

The China Balance Sheet Project

China is becoming one of the most powerful countries in the world: too big to disregard and too critical to misread. The stakes have never been higher for getting U.S. policy toward China right, and yet there is often more heat than light in the U.S. debate about China.

To address this pivotal issue, the Center for Strategic and International Studies (CSIS) and the Peterson Institute for International Economics launched a joint multiyear project entitled “China: The Balance Sheet” that brings together leading specialists to examine the key questions, uncover the pertinent facts, and analyze the dynamics underpinning China’s domestic transformation and emergence as an international power—as well as their implications for the United States and the world.

Issue Briefs

These issue briefs distill the most critical information presented in the new book *China’s Rise: Challenges and Opportunities*, a comprehensive and balanced look at where China is today and what impact its future path will have on the United States and the world.

China’s Rise will help the United States and the rest of the world better comprehend the facts and dynamics underpinning China’s rise. This publication builds on the foundation of the first book from the project, *China: The Balance Sheet: What the World Needs to Know about the Emerging Superpower* (Public Affairs, 2006), which has become a standard reference for policymakers, journalists, and students around the world; and a compendium of papers delving deeper into selected critical topics titled *The China Balance Sheet in 2007 and Beyond* (available at www.csis.org/chinabalancesheet).

In *China’s Rise*, the authors suggest strategies and policies to address key challenges and to maximize the opportunities for China’s constructive integration into the international community. Filled with facts for policymakers, the book’s narrative-driven, accessible style will appeal to the general reader.

China is a country of complexity and contradiction. It has become an economic powerhouse and an increasingly influential global player, raising the prospect that it will be a future rival to the United States in world affairs. Abroad, China is widely welcomed as an engine of economic growth, even as its military modernizes and its increasing footprint creates palpable discomfort about its impact on global stability and the international system. Topics covered in *China’s Rise* include the country’s internal policy debates; China’s military modernization; increasing Chinese global influence and China’s relations with major powers, neighbors, and the developing world; American and Chinese strategic interests in Taiwan; China’s domestic political development; Beijing’s political relations with China’s provincial and municipal authorities; corruption and social unrest in China; rebalancing the country’s economic growth; the exchange rate controversy; energy and the environment; industrial policy; trade disputes; and investment issues.

The issue briefs that follow include updates from previous versions of the binder, as well as new issue briefs that specifically mirror new chapters in *China’s Rise*, and address China’s response to the current global economic crisis. They are divided into four broad areas: China’s domestic economy, China’s domestic transformation, China in the world economy, and China’s foreign and security policy.