to a countless number of information channels, we have knowledge of particular job frames, where working day begin at 8:30 in the morning and finish at midnight, with an hour off to have lunch and one to have dinner. Commonly workers rest together with six to ten colleagues per room, in sleeping-rooms next to the factory. In consequence, if they are dismissed from the job, they are also deprived of the accommodation. This scene is a routine for millions of Chinese that move from the rural to the urban regions.

The aphorism is to labor at plenary capacity during advantageous demand periods, given that workers receive monetary incentives in accordance with the number of products manufactured.

However, due to the economic recession, the number of orders sent to the factories have decreased, and so, the option of resting in shared sleeping-rooms allow workers to preserve a significant part of their income and establish an owned business in the future.

In several occasions, Chinese workers under the above-mentioned conditions, send their children back to China during two to six years, where grandparents or other relatives can look after them while parents work in a foreign country and try to amass capital.

Due to their exclusive commitment to work during the first years, Chinese immigrants frequently do not have enough free time to learn the foreign language (*See exhibit 17*) and become a more integrated member of the society. Therefore, those conditions cause a reinforcement of the reclusive, reserved, shy and remote perception of the Chinese community.

Chinese community is the one which searches less information about Barcelona among the rest of immigrants, and also is remarkably more in contact with other people of the same country of origin than the rest of immigrant communities. (*See exhibit 18, exhibit 19 and exhibit 20*)

In addition, considering their extensive work times and scarcely holidays periods, Chinese community is commonly judged as a disloyal and perfidious opponent.

However, a considerable amount of Chinese already consider that, if Chinese economy relies on cheap workforce without labor rights, there is a lack of a democratic political model which cannot guarantee the social stability.

For our society, work under some of the above-mentioned conditions would represent a dispossession of the labor rights achieved during the last semi centennial. Nevertheless, our enhancement in welfare turns us to be a noncompetitive society.

7 The consumer class

According to OECD (Organization for Economic Co-operation and Development) definition, middle class are “those households with daily expenditures between one and one hundred dollars per person in purchasing power parity terms”. Also termed the “*consumer class*”. ⁽⁷⁾

Resultantly, there are 1.8 billion people in the global middle class, mostly concentrated in North America (338 million), Europe (664 million) and Asia (525 million). (See exhibit 21 and exhibit 22)

Financial innovations in rich countries stated the germ of a frenetic growth in credit, mortgages and consumption. For the reason that liquidity and household wealth increased exceeding the household incomes, savings rates quickly declined.

However, on account of the financial recession, households are attempting to regain their savings levels, and as is well known, rich countries societies are every time more polarized into increasingly disparate social classes, as far as in numerous cases the gap between the household wealth and its income has become impossible to fill.

Is expected that, global middle class, boost from 1.8 billion people to 3.2 billion by 2020 and to 4.9 billion by 2030. 85 per cent of this growth will come from Asia, the middle class in North America is foreseen to remain roughly constant in absolute terms, and the middle class in Europe is awaited to have a scarce initial growth speedily dropped as populations will do. (See exhibit 23 and exhibit 24)

Similarly remarkable is the growth in purchasing power of the global middle class: demand from the middle class is expected to increase from USD21 trillion to USD56 trillion by 2030. In the same way, over 80 percent of the growth will come from Asia. (See exhibit 25, exhibit 26, exhibit 27, exhibit 28 and exhibit 29)

8 Western welfare is not competitive

Having those data in mind, let's imagine the middle class as a field. Occidental world at present has more than the half of the world's middle class, and Europe has the biggest field in the world. Still the European field will not enlarge. In contrast, Asian field will grow until stand for more than the half of the world's middle class.

In Europe there will be a large number of opportunities. However, from now on, for the reason that the field will not grow, in order to succeed in Europe's field it will have to be kicked out another player from it.

And new players in the European field are Chinese immigrants, which appear without being used to our level of welfare but to another sort of working conditions and cultural values, features that make them more competitive than us and with more possibilities to win territory in the field.

Every time more, Chinese society is progressing into a more quality rank in terms of labor conditions, and is increasing its parity with our society. However, what for them is a positive evolution, for us represents a backward movement, a loss in our situation of welfare. And this regressive movement of our society is much more difficult and slowly to perform and to accomplish, but totally necessary if we want to compete with same conditions and for the same opportunities. The welfare model of live we have get used to is totally unsustainable facing the competence of the Chinese middle class.

Our society simply cannot wait until it appears the generation of Chinese that demand the same level of welfare that we have. During the time that Chinese increase their welfare level, inevitably we, must decrease our one to achieve the parity and become competent competitors from now.

9 The bridge between both cultures

Xianjin Qi, president of Chinese Wholesalers Association in Catalonia, do not speak Spanish.

First Chinese immigrants, which dedicated all their time to work, save money and take care of the family, did not had any interval to learn Spanish.⁽²⁵⁾ Consequently, the support received from newest generations in those areas is paramount. New generations are the bridge between both cultures.

"The education of the following generations has been very important. They know better the city, they feel more integrated and that makes them more adventurous. [...] We have broken the barriers"³

³ Lam Ghuen Ping, president of the union of the Chinese Associations of Catalonia

Some of the youngest Chinese establish more elaborated businesses: Jiajia Wang arrived to Spain at the age of eight; she has constituted a publishing house of didactic books in Chinese and has hired nine employees, none of them Chinese. ⁽¹⁹⁾ However, are not so much entrepreneurial. A considerable part of them are working as employees of an already existing enterprise (from multinationals to butcher's shops, ironmongers or outpatient clinics), creating a link between the business and the Chinese community, and therefore, increasing considerably the sales of the establishment. In some not rare cases, even the seventy percent of the amount sold is determined by the Chinese worker, as it happens in the ironmonger Ferrolam in Fondo area (Badalona), or in the belts shop Outstock, in Montcada i Reixac (Barcelona).⁽¹⁶⁾

"Younger generations are more hedonists, more individualists, more consumerists and more capitalists."⁴⁽¹⁴⁾ Younger Chinese generations, after spending nearly all their life in Catalonia, have assimilated our society's way of thinking and acting, our mentality, and have seen their relatives which only worked and saved money while more than a few Spanish workers had larger holidays and took more free time. Moreover, those newest generations emerge with knowledge of the Spanish language and customs, and with the far from negligible support of their families, search for effortless and more profitable jobs.

Pamela Zhang, 36 years old, was born in Beijing, and its running the travel agency CHI-SPA since 2001. She affirms that, as nearly all Chinese born in China, when she retire, she will go back to China, "like the tree leave, that always fall next to the root of the tree". However, while being in Spain, she is a Chinese mother that put extra homework to her daughter, Anyie, because "here teachers demand too little. Even though I do not assign her as much homework as in China, I hope she will assimilate the best of both worlds". ⁽²⁸⁾

⁴ Interview program "L'entrevista: La immigració xinesa a Catalunya - with Joaquín Beltrán, teacher of the oriental Asia in UAB." 3/24, June 25, 2009

CONCLUSIONS

The middle class in Europe is large in absolute terms, yet it will not augment. In other words, there are many opportunities, but chances will not increase in number. Consequently, to play in the European field it will have to be sent out another player or share the benefits, and those circumstances create an environment of growing rivalry and sharp competition.

