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*China's Rise: Challenges And Opportunities*, Peterson Institute For International Economics  
Center For Strategic and International Studies, Washington DC, 2008, 269 pages.

China's Rise is an inside look at the development of China. It is obvious that there are numerous works have been carried out on China. Yet, what makes this book remarkable is the way it points out the issue from the USA's point of view. Considering the rising power of China, this book simply offers a series of policy recommendations for the US policy makers. In the first chapter titled "China's Challenge to the Global Economic Order" the authors mainly deals with the increasing economic power and its probable impacts over global economic structure. According to the authors along with the global economic crisis which primarily hit the Western countries, the impact of China's economic rise has gained momentum. The USA's economic slowdown has led this country to take the leading role in the global economic sphere. Moreover, it is mentioned that China could be a threat for the world order as a new and unique superpower. In other words, it can cause security and economic conflicts. Although China's rise, especially in terms of economic performance, towards becoming a new power continues since a while, the domestic structure of the country is not similar to those of the Western countries. For instance, per capita income is still very low and most people of China live in poverty. In spite of the fact that the government tends to make major decisions in terms of prices and allocating goods and resources, China is still far from being a fully market-driven economy. Besides, the authors emphasize that it is hard to speak about the real democracy here. By taking afore-mentioned cons-

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trains into account the issue of China's full integration into the global order seems quite problematic. The authors, then, suggests that the USA and China should be in cooperation rather than in a competition.

The second chapter of the book titled 'China Debates Its Future' points out the roles of Chinese intellectuals in policy making processes. In this respect many Chinese intellectuals and "think tanks" serve as advisors of the government. By the same token, shortly political debates have been taken place in China regarding which path to follow. Thus, China seems that it is seeking a harmonious world.

Discussion within mainstream think tanks and other intellectual circles have for the time being concluded that the 'framework' of a harmonious world was in place, that it now needs to be "put it into concrete practice," and that this approach "projected a new image for China as a responsible power (p.50).

On the other hand, beneath the surface the real intent of the China is needed to be emphasized. In the other words, China's foreign policy, in particular regarding Taiwan, has been more nationalistic rather than harmonious. The authors recommend that the USA should closely observe these domestic and foreign policy debates in China where the "New Leftist" and "Nationalist" streams have been hotly debated from time to time.

In a subsequent chapter titled "Democracy with Chinese Characteristics? Political Reform and the Future of the Chinese Communist Party" (CCP hereafter), we are introduced with the aspects of the Chinese style democracy. The authors pointed out that The CCP's economic success does not mean that in the political arena China has exhibited the same achievements. In other words, if the government of China wants to maintain the power with an increasing political inclusiveness, it should find out the ways for developing more inclusive ways of politics. At that point, the authors warn the USA against the Chinese style democracy or idiosyncratic nature of the development, as it is gaining acceptance in the developing world. Thus, the book encourages the USA government to put pressure on China for the policy changes.

The title of the fourth part is "Center-Local Relations: Hu's in Charge Here?" Here the authors mainly focus on the issue of local governments. Having said that the central government's policies are not fully implemented by the local governments, funding of local social programs are suggested. Moreover, it is recommended that the USA should be in relation with the local officials, as well. The next chapter is basically devoted to discuss the issue of corruption in China under the title of "Corruption in China: Crisis or Constant?" According to our authors' point of view corruption is one of the most crucial problems of the country. Especially, along with the decentralization of the government, as an inevitable outcome of the market oriented policy reforms, now it becomes difficult to control the local governments, as well. This explains the main reason why the bribery is quite common at the local level. In this respect, according to our writers, the USA can hopefully play constructive roles in combating corruption. Nonetheless, as many of the Chinese intellectuals underscore that the situation in China is similar to the 19th century of America.

The sixth chapter titled "Sustaining Economic Growth in China" displays the shift in the

way that China conducts its economic activities. It is mentioned that in order to create more job opportunities in the country, the government is heading to increase the domestic consumption. But, obviously, it requires wide and more effective state actions within the economy. They say:

A transition toward more consumption driven growth in China will require more vigorous government policy action than we have seen to date in all four domains—fiscal, financial, exchange rate, and pricing (p.129).

The seventh part of the book interrogates the China's energy demand and its impact on the policy making process. This chapter titled "Energy Implications of China's Growth" discusses the environmental cost of energy consumption in China and clearly reflects the authors' concerns on the subject matter, e.g. its implications on the climate change. According to the authors China needs to rebalance its growth and the heavy industrial activities in order to reduce the gas emissions. They underscore the importance of collaboration between the USA and China on the issue of environmental protection. The authors warn the reader about China's more protectionist future policy orientations. They believe that it means derailing from the way that Washington leads.

The eight section of the book displays one of the main issues between the USA and China and explains "Why Does the United States Care about Taiwan?" Taiwan problem, in author's point of view, could cause a battle between two countries. Hence, the strategic interests in the island are widely discussed in this chapter. In this sense, while the USA cares about Taiwan as it is attempting to establish regional security, China claims that the island symbolizes the unity of its nation. Under these circumstances the book insists that USA should continue supporting both Taiwan and China to assure its own security. The impasse of Taiwan and in which ways China is going to resolve the issue should be taken into account regarding the rapid growth of China.

The next chapter, "China's Military Modernization," brings up the question of the country's military capacity. As it is widely indicated the military expenditures of China is not known exactly. The author's discomfort is clearly observed while discussing this ambiguity. Having argued the modernization of the military in China, the authors concluded that the development of the military strength, whether it is for pure peaceful reasons or not, of this country should be observed carefully. In this manner it is claimed that the USA needs to increase its military strength not only against China but also for the regional and global security.

The last section of the book takes up the issue of the rapid development of China comprehensively. It is pointed out that despite its increasing effects on the world affairs pose some challenges to the USA, the strength of China should not be taken as a threat to the global order. Having reminded that the USA interests in East Asia could be deteriorated by some unexpected acts of China, the author displays that the exaggeration of the threat from China could not be fruitful, since the world does not want to see another Cold War.

To conclude, the book simply offers the cooperation between states. It is, in this sense, recommended that the close observation of the domestic and foreign policy issues related with China is of importance to the USA interests in the region.