

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 very important fact 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 declaration meant that the government of China was going to allow, and even encourage, its people to trade with the world, even though it had not allowed freedom of trade before.
4. China did not have freedom of trade because its form of government, “communism” did not allow it. Sadly, this meant that the government was forcing the people to remain poor.
5. In **1978**, despite being a communist country, China did something completely anti-communist. It encouraged its people to trade and to profit (make money). To be more precise, it stopped preventing the Chinese people from doing these things.
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.