In addition, at present, Spanish society is in an inferiority position in front of the Chinese immigrants, since our level of welfare prevents us from being competitive. **Within recession framework, Mandarin model is performing better than the Spanish model.** Besides, we cannot wait that new Chinese generations reach the same state of being at parity with our one. We must drastically decrease our level of welfare and impoverish the conditions to which we are accustomed to, toward being at par with Chinese immigrants and, accordingly, becoming more competent competitors.

If we do not start to adapt our lifestyle, in order to face changing circumstances like crisis or globalization, our society will become overwhelmed by any other model which represents more adequate and skilled values. To that end, given that we are cohabiting with the Mandarin model brought by the Chinese immigrants, we have the occasion to directly apprehend of their above mentioned values as the formation of a nucleus of a global network, their fearlessness on changing the work region and domain, geographically and among economic sectors and their head toward long term projects.

Among the Mandarin values, it would be particularly advantageous for the Spanish society to pull in for questioning, on one hand, the consideration of time as a scarce resource, and therefore as money, rather than taking many assignments at once, in favor of notably spread our productivity, and on the other hand, the aspect of becoming a more economizer society, not only in desperate recession situations but as a routine, in order to avoid liquidity problems in arduous economic scenes.

Only to foster this modest observation, it should be said that, the United States net national savings is less than 0,7 percent ⁵, while in Germany the equivalent rate is 6,1 percent, in Japan 6 percent, and in China 40,6 percent.⁽²³⁾

Since Chinese immigrants still represent a minimal segment of the population, **this situation cannot be perceived as a threat**, yet it can be perceived as a challenge, as an opportunity for our society to identify our strengths and weaknesses, ameliorate and become more competitive, given that, as a Chinese proverb says, “any crisis is a time of great threats, but also of great opportunities”.

⁵ As a percentage of the total United States economy. Data of 2011.

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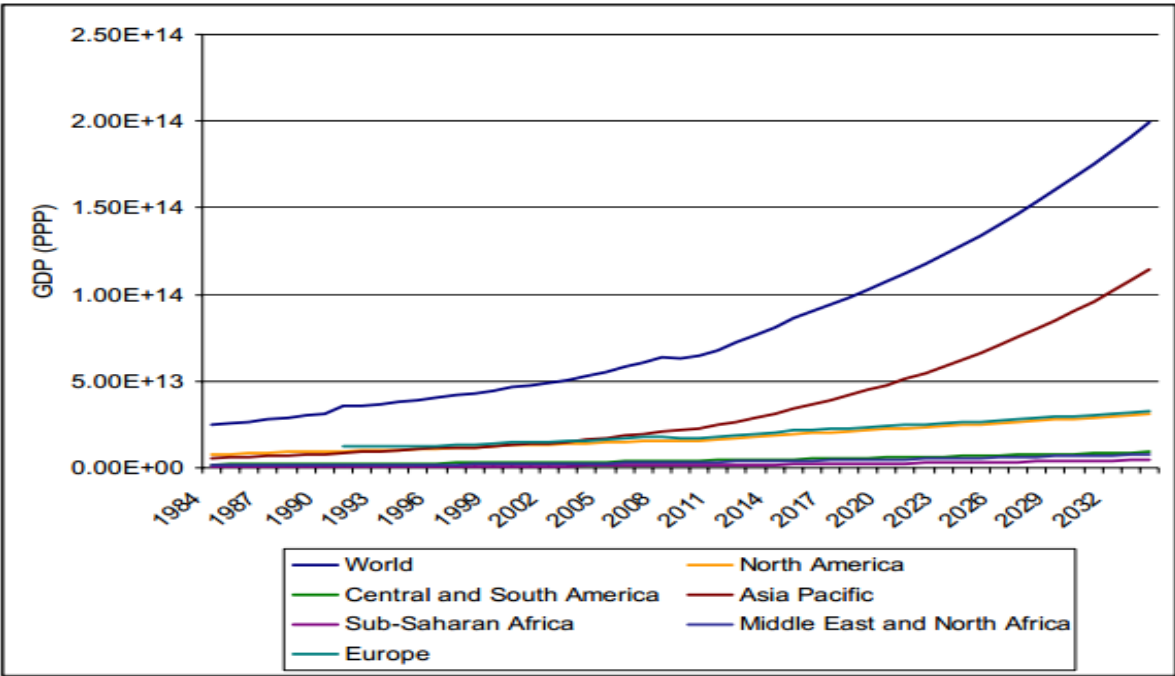
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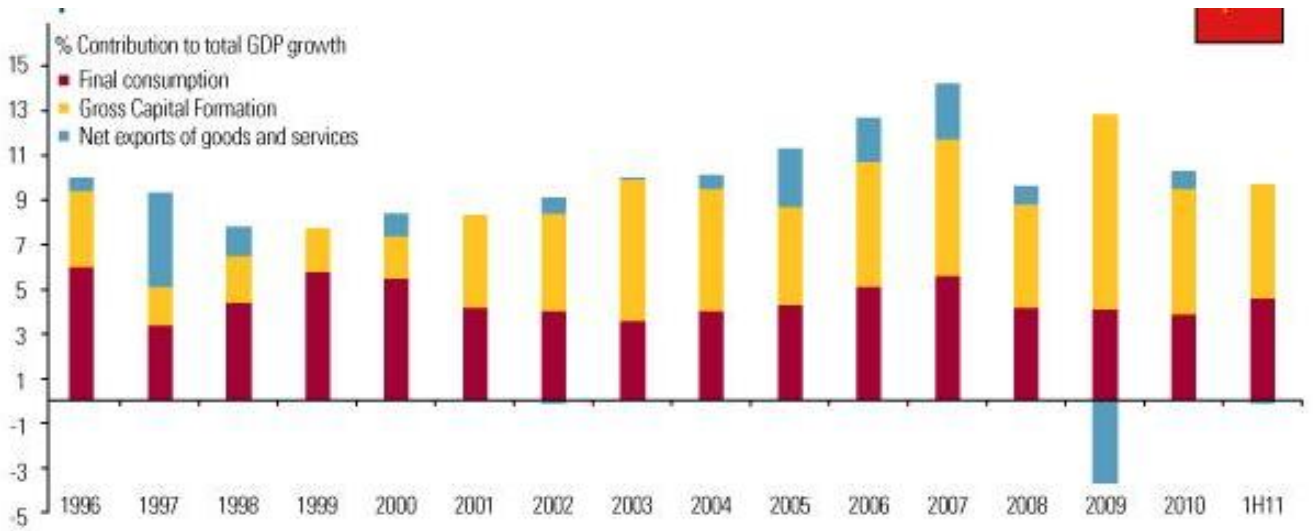
EXHIBITS

EXHIBIT 1: World economic output over 50 years, 1984-2034 (2005 PPP dollars)



