

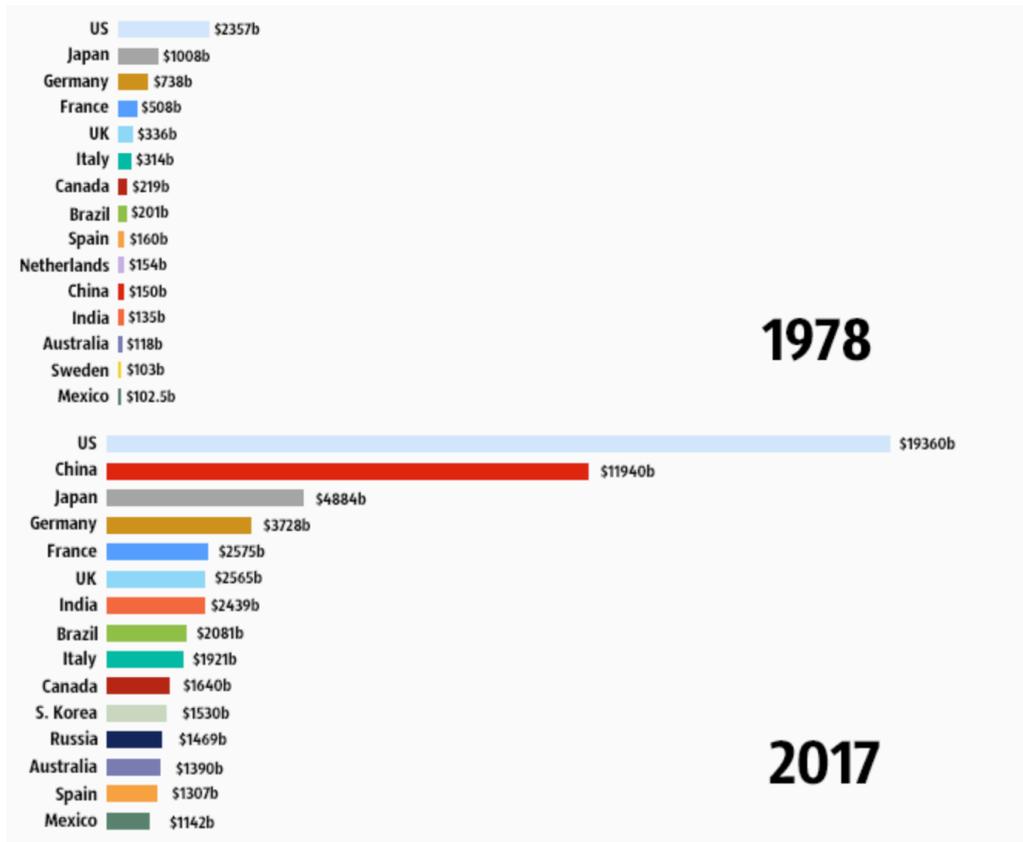
### **III. China and the World We Live In**

#### A. “Made in China”

1. In the average American household today one finds products from around the world, but more products built in one country than in any other: China.
2. The “Made in China” label is on smartphones, computers, coffee cups, plush toys, pens, eyeglasses, and just about everything else.
3. It is the kind of thing one could easily take for granted, but it actually represents a revolutionary transformation that one needs to understand in order to make sense of the world.
4. Just two generations ago, China was such a poor and isolated country that almost *nothing* was made there beyond what was needed to serve the barest needs of the Chinese themselves. China, a country of a billion people, had less collective wealth than Canada, a country of only 20 million. Then a radical shift occurred. China is now the second largest economy in the world. What happened?

#### B. 1978: *The Cardinal Anchor Fact of Chinese History Today*

1. The reason why China, previously a poor and isolated country, became a world economic leader is that in **1978** a radical change occurred in its government.
2. The leader of China, Deng Xiaoping, announced “*To get rich is glorious!*”
3. This was a declaration of intent for his country. The poverty of China up to that point had perversely been imposed by its own government, which controlled the use of property and prevented trade through the form of dictatorial government broadly known as “communism.”
4. Communism is a difficult concept to pin down, but we will have the opportunity to explore its meaning throughout the segment on China. Why China was a communist country, what kind of communism it employed, and in what regards it is *still* a communist country, will all be part of our studies.
5. In **1978**, despite being a communist country, China did something completely anti-communist. It encouraged *private* property, private enterprise, and private trade for profit. To be more precise, it stopped preventing these things, and allowed the Chinese people to resume commercial ties with the world, only more so! The motto “*to get rich is glorious!*” indicates a complete change of mindset that celebrates wealth. Since China has been encouraged to celebrate wealth, it can hardly be surprising that it had made enormous material progress.
6. This is what explains China’s amazing success over the past forty years and the spread of all things “Made in China” around the world.



China’s economic ranking in the world by “GDP” (a measure used by economists that stands for “Gross Domestic Product,” which is measured in *billions* of dollars) has gone from 11th to 2nd in forty years. This is only possible because of the change in policy of its communist government starting in **1978**.