

50. Shanghai

In the chapter titled "Shanghai" covering Tesla's journey from 2015 to 2019, the narrative focuses on Robin Ren's pivotal role in Tesla's expansion into the Chinese market. Shanghai-born Ren, a Physics Olympiad winner and Elon Musk's former lab partner at Penn, was not well-versed in automobiles. His expertise was in technology, having served as the chief technology officer at Dell Computer's flash-drive subsidiary. Despite his lack of auto industry knowledge, Musk sought Ren's assistance to address Tesla's struggling sales in China, following the dismissal of two China managers and facing the potential to fire more due to dismal sales figures.

Musk's strategy hinged on manufacturing cars within China to secure market success, a notion challenged by China's requirement for foreign car manufacturers to establish joint ventures with local companies. Musk, known for his reluctance to share control, humorously resisted this idea during meetings with Chinese officials. Ren faced the task of either persuading Musk to accept a joint venture or influencing Chinese policy to permit Tesla's independent manufacturing operations.

Choosing to advocate for policy change, Ren engaged in persistent lobbying with the Chinese government, emphasizing the benefits to China's clean-energy ambitions of hosting a Tesla factory. This effort, aligned with President Xi Jinping's vision for China as a clean-energy powerhouse, culminated in Tesla's permission in early 2018 to build a factory without a joint venture, marking a significant departure from three decades of Chinese manufacturing policy. This chapter captures the blend of personal connection, strategic negotiation, and policy advocacy that underpinned Tesla's breakthrough in one of the world's largest auto markets.