Source: www.oecd.org

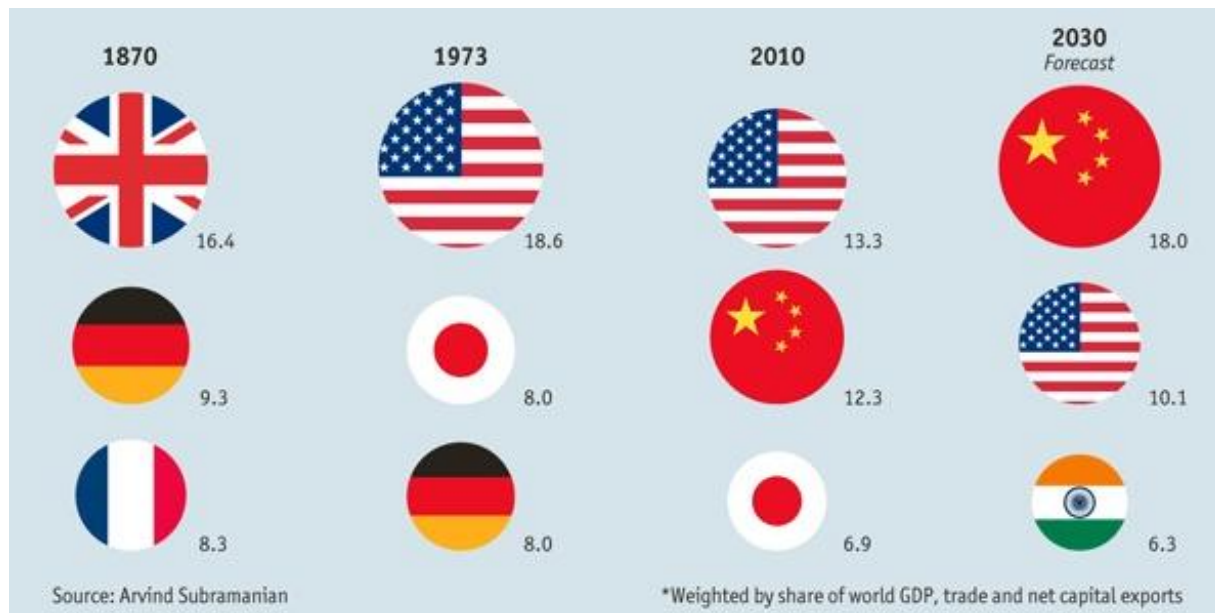
EXHIBIT 2 : Composition of China GDP growth, 1996-2010



Source: CIA

Source: www.moneymorning.com

EXHIBIT 3 : Top three countries by economic dominance (% share of global economic power)



Source: Arvind Subramanian

EXHIBIT 4: Exports from China, 2012



Source: www.skyscrapercity.com

www.china-mike.com 2011

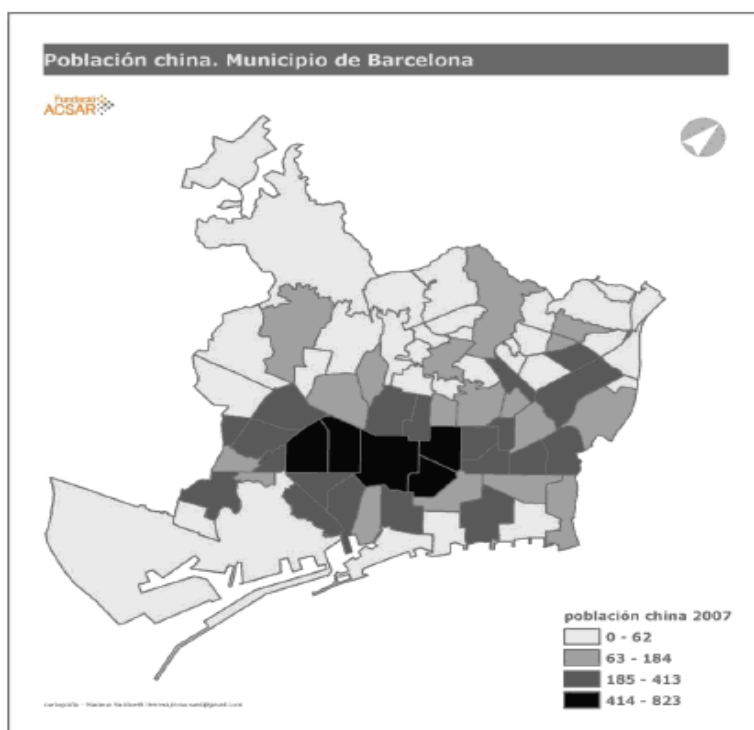


Key demographic and economic facts	
Mainland population	1.34 billion people (2010)
Budget expenditures	\$1.73 trillion (2011)
Budget revenues	\$1.00 trillion (2009)
Debt-external	\$0.70 trillion (2011)
GDP per capita	\$7,598.83 (2010)
GDP	\$10.17 trillion (2010)
GDP real growth rate	9.2% (2011)
Imports	\$1743.00 billion (2011)
Industrial production growth rate	\$13.90 (2011)
Inflation rate (consumer prices)	5.40% (2011)
Labour force	816.20 million (2011)
Population	1343.24 million (2012)
Median age	35.5 years
Unemployment rate	6.50% (2011)

EXHIBIT 7: Proportional size Zhejiang-Spain



EXHIBIT 8: Chinese immigrants distribution in Barcelona, 2007



Source: Samper, Sarai. and Moreno, Raquel. *Integració i interculturalitat: anàlisi de les trajectòries migratòries i de la integració subjectiva de la població estrangera extracomunitària a la ciutat de Barcelona.*

EXHIBIT 9: More numerous groups of foreigners, in absolute terms, Barcelona 2001-2009

Nacionalitats	Taxa de creixement 2001-2009 (%)	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total	209,3	95.356	113.809	163.046	202.489	230.942	260.058	250.789	280.817	294.918
Itàlia	622,0	3.142	4.572	7.013	9.619	11.678	14.447	17.556	20.843	22.684
Equador	170,7	8.204	17.975	26.891	32.946	31.828	31.423	25.351	22.943	22.210
Pakistan	420,9	3.405	6.112	9.944	10.198	11.997	14.251	13.093	15.966	17.735
Bolívia	2.931,2	583	1.116	2.455	4.810	8.314	11.495	16.352	18.759	17.672
Perú	127,0	6.879	8.646	10.964	13.163	15.037	16.115	14.439	15.240	15.613
Marroc	101,0	7.165	9.751	11.985	13.594	14.508	15.522	13.348	13.998	14.402
Xina	472,2	2.460	3.303	5.272	7.195	9.524	11.632	11.095	12.938	14.076
Colòmbia	187,2	4.708	9.616	12.429	13.307	13.935	14.616	12.436	13.032	13.521
França	357,2	2.943	3.684	4.709	6.577	7.706	9.061	10.720	12.557	13.454
Argentina	289,9	2.504	4.547	9.516	11.437	12.439	13.265	10.074	9.922	9.763
Brasil	606,3	1.368	1.880	2.641	3.557	4.688	6.313	6.985	9.006	9.662
Filipines	140,3	3.176	3.859	4.903	5.871	6.470	6.660	6.188	7.023	7.631
Alemanya	225,4	2.269	2.593	3.225	4.170	4.762	5.355	6.277	7.070	7.383
República Dominicana	76,9	4.136	5.031	5.947	6.777	7.218	7.697	6.556	7.101	7.315
Romania	1.587,2	392	1.079	2.288	3.084	4.049	5.052	4.737	6.733	6.614
Resta de nacionalitats	126,5	42.022	30.045	42.864	56.184	66.789	77.154	75.582	87.686	95.183

Departament d'Estadística, Ajuntament de Barcelona.

