

News, Quotes, Companies, Videos

New York 91° | 70

Welcome, **russell meade** [Logout](#)
[My Account](#) [My Journal](#) [Help](#)

[U.S. Edition Home](#) [Today's Paper](#) [Video](#) [Blogs](#) [Journal Community](#)

[Try CFO Journal for FREE](#) [Learn More »](#)

[World](#) [U.S.](#) [New York](#) [Business](#) [Markets](#) [Tech](#) [Personal Finance](#) [Life & Culture](#) [Opinion](#) [Careers](#) [Real Estate](#) [Small Business](#)

TOP STORIES IN **Small Business**
 **For Small Businesses, Recession Isn't...** 1 of 12

 **Perk Bubble Grows as Tech Booms** 2 of 12

 **Time Off Is No Option: It's Required** 3 of 12

WSJ BLOGS

In Charge

On the challenges of entrepreneurs managing their businesses

Search In Charge

JULY 5, 2011, 5:18 PM ET

Chinese on Global Shopping Spree

Article

Comments

[IN CHARGE HOME PAGE »](#)

 Email  Print   + More  Text 

By Angus Loten

Here in the U.S., small-business owners are waiting for recession-weary consumers to start spending again. But what if they caught those same consumers on a shopping spree abroad?



Getty Images

That's the frustration China's cash-strapped small-business owners must be feeling as government data released this week revealed that Chinese travelers spent nearly \$50 billion overseas last year – becoming the biggest spenders in France and the U.K., with a growing appetite for luxury brands, according to the [China Daily](#).

Some 57 million Chinese traveled abroad in 2010, up 20% from the previous year, a figure that's expected to grow 17% annually

over the next decade amid [rising incomes](#) and aspirations, the report said.

Yet private consumption as a share of China's gross domestic product was less than 40% last year, compared to 60% in the U.S. and 70% in Japan, trade data shows. At the same time, more and more Chinese investors are pouring cash directly into foreign businesses at an unprecedented rate, including many small businesses in the U.S. (See [Small Firms Find Cash Lifeline in China](#)).

As a result, many Chinese small businesses are starving for cash. Last month, China's banking regulator enacted a series of [measures](#) aimed at helping local owners stay afloat, including fast-track bond issuance by commercial banks for small-business loans and higher bad-loan ratios for small and medium-sized enterprises.

Still, China's new wealthy and upper-middle class consumers traveling abroad aren't about to start pinching their pennies – technically, their fens – any time soon. High tariffs on imported goods and a stronger currency are making prices in overseas markets more attractive – especially for brand-name luxury goods, which are at least 30% more expensive in stores back home, according an economist with the National Bureau of Statistic cited in the article.

Available to WSJ.com Subscribers

Jobs Study Too Late for Trade Debate

The Department of Labor is four years behind in delivering a study of a program for laid-off workers that is at the center of a dispute jeopardizing trade pacts with South Korea, Colombia and Panama.



A Pullout by Pensions Hammers a Hedge Fund

Bill Calls for Fannie, Freddie Merger

A California Republican is set to introduce a bill to merge Fannie Mae and Freddie Mac and restructure the company into a government-held



Dimon's Global Growth Pains

None of that is likely to change without a major shift in the global economic landscape, the article notes.

corporation.

China, small business

« Previous

Small Shop Feels Pinch of State Shutdown

IN CHARGE HOME PAGE

Email Printer Friendly

Share: Facebook, Twitter, LinkedIn, etc.

About In Charge

Follow Us:

America's entrepreneurs are executives who build companies from the ground up. In Charge provides news, analysis and in-the-trenches commentary about small-business management.

In Charge on Facebook

2011 Market Crash?

Analyst Dennis Slothower foresaw 2008 collapse; issues new warning www.stealthstocksonline.com

Best Penny Stocks

Penny Stocks Rising +950%! Join our Newsletter Free. Never Lose Again! http://www.PerfectPennyStocks.com

2011 Stock Forecast

Free Report: 5 Safe Stocks To Help You Grow Your Nest Egg. www.taipanpublishinggroup.com

Buy this stock

Little-known stock ready to explode - may see gains of 100% or more HiddenValuesAlert.com

Add a Comment

Name input field

We welcome thoughtful comments from readers. Please comply with our guidelines. Our blogs do not require the use of your real name.

Comment input area

CLEAR POST buttons

BACK TO TOP

WSJ.com Account:

- My Account
Subscriber Billing Info

Create an Account:

- Register for Free
Subscribe to WSJ.com
Sign up for WSJ Professional

Help & Information Center:

- Help
Customer Service
Contact Us
Global Support

About:

- News Licensing
Reprints
Advertising
Classifieds
Advertise Locally
Conferences
About Dow Jones
Privacy Policy - Updated
Subscriber Agreement & Terms of Use - Updated
Copyright Policy
Jobs at WSJ.com

WSJ.com:

- Site Map
Home
World
U.S.
New York
Business
Markets
Market Data
Tech
Personal Finance
Life & Culture
Opinion
Autos

Tools & Formats:

- Today's Paper
Video Center
Graphics
Columns
Blogs
Topics
Guides
Alerts
Newsletters
Mobile
Tablet Edition
Podcasts
RSS Feeds

Digital Network

- WSJ.com
Marketwatch.com
Barrons.com
SmartMoney.com
AllThingsD.com
FINS: Finance, IT jobs, Sales jobs
BigCharts.com
Virtual Stock Exchange
WSJ Radio
Professor Journal
WSJ U.S. Edition

[New on WSJ.com](#)
[Take a Tour](#)
[Print Subscriber Services](#)

[Careers](#)
[Real Estate](#)
[Small Business](#)
[Student Journal](#)
[Corrections](#)
[SafeHouse - Send Us Information](#)

[Journal Community](#)
[WSJ on Twitter](#)
[WSJ on Facebook](#)
[WSJ on Foursquare](#)
[My Journal](#)
[Portfolio](#)
[WSJ Digital Downloads](#)

[WSJ Asia Edition](#)
[WSJ Europe Edition](#)
[WSJ India Page](#)
Foreign Language Editions:
[WSJ Chinese](#)
[WSJ Japanese](#)
[WSJ Portuguese](#)
[WSJ Spanish](#)

Copyright ©2011 Dow Jones & Company, Inc. All Rights Reserved

⌵