

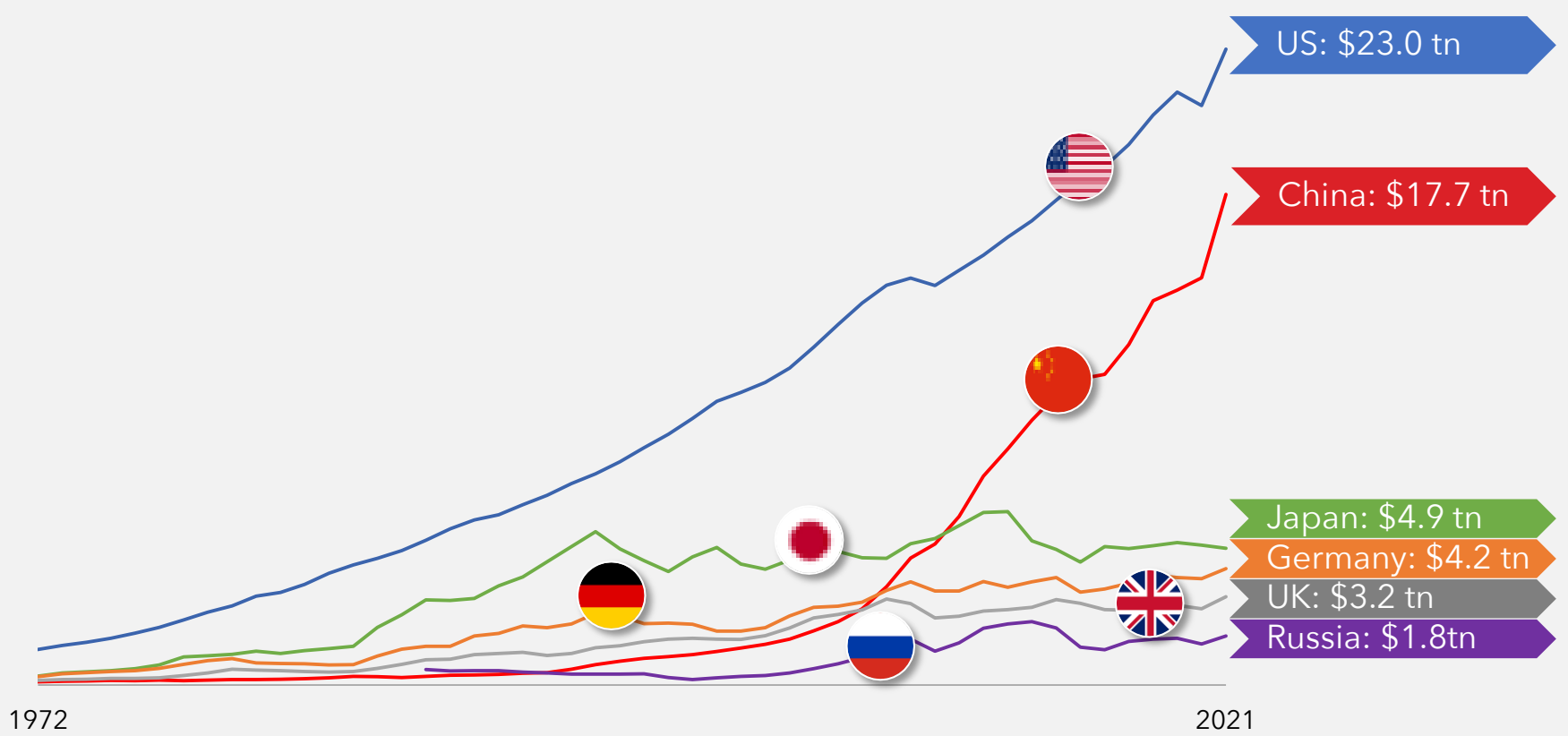
# Chart of the Day

50 years ago today, on February 21, 1972, President Nixon arrived in Beijing for an historic seven day, three city, visit to China that changed the course of history (“the week that changed the world”). Against a backdrop of heightened US-Russia cold war tensions, tens of thousands of Russian troops threatening incursion on China’s Western border, and China’s domestic upheaval with the “Cultural Revolution,” **it would be difficult to overstate the diplomatic boldness of the moment, as well as its impact on both US-China relations and the Cold War’s balance of power.**

The visit itself was the **strategic brainchild of President Nixon’s National Security Advisor, Henry Kissinger**, who made a series of diplomatic overtures toward China and embarked on a “secret” diplomatic and planning visit to Beijing for an in-person meeting with Premier Zhou Enlai the prior year. **President Nixon’s arrival in China was the first ever by a US President**, ended 25 years of no communication between the two countries, shifted the balance of power in US-Sino-Soviet relations toward the US, and paved the way for a “normalization” of US-China relations in the years that followed.