Font: Lectures del padró municipal d'habitants a 1 de gener dels anys 2001 a 2009. Ajuntament de Barcelona.

Source: Departament d'Estadística Ajuntament de Barcelona

EXHIBIT 10: Most representative nationalities, Spain February 2013

	NÚMERO AUTÓNOMOS EXTRANJEROS FEBRERO 2013	NÚMERO AUTÓNOMOS EXTRANJEROS (%)
CHINA	39.729	18,7
RUMANIA	23.336	11,0
REINO UNIDO	17.900	8,4
ITALIA	13.525	6,4
ALEMANIA	13.281	6,2
MARRUECOS	12.802	6,0
FRANCIA	8.861	4,2
PORTUGAL	5.838	2,7
ARGENTINA	5.269	2,5
COLOMBIA	4.733	2,2
BULGARIA	4.211	2,0
OTROS	63.421	29,8
TOTAL	212.907	100

Source: Federación Nacional de Asociaciones de Trabajadores Autonomos –ATA- Marzo 2013

EXHIBIT 11: Evolution of most representative nationalities, Spain December 2012- February 2013

	NÚMERO AUTÓNOMOS EXTRANJEROS DICIEMBRE 2012	NÚMERO AUTÓNOMOS EXTRANJEROS FEBRERO 2013	DIFERENCIA	PORCENTAJE
CHINA	39.718	39.729	11	0,03
RUMANIA	23.768	23.336	-432	-1,8
REINO UNIDO	18.195	17.900	-295	-1,6
ITALIA	13.729	13.525	-204	-1,5
ALEMANIA	13.406	13.281	-125	-0,9
MARRUECOS	12.883	12.802	-81	-0,6
FRANCIA	8.980	8.861	-119	-1,3
PORTUGAL	6.003	5.838	-165	-2,7
ARGENTINA	5.421	5.269	-152	-2,8
COLOMBIA	4.866	4.733	-133	-2,7
BULGARIA	4.241	4.211	-30	-0,7
OTROS	64.267	63.421	-846	-1,3
TOTAL	215.065	212.907	-2.158	-1,0

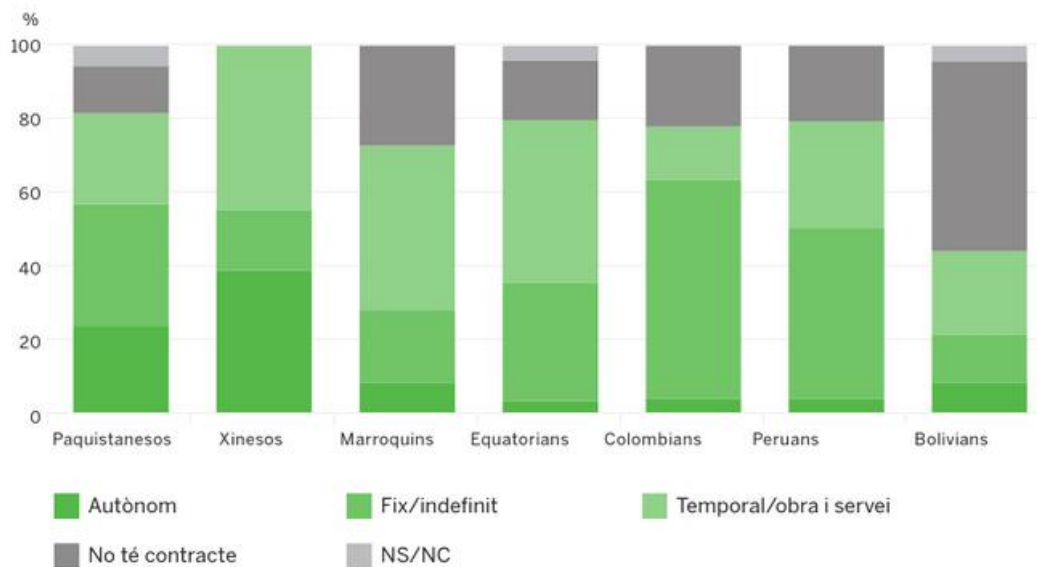
Source: Federación Nacional de Asociaciones de Trabajadores Autonomos –ATA- Marzo 2013

EXHIBIT 12: Evolution of most representative nationalities, Spain January 2013- February 2013

	NÚMERO AUTÓNOMOS EXTRANJEROS ENERO 2013	NÚMERO AUTÓNOMOS EXTRANJEROS FEBRERO 2013	DIFERENCIA	PORCENTAJE
CHINA	39.729	39.729	0	0,0
RUMANIA	23.353	23.336	-17	-0,1
REINO UNIDO	18.017	17.900	-117	-0,6
ITALIA	13.629	13.525	-104	-0,8
ALEMANIA	13.307	13.281	-26	-0,2
MARRUECOS	12.819	12.802	-17	-0,1
FRANCIA	8.907	8.861	-46	-0,5
PORTUGAL	5.910	5.838	-72	-1,2
ARGENTINA	5.340	5.269	-71	-1,3
COLOMBIA	4.793	4.733	-60	-1,2
BULGARIA	4.196	4.211	15	0,4
OTROS	63.882	63.421	-461	-0,7
TOTAL	213.435	212.907	-528	-0,2

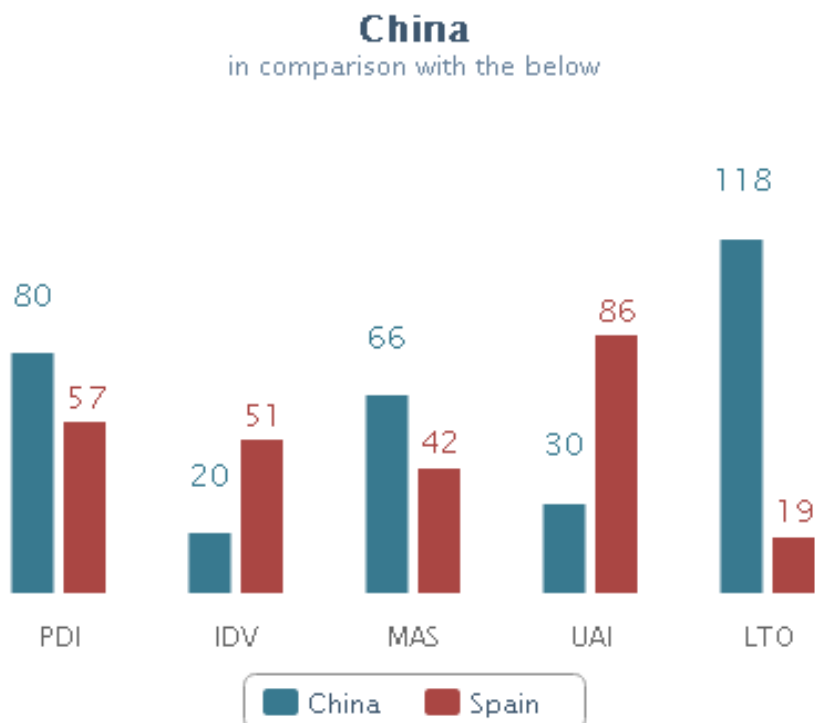
Source: Federación Nacional de Asociaciones de Trabajadores Autonomos –ATA- Marzo 2013

