

CLAT 2020 Test Series Plan

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Logical Reasoning Questions for CLAT Exam

Logical Reasoning Quiz 13

Directions: Study the following information carefully and answer the questions given beside.

Global markets can only function with a modicum of transparency, and free markets require limited government. Communist China has none of those attributes. Yet it was admitted into the global trading system on the mistaken premise that it would gradually acquire them. With China's subsequent- and – stunning – rise to become the world's second biggest economy, the postwar liberal order has been imploded from within and lies in ruins, contributing to the great world disorder we see today. Egregious Chinese behaviour on Ladakh's icy heights is just one of the symptoms of that disorder.

There's no doubt that Chinese firms are ferociously competitive, and their government has done an excellent job of developing infrastructure and tech prowess. But alongside Beijing has developed an extensive panoply of mercantilist, beggar-thy-neighbour policies that go against the spirit, if not the letter, of the principles of free trade and pursuit of competitive advantage that WTO is supposed to underpin.

These include currency manipulation, standards manipulation, a comprehensive system of state subsidies for national firms, repressing returns on household savings through an underdeveloped financial sector, forced technology transfers, forced joint ventures, technology theft including through cyber espionage, limiting exports of critical materials to deny key inputs to foreign firms, the weaponisation of trade for political ends.

India has been a particular victim of Chinese mercantilism. Opaque Chinese authorities permit imports of few Indian goods and services that have otherwise been globally competitive, thus perpetuating an exploitative, colonial style trade relationship with India. And now, of course, Indian soldiers have been brutally killed.

Supporting China's mercantilist methods is a political system of all-encompassing surveillance and suppression of dissent using state of the art digital technology, a system that has been described as 'digital Leninism' and reaches Orwellian proportions. Political liberalism supports economic liberalism- following a rule-based global order has something to do with being able to implement the rule of law and separation of powers at home. But the Chinese system is the very antithesis of political liberalism.

[Extracted from editorial by Swagato Ganguly “ The China Syndrome “]



1. Communist China was admitted to global world market on the pretext of which of the following fallacies?

- A. China will follow transparency in the business practices.
- B. China will boost global chain of supply.
- C. China will leave its communist strategy and be more democratic.
- D. China will follow colonial type trade practices.

2. According to the passage what are the attributes of free trade?

- A. Limited governance in the supply chain mechanism.
- B. Disallowing export of critical goods needed to the foreign firms.
- C. Currency and Standard manipulation
- D. State Subsidizing of the National Firms

3. Which of the following imply weaponisation of the trade?

- A. Forced technology transfers
- B. Forced joint ventures
- C. Technology theft including through cyber espionage
- D. All of the above

4. What are the constituents of digital Leninism according to the passage?

- A. A political system in which the citizens are put on surveillance and suppressed of opinion using state of the art digital technology for example using facial recognition system.
- B. A socialist system of the state in which the citizens are provided healthcare and government subsidies through biometrics based digital mechanism.
- C. A Russian model of government similar to Marxism in which capitalist ideas are used in a digital economy.
- D. A democratic and republic order of political system in which digital economy is promoted.

5. Chinese aggression in Ladakh is symptom of world disorder. Which of the following contention supports the statement?

- A. Chinese system is the very antithesis of political liberalism.
- B. India has been a particular victim of Chinese mercantilism
- C. There's no doubt that Chinese firms are ferociously competitive, and their government has done an excellent job of developing infrastructure and tech prowess.
- D. All of the above



Correct Answers:

1	2	3	4	5
A	A	D	A	A



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Explanations :

1. Refer to the opening lines of the passage which clearly indicate that China was presumed to follow transparency in world trade which it lacked during the time it joined the world trade as an important attribute.

Therefore option A is the better answer and rest of the options can be simply ignored.

2. Refer to the opening lines of the passage where the author poses that free trade requires limited involvement of the state.

So option A stands out as the clear answer. Other options are contrary to the principles of free trade and promote mercantilism and therefore can be rejected.

3. Refer to the lines 13 – 17 of the passage as the author clearly mentions the tactics used by the Chinese state to weaponise the trade by forcing the firms to make joint ventures and transfer the technology used by them. Even cyber espionage is used to transfer the technology. All these practices weaponise the trade which ultimately has political ends.

Hence, option D is correct.

4. Refer to the lines 22-23 of the passage where author mentions that communist China has been using digital technologies (big data, facial recognition) to conduct surveillance on its citizens. It used these tactics to crush dissent and any uprising against its communist backed regime. Social credit is the word used to describe Leninism.

So option A is the clear answer.

5. The communist China has been successful in creating a new world order backed by its economic strategy which is inversely proportional to political liberalism it has followed till now. Therefore it tries to be aggressive on the LAC which is one of the symptoms of it being the world number two economy.

So option A is the clear answer.



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