

During the Ming dynasty (1368–1644), China was involved in trade with other nations and regions. China then experienced many centuries of isolation, which ended in the 1980s after China began economic reforms. How did China become a powerful trader in the Ming dynasty? What happened to make China restrict trade? How did economic reforms help reestablish China as one of the leaders of global trade today?

Chinese Trade Begins

At the beginning of Ming rule, China grew internally at the same time that it reached outward to explore the world. From 1405 to 1433, Admiral Zheng He led seven extraordinary voyages for the Ming dynasty. His very first voyage was an amazing feat, for its sheer size alone. It included a fleet of 62 large ships, 225 smaller ships, and 27,000 sailors! Over the years, Zheng He sailed as far as the Persian Gulf and to the eastern coast of Africa. These voyages helped spread Chinese goods and influence to faraway places.

In 1492, China was the oldest, largest, and richest nation on Earth. It was the first nation to develop paper money and banks. It had invented gunpowder and the compass. To move goods throughout its large countryside, China had developed one of the most technologically advanced canal systems. China also traded outside its own boundaries, along trade routes that traveled over land and sea. The famous Silk Road allowed traders to move Chinese goods, such as silk, to the West. Western goods, such as wool, were carried along the Silk Road to China.

China also had a huge agricultural system and a large handicraft industry. A handicraft industry involves many workers hired by a manufacturer. The workers produce goods such as lace, porcelain, and silk out of their homes. The manufacturer brings supplies to the workers and sells the finished products.

The merchant class prospered because of the successful handicraft industry in China. Chinese luxury goods, such as tea and silk, were sold for high prices around the world. In addition, Chinese commoners contributed to the global market because they made nonagricultural goods desired by foreigners.



This is a reproduction of one of the ships commanded by Admiral Zheng He on his far-flung voyages.

China's Isolationist Period

As time went on, the rulers of the Ming dynasty became worried about how all this interaction with foreigners was affecting the nation. They began to think that it was necessary to protect Chinese culture from Christian missionaries and other foreign influences. China's leaders also believed their country had nothing to learn from the Westerners.

As a result of these concerns, Chinese rulers began closing off the country to foreigners in the early 1400s. This type of political move is known as isolationism. Isolationist countries do not enter into trade agreements with other countries. They seek to promote their own interests and minimize foreign involvement.

Ming dynasty rulers ignored the military and technological growth of Western nations. Under their leadership, the Chinese people returned to the anti-commercial and anti-merchant culture promoted by Confucianism. China's naval defenses were allowed to decline.

In the 1500s, Europeans came to China hoping to establish trading rights. Despite their isolationist policies, the Ming agreed to a treaty making the port of Macau a legal trading station for the Portuguese. The Dutch, the Spanish, and the English also developed trade relationships with China during this period.

In 1644, the Manchu from the northeast conquered China. They established the Qing dynasty, but were considered "foreign" rulers by many Chinese people. The Manchu confined trade with the outside world to the city of Canton, which is now called Guangzhou. The Co-hong, a guild of Chinese merchants, was the only group allowed to conduct trade with the foreigners. The dynasty charged foreign traders high taxes and ignored the corrupt practices of the Co-hong.

China soon became an important part of the world economy. This was largely due to the fact that Americans and Europeans desired porcelain, silk, tea, and other Chinese goods. Foreign traders paid for the goods with silver. However, the Chinese were not buying as many goods from Westerners. This resulted in a trade imbalance. Enormous amounts of silver from America ended up in China as a result of this imbalance. To recover the silver they had spent, Europeans sold inexpensive opium to the Chinese. Opium contains morphine, an addictive drug. Soon, many Chinese people became addicted to opium.

Concerned about the cheap opium that foreigners were selling to the Chinese people, the Qing dynasty moved to restrict trade. Chinese leaders attempted to ban the sale of opium in the port city of Canton. The ban led to the Opium War

of 1839 between England and China. The British defeated the Chinese and forced China to open five major port cities to foreign trade.