EXHIBIT 13: Type of labor contract. Barcelona 2007



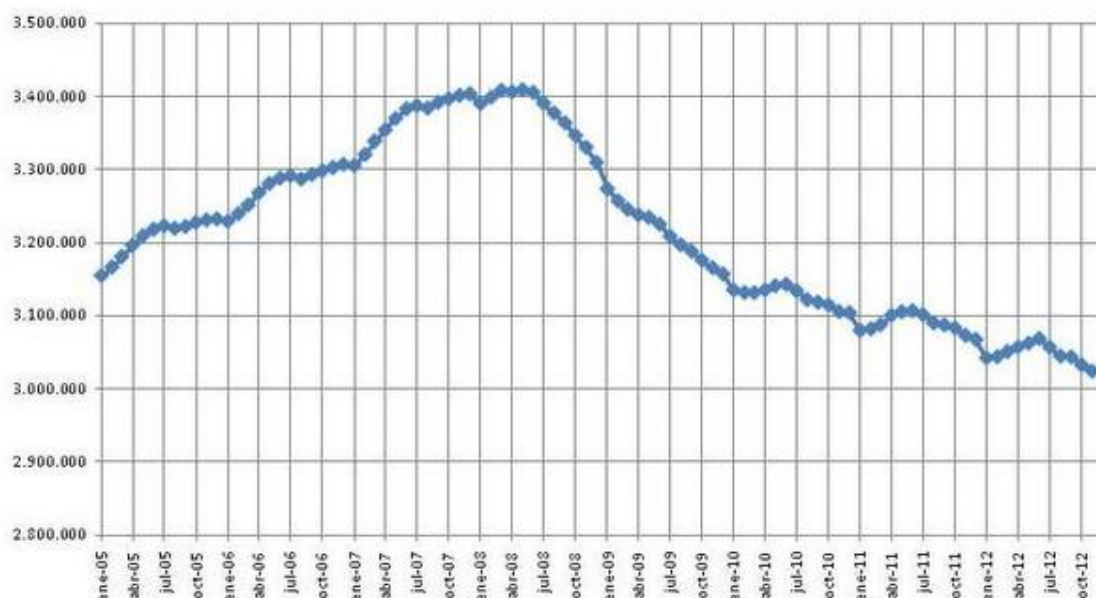
Source: Departament d'Estadística Ajuntament de Barcelona

EXHIBIT 14: China and Spain, Hofstede Dimensions



Source: geert-hofstede.com/china.html

EXHIBIT 15: Evolution number of entrepreneurs, Spain 2005-2012



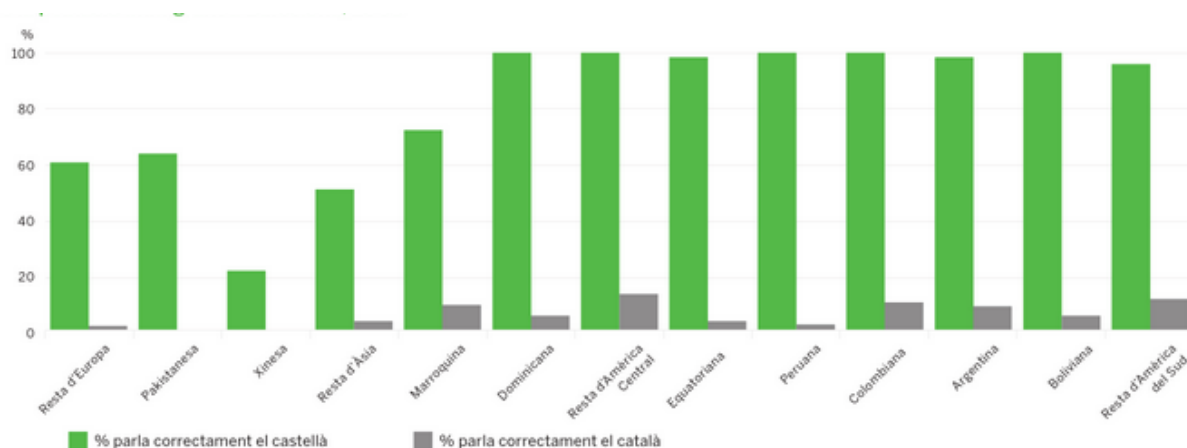
Source: ATA Federación de Autónomos. <http://autonomosinmigrantesata.blogspot.com.es/>

EXHIBIT 16: Entrepreneurs admission and removal from Social Security, Spain 2010-2012



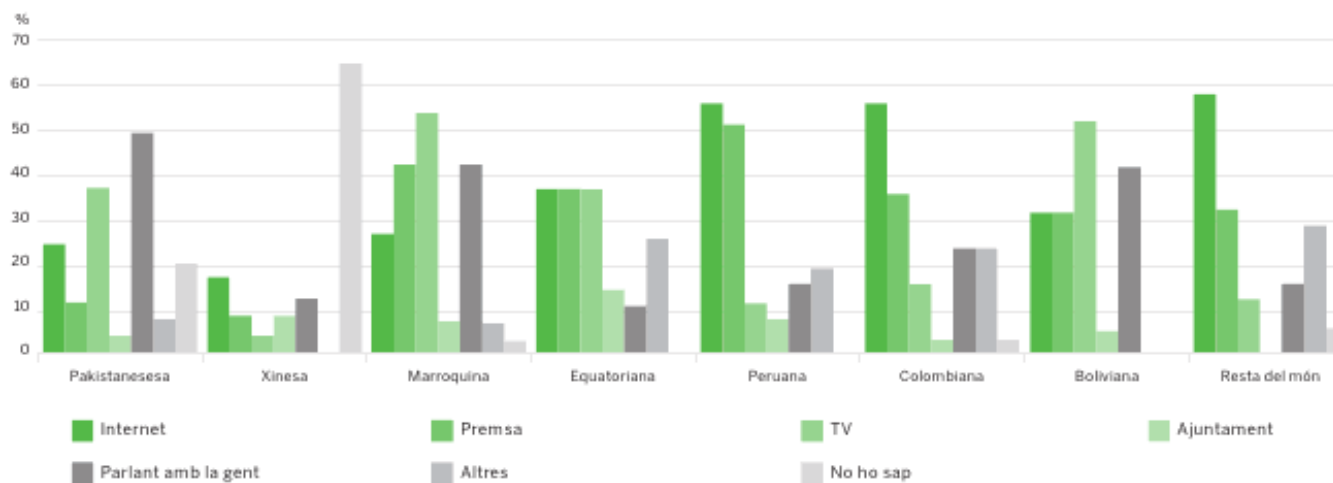
Source: ATA Federación de Autónomos. <http://autonomosinmigrantesata.blogspot.com.es/>

