

English transcript

How China became the world's largest economy

China is the world's second largest economy and the biggest importer. But 40 years ago, it was a poor largely rural nation, with at least 40% of its population living in poverty. That started to change in 1978, when China launched major economic reforms. The first were agricultural. Farmers were allowed to sell their surplus crops on the market.

«AGRICULTURE»

Success in agriculture and more open trade lead to the privatization of other state-own enterprises.

In 1980, China became a member of the World Bank and the International Monetary Fund.

«WORLD BANK»

«INTERNATIONAL MONETARY FUND»

That's the same year it created four special economic zones to encourage foreign direct investment.

«Xiamen, Shenzhen, Zhuzai, Santou»

As the economy opened up to the outside world, companies flooded into China to build factories and take advantage of cheap labour. Stock markets in Shanghai and Shenzhen opened in 1990. Economic growth boomed the following decade, averaging 10% a year. More than 500 million people have been lifted out of poverty, since China's economic reforms began. It's been called an economic miracle. And one the global economy has come to depend on.