

FTCs negotiated export and import contracts on behalf of end users on a virtually exclusive basis. Since 1978, however, policies aimed at creating a more flexible and efficient trade system have resulted in a more decentralized system from which new organizations at the ministerial, provincial and municipal levels have emerged. Many of these have the ability to engage in foreign trade, independent of central government control. This devolution of authority was accelerated in 1988 by the creation of six new corporations to implement specific projects, while the policy and planning was left with the ministries. Some of these new corporations also have authority to make commercial agreements independent of the traditional foreign trade apparatus.

China is many markets, not one. Recent market analysis suggests that Canadian companies should look closely at regional Chinese markets and compare them to Asia's other mid-range economies. These studies suggest concentration on six regional markets: Northeast (Heilongjiang, Jilin and Liaoning), Greater Beijing (Hebei, Beijing, Tianjin and Shandong), Central Provinces (Shaanxi, Henan, Hubei, Anhui, Hunan and Jiangxi), Southwest (Sichuan), Greater Shanghai (Shanghai, Jiangsu and Zhejiang), and Greater Guangdong (Guangdong, Fujian and Hainan). Each of these regions has a population of more than 100 million and a gross domestic product exceeding U.S. \$20 billion. The regions of Guangdong, Shanghai and Beijing play the leading role. The Central Provinces have lower per capita incomes, but population density promises good returns in the consumer markets of the future in some sectors. Sichuan has a high population (110 million), but its low income and remoteness mean it will also be a market for the future. However, even in these two regions, there are many good opportunities in urban areas and in infrastructure development.

On the whole, China's approach to economic development including entrepreneurship and foreign economic relations, combined with the country's rich natural and human resources, has made it an attractive