EXHIBIT 17: Knowledge of Catalan and Spanish according to nationality, Barcelona 2005



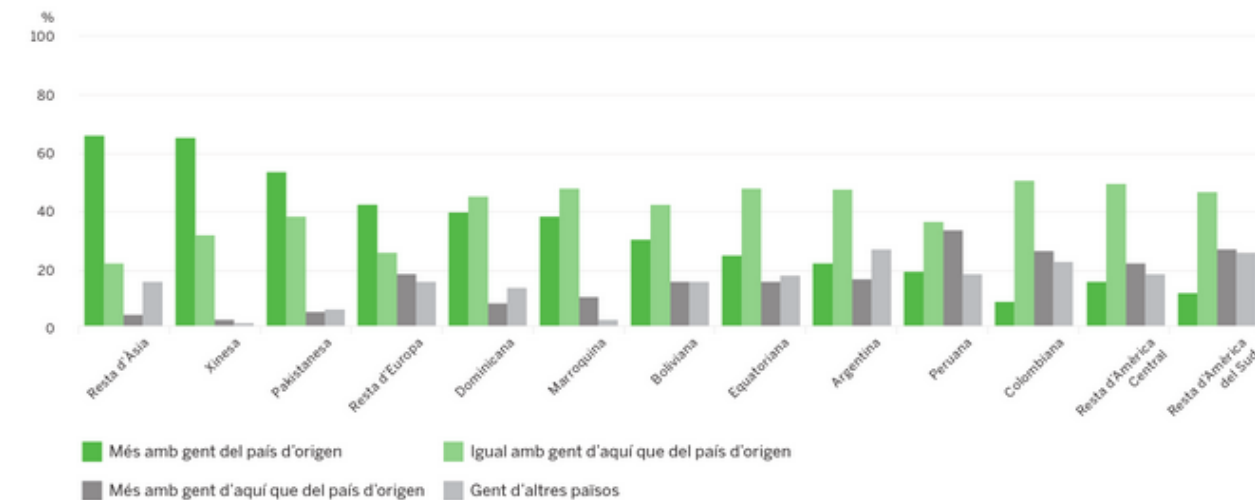
Source: Departament d'Estadística Ajuntament de Barcelona (2005)

EXHIBIT 18: Information source of the city depending on nationality, Barcelona 2005



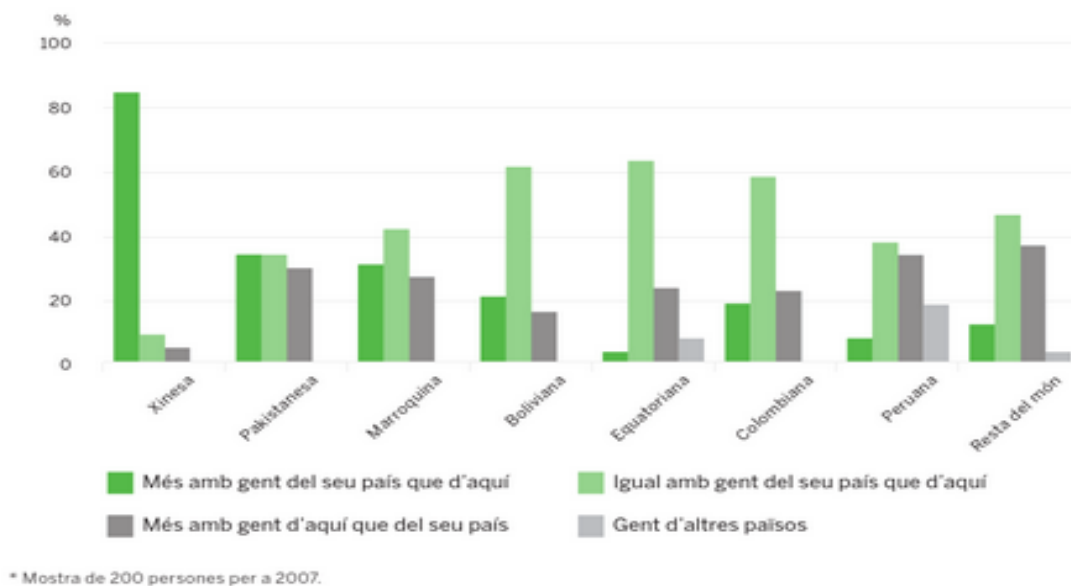
Source: Departament d'Estadística Ajuntament de Barcelona

EXHIBIT 19: Origin of the people that has relation with the immigrant, Barcelona 2005



Source: Departament d'Estadística Ajuntament de Barcelona

EXHIBIT 20: Nationalities with which immigrants are more related to, Barcelona 2005-2007



Source: Departament d'Estadística Ajuntament de Barcelona

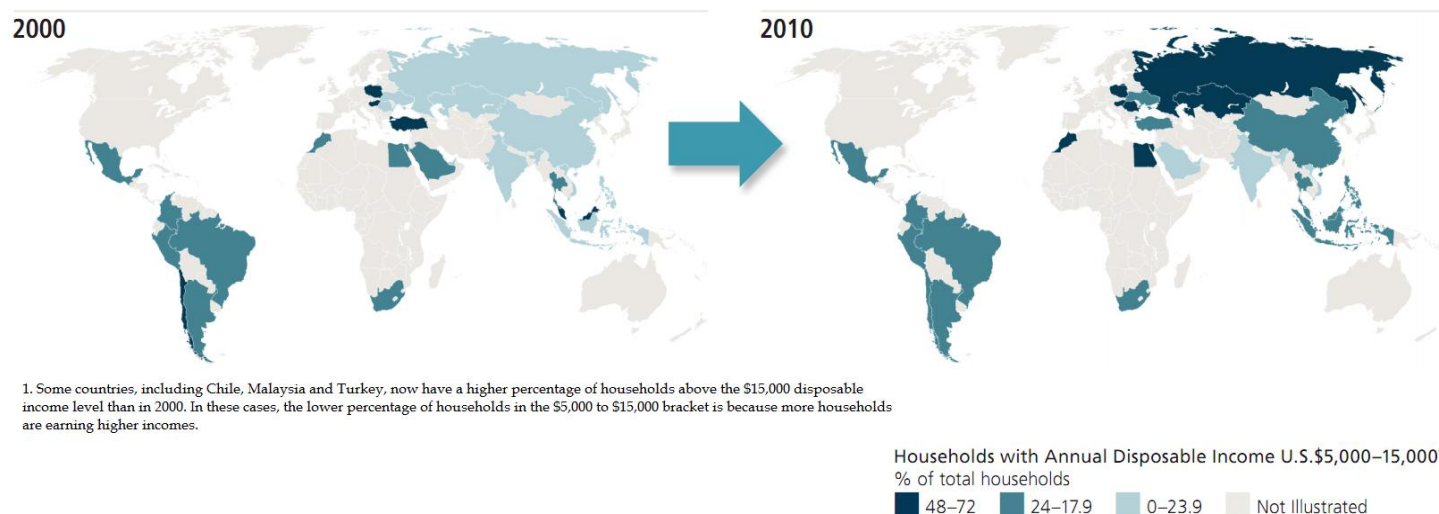
EXHIBIT 21: The global middle class: people and spending, 2009

