

**Micro-Institutional Foundations of Capitalism: Sectoral Pathways to Globalization in China, India, and Russia.**

By Roselyn Hsueh. New York: Cambridge University Press, 2022.

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As technological competition between the United States, China, South Korea, Japan, and Europe heats up, it might seem as if industrial policies for key strategic industries such as semiconductors and artificial intelligence were converging across countries. Yet, in *Micro-Institutional Foundations of Capitalism: Sectoral Pathways to Globalization in China, India, and Russia*, Roselyn Hsueh shows that this is not the case. The book tackles an important and big question: Why do nations respond differently to the pressures of globalization in governing key economic sectors, even though these sectors ostensibly share the same production characteristics and technologies?

Using a paired comparison of two sectors (telecommunications and textiles) across three countries (China, India, and Russia), Hsueh lays out her explanation: first, sectors possessing a higher “perceived strategic value” are more likely to be subject to centralized bureaucratic coordination and market regulation compared to those of lower perceived strategic value. Importantly, this strategic value is not objective but instead is socially constructed. Second, sectors possessing more complex technology that are more driven by industrial capital, and for which R&D comprise core competencies, are more likely to be subject to state authority than sectors in which technologies are more linear, are driven by commercial capital, or for which design and marketing comprise core competencies. Hsueh further highlights that the extent of state control forms only part of the story: also important is whether the dominant property rights arrangement for each sector tends to be public/state stakeholders or private ones.

The resulting typology of economic governance explains why telecommunications in China and Russia, and textiles in India are subject to centralized governance (high state control with public/state stakeholders), whereas the telecommunications sector in India features regulated governance (high state control with private stakeholders). In contrast, textiles in China are subject to decentralized governance (low state control with public/state stakeholders), and textiles in Russia are characterized by private governance (low state control with private stakeholders).

Hsueh then goes beyond these formal typologies to reflect theoretically on what these patterns of sectoral governance mean for comparative capitalism. Using detailed qualitative and quantitative data, she applies process tracing to track the evolution of governance in the telecommunications and textiles industries in China (chaps. 3–5), India (chaps. 6–8), and Russia (chaps.

9–11). She finds that each country’s path has led to a unique national model of sectoral governance or what she terms “national configurations of sectoral models and new capitalisms” (chap. 12). In China, what has emerged is a form of “techno-security developmentalism” featuring “bifurcated capitalism,” whereas India demonstrates a model of “neoliberal self-reliance” involving “bifurcated liberalism.” Russia, in contrast, grounds its industrial policy in “resource security nationalism,” featuring a form of “bifurcated oligarchy.”

This work makes several contributions to the field of comparative political economy. It joins previous major publications that truly place China in comparative perspective, such as William Hurst’s *Ruling before the Law: The Politics of Legal Regimes in China and Indonesia* (2018) and Ching Kwan Lee’s *The Specter of Global China* (2017), as well as forthcoming work such as Meg Rithmire’s *Precarious Ties: Business and the State in Authoritarian Asia* (2023). At a time when China’s political economy is increasingly viewed in public and policy realms as sui generis, these books play an important role in distinguishing dynamics that carry across the China context to other regions from those that are specific to China.

Although *Micro-Institutional Foundations of Capitalism* is focused on emerging economies, its theoretical insights travel well into other contexts, including those of developed countries. In this regard, a fruitful comparison could be made with the theory of “growth models” put forth by Lucio Baccaro, Mark Blyth, and Jonas Pontusson (*Diminishing Returns: The New Politics of Growth and Stagnation*, 2022), which illuminates why certain sectors remain dominant in different countries despite major economic and political disruptions. Whereas Hsueh highlights the historical and political process through which certain sectors come to be endowed with greater “perceived strategic value” in the national imagination, Baccaro, Blyth, and Pontusson highlight the mutually reinforcing relationship between the accepted policy paradigm for economic growth and the dominant coalition comprising firms in leading sectors of the economy (see also Peter A. Hall, “Policy Paradigms, Social Learning, and the State: The Case of Economic Policymaking in Britain,” *Comparative Politics* 25 [3], 1993). In emphasizing how domestic institutions mediate common external pressures of liberalization, Hsueh’s work further resonates with scholarship exploring common themes in the United States and Europe, such as Kathleen Thelen’s *Varieties of Liberalization and the New Politics of Social Solidarity* (2014).

