

China's organization  
(wto). china became  
a member



**ASSIGN  
BUSTER**

China's economic reforms successfully built an improved environment for both state and private companies, providing them with the necessary resources, such as infrastructure, access to capital and a more prepared workforce.

In 1986, China obtained observer status under the General Agreement on Tariffs and Trade (GATT) and since that year, it has begun working towards accession to the World Trade Organization (WTO). China became a member of the World Trade Organization in 2001 and agreed to become a "responsible participant" and to accept the rules of the world trading system. Its market was opened to foreign investment and quotas and tariffs were reduced. At present, it is the second largest exporter after Germany and the second largest importer after the United States. Due to its negotiation skills, China has huge commercial surpluses and large reserves in foreign currency.

It also has the largest foreign exchange reserves in the world, more than \$ 4 billion, an incredible 40 percent of the country's GDP. As a result, China has become a global manufacturing platform, and currently has the largest manufacturing economy in the world. For example, China produces around 80% of the world's air conditioners, 80% of the world's umbrellas, 70% of mobile phones and 60% of the country's footwear.

It also became, in 2007, the world's largest producer of carbon dioxide, the main greenhouse gas responsible for global warming. This was due to the growing demand for coal to generate electricity and an increase in the production of cement to build infrastructure. The rapid development of China is an economic miracle. No country in the world has grown in such a

vertiginous way. According to The Economist, Britain took more than 150 years since the beginning of the industrial revolution to double GDP per person (measured in purchasing power parity), from \$ 1, 300 to \$ 2, 600. About 120 years later, the United States, with a population similar in size to the United Kingdom, achieved the same in one third of the time. China has achieved it in only twelve years.