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Britain Pushing China Trade

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LONDON, Oct. 22—British industrialists, intent on a drive for trade with China, have shipped over \$3 million worth of samples to Peking for the biggest non-Communist trade fair ever held there.

British exports to China so far this year are already running at double last year's rate of \$37 million, and there are hopes for an even faster increase. London's policy, unchanged by the new administration, is to provide government-backed credits for the trade on normal terms, and Communist China is now considered a good credit risk.

The only limitation on China trade is that imposed by the list of banned strategic exports. The Chinese complain about it frequently, but they have nonetheless stepped up their shopping in the West.

Douglas Jay, the new President of the Board of Trade who will fly to Peking next week to open the British Exhibition, pointed out at a press conference here that the pattern of China's trade

Sending \$3 Million in Samples To Trade Fair in Peking

has reversed since 1958. Then, two-thirds of the total was with the Soviet Bloc. Now, two-thirds of China's trade is with non-Communist countries.

Japan is the biggest single exporter to China. Britain comes first among European traders, with France and Italy pushing hard to catch up.

The 12-day British fair was arranged in the spring of 1963, with 230 firms to take part.

Only industrial and scientific goods are to be shown. The Peking government has told the British that it will bring about 100,000 technicians, engineers, factory managers and scientists from all over China to see the exhibit—but admission is by state invitation only. There will be no ordinary sight-seers.

Among the exhibitors is Rootes, now partly owned by the Chrysler Motor Co. with Chrysler directors on its

board, which has already delivered orders worth about \$1 million to Communist China. Rootes is exhibiting cars, commercial vehicles and air-conditioning equipment in Peking.

Leyland's is sending one of the buses it produced for sale to Cuba in the deal involving 900 buses.

Among the other exhibits are textile and earth-moving machinery, tractors, generators, radar and radio equipment, pumps, canning machines, printing plants, chemical and oil-refinery plant.

Peking, according to sources here, has determined that after the drastic blow it suffered when Russian technicians were pulled out and projects abandoned in 1960, it would never again rely on one major supplier. So the British are convinced that the market is open and growing.

Last month the Chinese ordered a \$12.6-million polyethylene plant from Britain.

A shipyards order is expected.

Peking is running its foreign trade now on a Sterling basis, which gives Britain an extra advantage it wants to exploit. And China's exports to this country, mainly bristles, raw hair, textiles, yarn, soya beans, tea and dried eggs, have lately been roughly balancing imports.

Organization and approach to the fair were all settled before last week's British election, and there has been no visible difference in the new government's attitude.

Douglas Jay plans to stop in Moscow for calls on foreign trade officials there on his way to Peking. That itinerary, apparently, has caused no complication.

The U.S. has repeatedly told the British that it is not happy about expanding trade with China, and London has answered just as regularly that it feels business must be business apart from sensitive strategic items.

Particularly now, with rivalry from France and Italy which held Peking exhibi-