	Number of People (millions and global share)		Consumption (billions PPPUSD and global share)	
North America	338	18%	5602	26%
Europe	664	36%	8138	38%
Central and South America	181	10%	1534	7%
Asia Pacific	525	28%	4952	23%
Sub-Saharan Africa	32	2%	256	1%
Middle East and North Africa	105	6%	796	4%
World	1845	100%	21278	100%

Source: www.oecd.org

Purchasing power parity conversion factor is the number of units of a country's currency required to buy the same amount of goods and services in the domestic market as a U.S. dollar would buy in the United States.

EXHIBIT 22 : Emerging markets middle class evolution 2000-2010



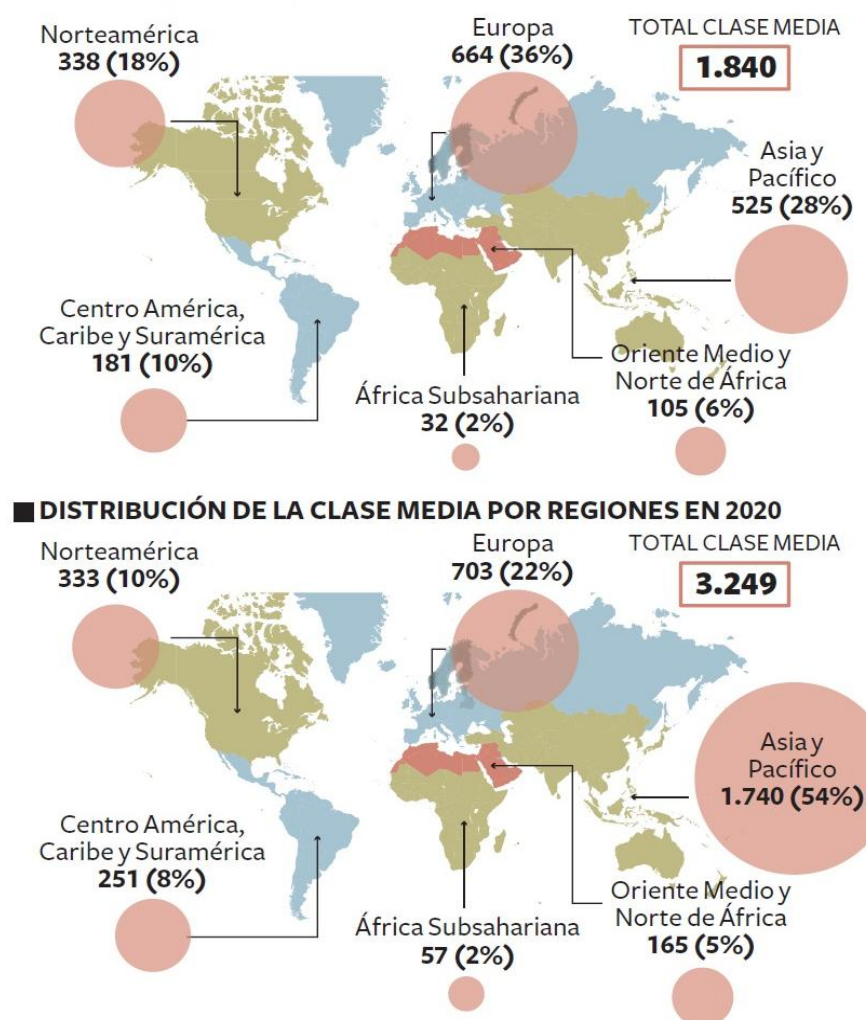
Source: Euromonitor International 3/10/10

EXHIBIT 23: Numbers (millions) and share (percent) of global middle class

	2009		2020		2030	
North America	338	18%	333	10%	322	7%
Europe	664	36%	703	22%	680	14%
Central and South America	181	10%	251	8%	313	6%
Asia Pacific	525	28%	1740	54%	3228	66%
Sub-Saharan Africa	32	2%	57	2%	107	2%
Middle East and North Africa	105	6%	165	5%	234	5%
World	1845	100%	3249	100%	4884	100%

Source: www.oecd.org

EXHIBIT 24 : Distribution of the middle class per regions, 2009 (people with an income of 10-100 dollars per day, in millions and world percent)



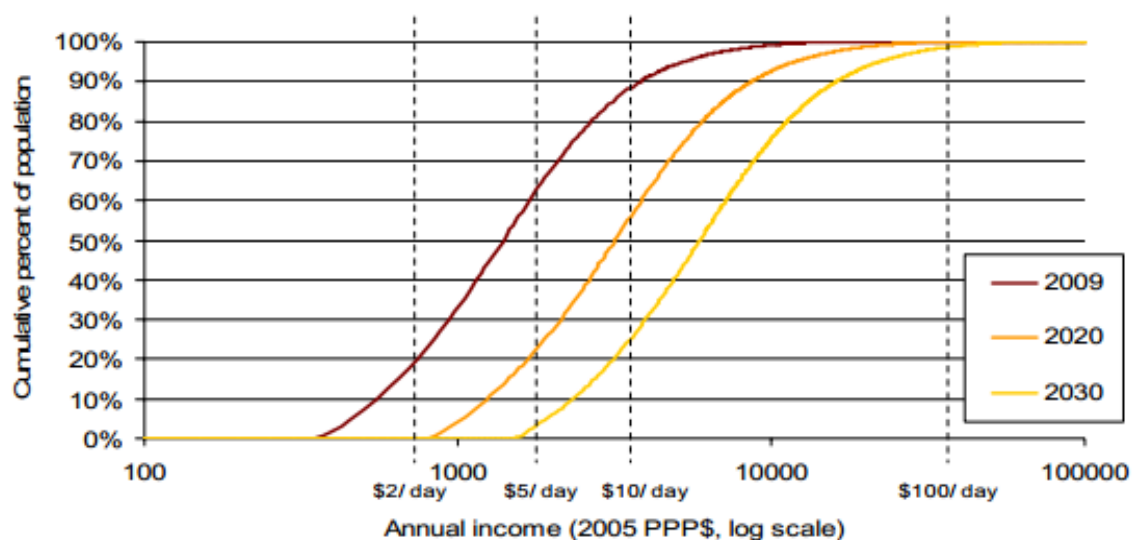
Source: El País9

EXHIBIT 25: Spending by the global middle class, 2009-2030 (millions of 2005 PPP dollars)

