

大陸資訊及研究中心



0052215

RED CAPITALISM

*The Fragile Financial
Foundation of China's
Extraordinary Rise*

CARL E. WALTER

FRASER J. T. HOWIE

RED CAPITALISM

The Fragile Financial Foundation of China's Extraordinary Rise

Carl Walter and Fraser Howie debunk a number of common myths about China's financial markets in this excellent new book. Investors stuffing their portfolios with China stocks would be wise to heed their warnings on the fragile foundations of China's banking system. The authors have done their homework, digging beneath the surface of China's financial world to reveal uncomfortable truths about a financial system riddled with hidden landmines that threaten to undermine China's hard fought economic success in the years ahead.

Rick Carew

Former Asia M&A Reporter, The Wall Street Journal

In *Red Capitalism*, Carl Walter and Fraser Howie give a powerful, albeit controversial explanation of the fragile underpinnings of the financial edifice that financed the seemingly unstoppable rise of China on the global stage—which is all the more persuasive thanks to their careful mining of the data. Their thesis that China has the trappings of a market system but not the substance should be considered by anyone dealing with or investing in China—categories which embrace most of the world today. Their contention that China ultimately is a "family business" explains much that is puzzling to outsiders.

Henny Sender

Chief Correspondent, International Finance, Financial Times

Red Capitalism is a superb guide to China's financial labyrinth. It's a must-read for anyone who wants to understand the sources of Chinese economic power, and the threat posed by the nation's vast hidden debts.

Arthur Kroeber

Editor, China Economic Quarterly

Finally, a way into the world's most important and least understood financial system. For insight into how China's economy actually operates, begin here!

Thomas Easton

Asia Business Editor, The Economist

Walter and Howie put the Chinese financial system under the microscope to examine how an absence of leadership, institutional squabbling and complacency have seen appetites for reform sputter out, and replaced by stagnation and dysfunction. Theirs is a fascinating, entertaining and necessary corrective to the hyperbole surrounding China's seemingly-miraculous rise.

David Wilder

Beijing Bureau Chief, Market News International

Walter and Howie's penetrating study addresses a critically important issue in China's political economy. They possess a rare depth of experience in the analysis of the Chinese financial sector. Their hard-hitting conclusions, based on a wealth of empirical research, will stimulate debate about the future of the Chinese financial system at a critical point in its evolution.

Peter Nolan

Sinyi Professor, Judge Business School, University of Cambridge

Red Capitalism peels back the facade of China's economy and reveals how the dominant role of the state has led to enormous financial leverage and endemic malinvestment. China's major role in the global economy makes *Red Capitalism* required reading for any financial industry fiduciary.

Mark L. Hart III

Chairman, Corriente Advisors, L.L.C

The most important financial book of the year.

James Grant

Editor, Grant's Interest Rate Observer

ISBN 978-0-470-82586-0



John Wiley & Sons

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