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Named A Best Book Of The Year By The Economist

Authors Carl Walter and Fraser Howie tell the story of China’s incredible ascension, how it got to where it is now, and what the future holds in the second edition of ‘Red Capitalism: The Fragile Financial Foundation of China's Extraordinary Rise, Revised Edition’.

‘Red Capitalism, Revised Edition’ explores how China's financial institutions—from banks to corporations—with emphasis on the national Communist Party, shape the country's economic choices, development, and reform. With new and expanded coverage of China's “Big 4” banks; why assigning credit ratings is still a problem; the rapid growth of Chinese national debt; and more, it examines whether or not the twenty-first century will belong to China, calling into question the sustainability of the current system. The authors go deep inside the Chinese financial system to illuminate the social and political consequences of the unique business model that has transformed the country into an economic powerhouse and investigate whether the incredible gains of the last thirty-plus years really live up to their reputation.

In contrast to the common view of China as an unstoppable freight train of growth, ‘Red Capitalism, Revised Edition’ shows how the country's decades of development have been marked not by steady ascension but rather an ongoing series of booms and busts that many corporations would not have been able to weather without large-scale government intervention.

The authors argue that we should take comfort that China's economic system is no worse than the West's. While they have analyzed aspects of the balance sheet quality of China's major banks, this book is not meant to be a substitute for the work of a good bank analyst. Their objective is to show how China's banks, all majority-owned and controlled by the Party, are part of a larger system. ‘Red Capitalism, Revised Edition’ is indispensable reading for anyone looking to understand the limits that China's past development decisions have imposed on its promising future.

Red Capitalism:
The Fragile Financial Foundation of China's Extraordinary Rise, Revised Edition
By Carl Walter and Fraser Howie
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