

Elizaveta Chernosheikina, Sofia Osetrova  
Science tutor E. A. Stuchinskaya  
STU (Novosibirsk)

## CHINA'S MASS-PRODUCED GOODS: PARADOXES AND TRENDS

Due to cultural diversity, there exist numerous stereotypes and paradoxes concerned with customs and traditions, religion, cuisines and other culture-specific realia in each country throughout the world. China and notoriously known low quality of its mass-produced goods are not an exception. Therefore, the study is aimed at examining whether to confute or to confirm this paradox. In order to achieve the aim, an opinion poll on the subject in question was conducted, its results were analyzed, opposing arguments were compared and prospects of quality improvement of mass-produced goods were considered.

Altogether, about 200 respondents of the survey were asked whether they used made-in-China products and whether they had a favorable opinion of their quality. It is found out that 75 % of the reference group use China's products. The other 25% prefer goods manufactured in Germany, Japan or the USA. Responses about the quality of made-in-China products are unlikely to be regarded as positive. Most of the respondents (about 58%) claim that the goods they purchase frequently break down and they have to spend substantial sums of money on repairs. The conclusion is made that most people use China's mass-produced goods, yet they believe they are of a relatively low quality [1].

On the one hand, there are numerous examples confirming the stereotype about low quality of China-produced goods. On the other hand, there is a flip side of the problem. An assumption is made that China manufactures poor-quality products due to its inability to manufacture higher-quality ones. The reality is that the country dares to produce poor-quality goods because many Chinese manufacturers are paid to do exactly that, i. e. some US-based companies are explicitly asking their contract manufacturers in China to cut corners, being aware of the fact that lower quality may provide higher profit margins [2].

Currently, two programs of improving the quality of China's mass-produced goods are being carried out. Following the Chinese government's approval of its *Made in China 2025* strategy, which outlines plans to upgrade the mainland's industries, the *13<sup>th</sup> Five-Year Plan*, approved and adopted in March 2016, sets out to deepen the implementation of this strategy within the five-year period (2016-2020).

As regards *Made in China 2025*, the focus is on innovation and quality enhancement, as well as on guiding Chinese industries to move away from low value-added activities to medium- and high-end manufacturing operations rather than on pursuing expansion of production capacity. The strategy is also aimed at eliminating inefficient and outdated production capacity and helping enterprises to conduct more own-design and own-brand business [3].

Nowadays, China's motto reads as follows, "We don't want to be the world's sweatshop for junk anymore" [4]. Thus, Chinese manufacturers are seen

by many as suppliers of low quality mass-produced goods. However, this image is wrong: all kinds of products can be sourced in China and Chinese industry has promising opportunities for quality improvement to become more innovative than is commonly acknowledged. China possesses low-cost and flexible R&D, a huge pool of research talent and a manufacturing system that can help to turn ideas into quality products rapidly and inexpensively in order to bring consumers better goods and services.

### **References:**

1. Chernosheikina E. P. Myths and Reality of Chinese Goods' Quality / Dni Nauki–2017: tezisy dokladov studencheskoy konferentsii SGUPSa. Ch. II Gumanitarnyye i sotsial'no-ekonomicheskiye nauki [Days of Science–2017: proceedings of abstracts of the student conference of the Siberian Transport University (STU). Part II Humanitarian and Socio-Economic Sciences]. – Novosibirsk: SGUPS Publ., 2017. – 154 p. – pp. 139-140.
2. McKinsey Global Institute [Electronic resource]: The china effect on global trade innovation. - Mode of access: <https://www.mckinsey.com/mgi/overview>. Date of access: 24.02.2017.
3. China Briefing [Electronic resource]: What is Made in China 2025 - Mode of access: <https://www.china-briefing.com/news/made-in-china-2025-explained>. Date of access: 20.03.2017.
4. Forbes [Electronic resource]: Seven Steps to Success (Or Failure) For 'Made in China-2015' - Mode of access: <https://www.forbes.com/sites/marcoannunziata/2018/08/10/seven-steps-to-success-or-failure-for-made-in-china-2025/#62f9a5134057>. Date of access: 18.03.2017.

## **SECTION 2. MODERN TRENDS IN THE DEVELOPMENT OF THE ECONOMY OF BELARUS**

Hanna Antonchik  
Science tutor A. Sorokina  
BNTU (Minsk)

### **LEVEL OF FINANCIAL LITERACY OF POPULATION IN REPUBLIC OF BELARUS**

Increasing citizen participation in the processes occurring in financial markets, has several aspects of the impact on the economy. The population gets an additional opportunity to improve their well-being by more efficient use of their savings and improving their financial planning skills. At the same time, the attraction of additional funds to the economy will lead to an increase in the efficiency of the real economic sector. Financial markets in the Republic of