	2009		2020		2030	
North America	5602	26%	5863	17%	5837	10%
Europe	8138	38%	10301	29%	11337	20%
Central and South America	1534	7%	2315	7%	3117	6%
Asia Pacific	4952	23%	14798	42%	32596	59%
Sub-Saharan Africa	256	1%	448	1%	827	1%
Middle East and North Africa	796	4%	1321	4%	1966	4%
World	21278	100%	35045	100%	55680	100%

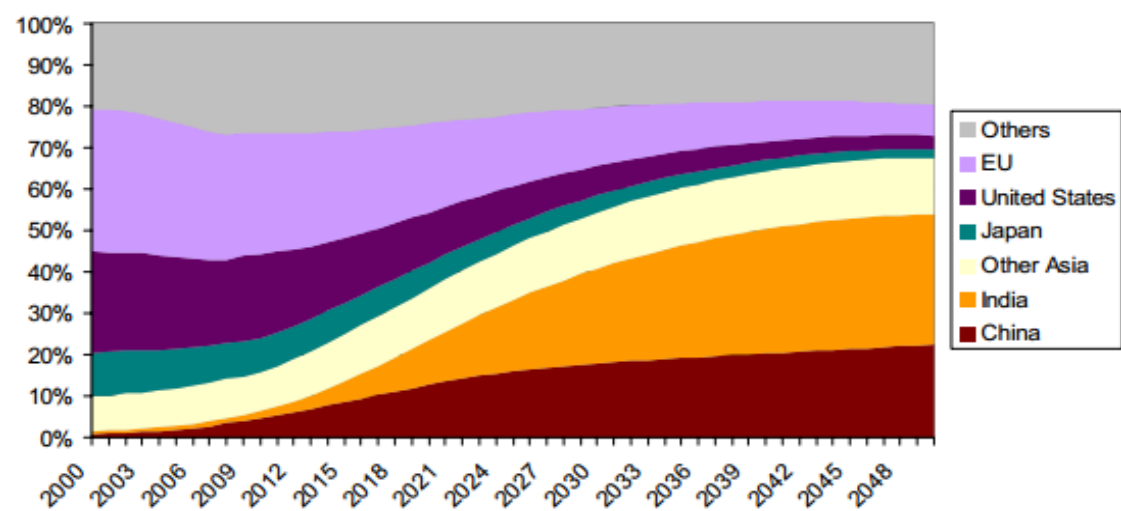
Source: www.oecd.org

EXHIBIT 26 : China's middle class



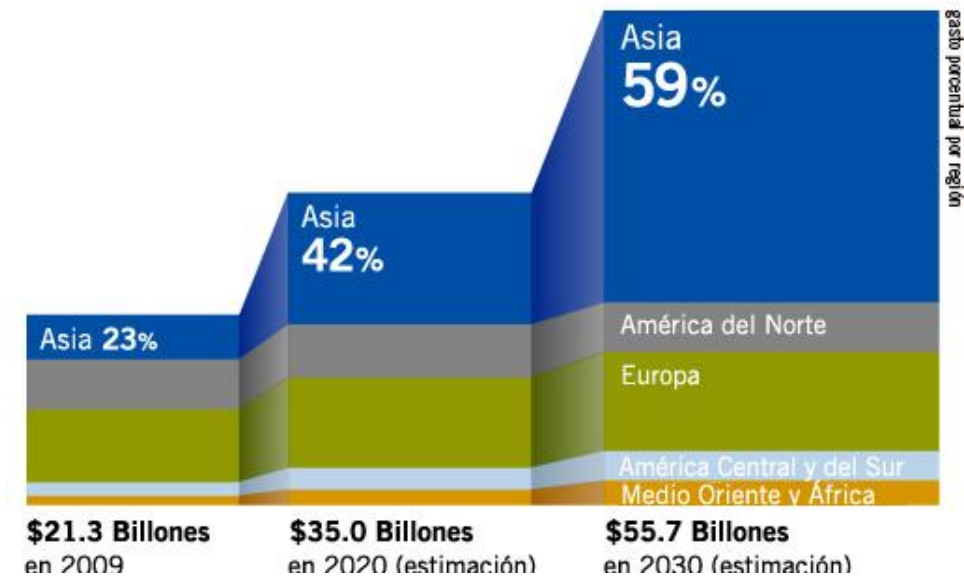
Source: www.oecd.org

EXHIBIT 27: Shares of global middle class consumption, 2000-2050



Source: www.oecd.org

EXHIBIT 28 : China spending by middleclass

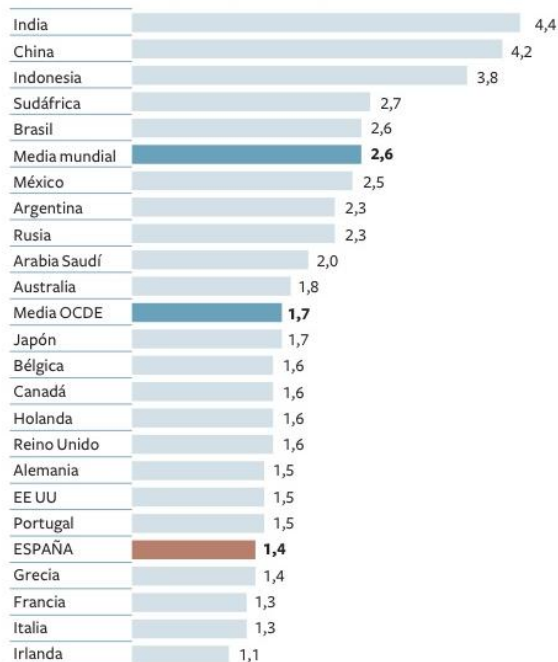


Source: El País

EXHIBIT 29: Forecast growing projections per capita 2011-2060 of OECD

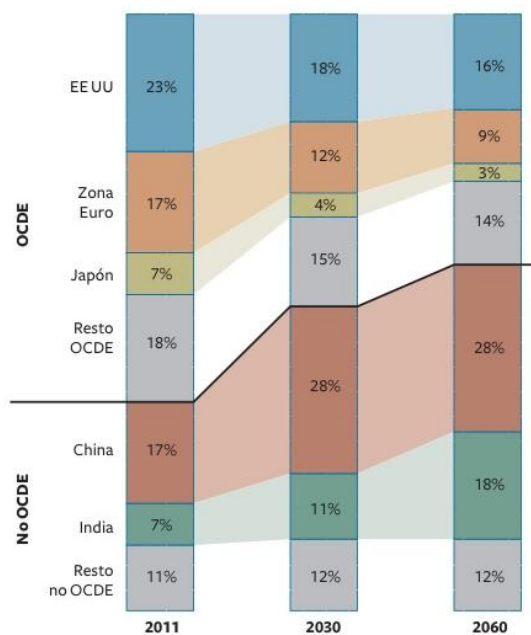
■ CRECIMIENTO PER CÁPITA PREVISTO ENTRE 2011 Y 2060

En porcentaje. Paridad de poder adquisitivo de 2005.



■ CAMBIOS EN LA COMPOSICIÓN DEL PIB MUNDIAL

En porcentaje. Paridad de poder adquisitivo de 2005.



Source: www.oecd.org / El País