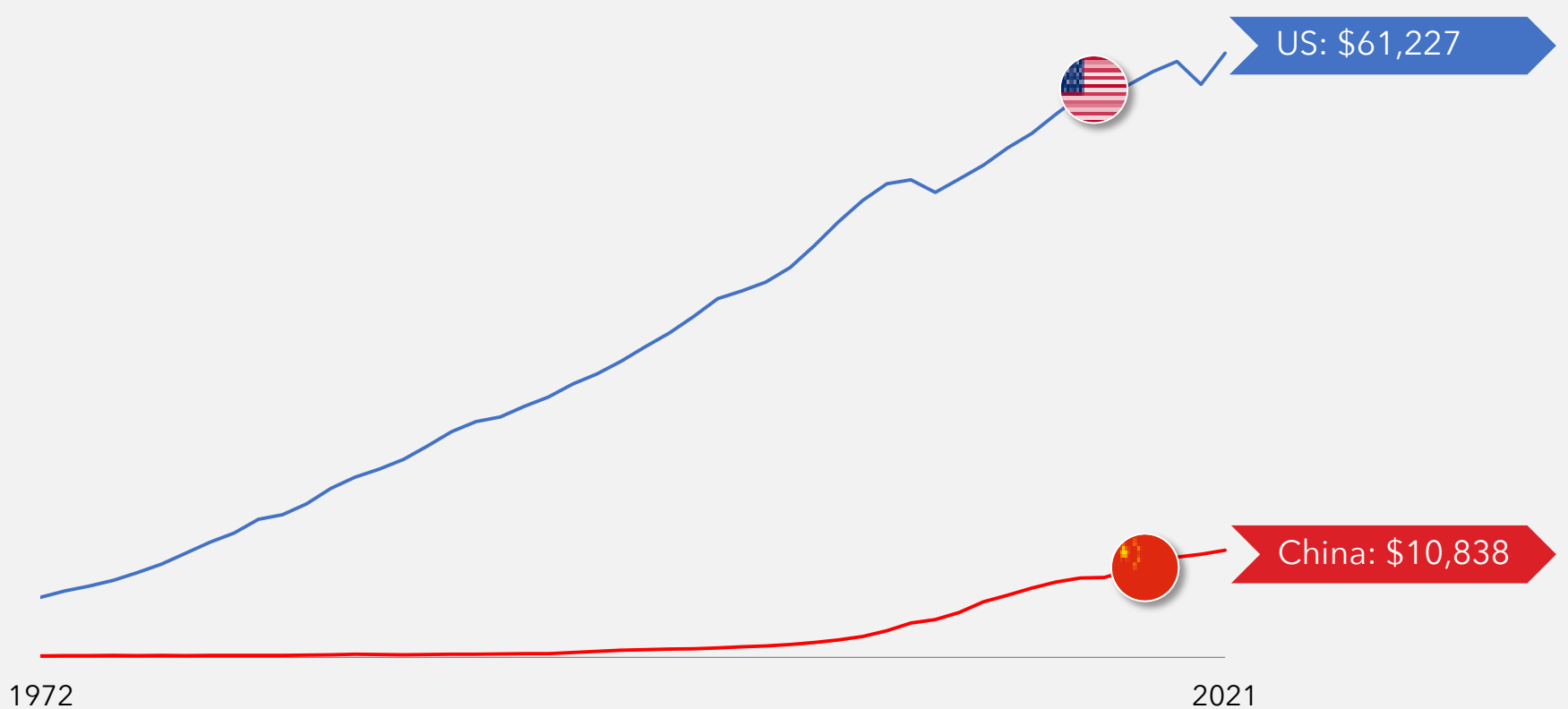
Following the “re-opening” of China in 1972, a subsequent thawing in US-China relations, and the adept policy pivot by Deng Xiaoping in 1978 toward market-based reforms and modernization (“socialism with Chinese characteristics”), China embarked on an unprecedented 50 years of growth that has vaulted it to the position of world’s 2nd largest economy.

Nominal GDP, current USD



While China’s economy is projected to surpass the US as the world’s largest over the next decade, passing the US on a GDP per capita basis is likely to take significantly longer. Though still well below the US, China’s per capita income increased more than 30-fold since 1980.

Per capita GDP, current USD



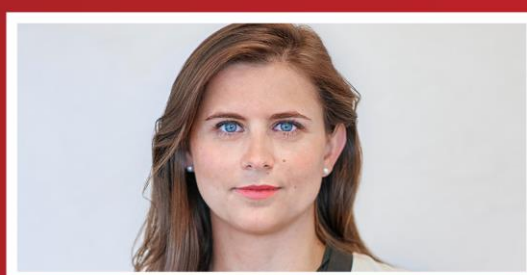
Source: (1-2) World Bank. Data as of February 18, 2022. 2021 is Oxford Economics data.

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