

CLASS :-12th, SUB:- POL SCI

(NOTES)

CHAPTER---4

DATE:- 21/05/2020

RISE OF THE CHINESE ECONOMY

- China has been growing as an economic power since 1978. It is projected to overtake the the us as the world's largest economy by 2040. In 1949, the economy of the china was based on the soviet model. It now relied on its own resources.
- During 1970's china established relations with the USA ending its political and economic isolation.
- An 'open door policy' was announced by Deng xiaoping in 1978. which aimed at generating high productivity by investments in capital and technology from abroad.
- Special economic zones were set up. State had a centralised role in setting up of china's economy.
- Still the chinese economy did not benefit everyone in china. The rate of unemployment has risen, working conditions and female employment is bad.
- However, regionally and globally china has been in limelight economic power.

INDIA - CHINA RELATIONS

- India and china had a cordial relations since time immemorial. Both have political economic and cultural relations.
- After India gained independence, both the countries shared a peaceful relation. During this period the slogan of 'Hindi - chini - Bhai' was popular.

- Very soon both the countries involved in border dispute. The difference arose from the Chinese takeover of Tibet in 1950.
- India suffered military reverses in the conflict of 1962. Diplomatic relations between the two countries were downgraded until 1976.
- It was during the visit paid by India prime minister Rajiv Gandhi to China in 1988 December, the relation between the two countries started improving.

FACTS THAT MATTER

- After the second world war, Europe shattered the assumptions and structures on which the European states had based their relations.
- To revive European economy, the US introduced 'Marshall plan' to establish organisation for European economic cooperation in 1948. Through OEEC, western European states began to cooperate on trade and economic issues.
- European Union established in 1992, was a group of European capitalist countries with a common foreign and security policy cooperation on justice and home affairs and creation of single currency and also has its own flag anthem and founding date.
- The European Union has economic political diplomatic and military influence as the EU is the world's biggest economy which gives it influence over its closest neighbours and in Asia and Africa. And it functions as an important bloc in international world economic organisation as the World Trade Organisation.
- In political and diplomatic influence, two members of EU Britain and France hold permanent seat in the UN Security Council as well as non-permanent members in UNSC which enabled to influence the US policies i.e. current position on Iran's nuclear programme Use of diplomacy, economic investment and in case of a dialogue with China on human rights and environmental degradation.
- Militarily, the EU's combined armed forces are the second largest in the world by spending second after the US and Britain and France also have

nuclear arsenal. And it is the most important source of space and communications technology also.

- Though EU bears common interests. Still its member states have their own foreign relations and defence policies that are often at odds with each other i.e. Britain favoured the US's Iraq invasion which other members of EU Germany and France opposed America's this policy all these limit the ability of the EU to act in matters of foreign relations and defence.