Throughout the 1800s, Western powers continued to pressure China to end its remaining trade restrictions, open more ports, and allow Christian missionaries to enter the country. Rather than adapting to meet these new challenges, Qing rulers clung to the ways of the past. Among the Chinese people, many blamed the Qing for allowing foreigners to gain a foothold in China. Revolution broke out in 1911, and, by 1912, the Qing dynasty was overthrown. It was China's last imperial dynasty.

From Isolation to Economic Power

In the years following the fall of the Qing dynasty, China's leaders struggled to avoid involvement with other nations. Instability within the nation, invading Japanese troops, and two world wars made this increasingly difficult, however. In 1949, the Chinese Communist Party gained control of the nation. Under the new communist leadership, China aligned itself with the Soviet Union and backed North Korea during the Korean War, which lasted from 1950 to 1953.



The waterfront of Canton in 1920 was the sole port city for foreign trade.

China's economy had been stagnating for centuries. The government was determined to address this problem by modernizing the nation's industries and agriculture. In the countryside, land was redistributed and organized into collectives. During these years, China continued to isolate itself from any significant trade with other nations.

While much progress was made, major failures also marked this period in China's history. By the early 1960s, misguided farm reforms led to widespread starvation. The crisis soon affected the cities as well. For many years, China's leaders were preoccupied with these and other crises. While some foreign trade was allowed in the 1960s, the nation remained wary of foreign intervention.

In 1978, Deng Xiaoping became the leader of the Chinese Communist Party. He broke away from the Soviet communist model in a dramatic way. Deng realized that opening China's markets to increased foreign trade could greatly benefit the Chinese economy. He also believed that he could move China's economy toward

a free-enterprise system such as that found in the United States. At the same time, he planned to keep tight control over the nation's politics and government. As a result of Deng's ideas, limited investment was allowed in some sectors and trade was encouraged.

In a few short years, Deng's policies swiftly ended centuries of Chinese isolation. Certain Chinese cities were set up as foreign trading zones. China became more and more involved in the world economy. As a result, its own economy grew rapidly, and foreign companies are now allowed to trade and invest in many sectors and regions of China.

Today, China is a member of the World Trade Organization and is the world's leading exporter of goods. Trade between the United States and China grew from \$7.7 billion in 1985 to over \$20 billion just five years later. In 2012, US exports to China and Chinese exports to the United States combined totaled an incredible \$536 billion.

While China has moved far from its traditional isolationism, there are still some signs that the door is not 100 percent open to foreigners. China continues to protect its steel, auto, and other industries from foreign competition. High tariffs, or special taxes on imported goods, make it very expensive for Chinese consumers to purchase US-made cars and trucks. . The World Trade Organization and the United States government continue to work with the Chinese government to lower these tariffs. The World Trade Organization also provides a forum to address complaints about China's "dumping" practices. Dumping means a country is selling goods below market value, making it difficult for the importing country's own industry to compete. Despite such bumps in the road to free trade, China's transformation from isolationism to global economic powerhouse in a just a few short years is nothing short of astonishing.

After reading the passage, answer the following questions:

- 1. Admiral Zheng He's seven voyages were important for what reason?**
 - A.** The voyages started the age of naval power of the Ming dynasty.
 - B.** The voyages enabled Zheng He to capture foreign territory and increase the size of China.
 - C.** The voyages enabled Zheng He to promote the Ming dynasty throughout China.
 - D.** The voyages enabled Zheng He to visit new countries and exchange information about culture

- 2. How did the Opium War of 1839 affect China's trading relationship with Great Britain?**
 - A.** The war led to increased trading rights for the British in China.
 - B.** The war caused British trading rights in China to be restricted.
 - C.** The war had little effect on trade between China and Great Britain.
 - D.** The war led China to evict all foreigners from China and end its trading relationship with Great Britain.

- 3. In the early 1980s, China's longstanding policy of isolationism ended. Which was a major factor leading to this shift?**
 - A.** a war between China and Japan
 - B.** a return to the anti-foreigner attitudes of the past
 - C.** a desire to improve the Chinese economy
 - D.** a trade imbalance with the United States

- 4. Though trade flourished for a brief period during the Ming dynasty, this period was known for its isolationism. Compare and contrast trade during the Ming dynasty to trade in modern China. How is it similar and different? Use details from the passage in your response.**