Through careful process tracing, Hsueh illuminates how and why certain sectors come to be endowed with strategic value. Whereas governance over textiles was liberalized and decentralized in China and Russia, in India the textile industry is inextricably bound up with the Gandhian concept of *swadeshi* (self-sufficiency) and the

nationalist struggle for independence. By highlighting the historical and social roots of how strategic value comes to be constructed, Hsueh reminds us that the production and technical characteristics of a given sector are insufficient in explaining patterns of industrial policy and regulation. This insight, as with the other findings of the book, provides an interesting perspective with which to view the current debate in the United States over industrial policy. With the strong emphasis on manufacturing in recent US legislation such as the CHIPS Act and the Inflation Reduction Act, are we witnessing a contemporaneous shift in the perceived strategic value of manufacturing in the United States?

There are, of course, other ways in which the politics of sectoral governance in developed economies might diverge from the patterns identified by Hsueh in China, India, and Russia. In Hsueh's framework, complex technology is more likely to lead to centralized and regulated governance (p. 48). This insight is not only intuitive but also holds up well across many sectors and regions. One interesting avenue for future research might be to explore the degree to which this pattern applies to emerging technologies in advanced economies. The internet and social media industries might be valuable case studies. Although technology is clearly a prized sector in the United States, US technology giants appear to push back more effectively against federal regulation compared to in Europe. Indeed, the "platform power" that these companies wield lead to a degree of "deference from policy makers," making them more difficult to regulate compared to other high-tech sectors (Pepper D. Culpepper and Kathleen Thelen, "Are We All Amazon Primed? Consumers and the Politics of Platform Power," *Comparative Political Studies* 53 [2], 2019).

Such questions offer fruitful ways in which future scholarship can build on the contributions advanced by Hsueh. *Micro-Institutional Foundations of Capitalism* is highly recommended for all scholars and students interested in political economy and comparative capitalism.

### **The Personalization of Politics in the European Union.**

By Katjana Gattermann. Oxford: Oxford University Press, 2022.

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Personalization of politics refers to a long-term process in which the focus shifts from collective institutions (parties, cabinets, parliaments) to individual politicians. It is a phenomenon that has received considerable attention at national-level politics. With this book, Katjana Gattermann brings this research agenda to EU politics.

Gattermann's project is ambitious. It seeks to provide a comprehensive investigation of personalization of EU politics involving all aspects of the phenomenon:

institutional personalization, media personalization, personalization of politicians' behavior, and personalization of citizens' attitudes and behavior. The book succeeds in providing solid empirical evidence on all these aspects of the broader phenomenon.

Turning first to institutional personalization, Gattermann analyzes the EU's major institutional changes over the past three to four decades. Her focus is on factors such as the increasing powers of the European Parliament, the *spitzenkandidaten* process, the introduction of a permanent president of the European Council, and the "presidentialization" of the European Commission president. The argument is that these changes have eased the way for media personalization, which is analyzed at both the supranational and the national level. At the supranational level, Gattermann, studies coverage of EU news in the *Financial Times* and detects some tendency to personalize news about the European Commission, although the influence of institutional personalization is difficult to disentangle from the leadership styles of Commission presidents like Delors and Juncker. At the national level, Gattermann finds even less supporting evidence. She studies coverage of EU news in major newspapers in six member states: France, the Netherlands, Italy, Ireland, Denmark, and Poland. However, she fails to find evidence to indicate increasing media personalization over time in these countries.

Turning to personalization of politicians' behavior, Gattermann focuses on members of the European Parliament. She first studies personalized legislative behavior measured by trends in politicians' use of parliamentary questions. According to this measure, legislative behavior has indeed become personalized over the last 20 years. This analysis is followed up by a study of the communicative behavior on Twitter of the members of the European Parliament. Gattermann finds that Twitter has become a standard tool of communication for the members of the European Parliament, regardless of nationality and national election system. Interestingly, Gattermann detects an interaction pattern in that personalized legislative and communicative behavior have become intertwined over time.

Turning finally to personalization of citizens' attitudes and behavior, Gattermann expects personalization to have a humanizing effect on EU politics, as measured as positive effects on citizens' political awareness, efficacy, and trust in the EU. However, based on Eurobarometer data, she finds little evidence of an increased level of citizens' trust. And in a survey experiment involving citizens in three member states—Ireland, the Netherlands, and Italy—she fails to detect an impact of individualized EU news on citizens' external political efficacy and political awareness. In other words, this evidence suggests that personalization is not likely to humanize the EU. Another aspect of personalization of citizens' attitudes and behavior is analyzed by Gattermann in a conjoint experiment conducted among German voters during the campaign before the 2019