

Reviews

Huang Xiaoming, *The Rise and Fall of the East Asian Growth System, 1951–2000: Institutional Competitiveness and Rapid Economic Growth*, RoutledgeCurzon, 2005, 279 pages, \$125.00, ISBN: 0415352126
doi:10.1017/S1468109906212295

This book forwards the hypothesis that similar political and economic institutions created economic growth across East Asia. For the author, the parallels are so strong and different from practices elsewhere that he can speak of an ‘East Asian growth system’. He begins with the idea that low levels of domestic capital availability lead each East Asian economy (EAE) in the period of its most rapid growth to turn to outside sources of capital and to produce for export markets. While policy makers may have pursued import substitution policies briefly, after domestic policy debates they shifted to export growth strategies. The author sides with those scholars who consider strong states to be key actors in shaping economic growth possibilities. In chapter 2 he essentially dismisses thirty years of socialist economic policies in China, claiming a ‘failure of the socialist economy to satisfy the basic economic needs of the people’ (63–64). He goes on to suggest that ‘For China, these earlier EAEs were not only a source of capital, products, technology and market access, but also a model of growth management and promotion’ (76).

The basic thesis is provocative and stimulating, but, in the end, the evidence for similar institutional patterns across all East Asian cases is at best uneven. The author bases much of his understanding of economic growth by interpreting the Japanese, Korean, and Taiwanese cases where, in chapter 3, he speaks of long-term research and planning that require investments unable to yield immediate profit returns. He argues that East Asian states pursued state-level planning and coordination to become competitive internationally (91–2). While this conforms to one set of interpretations about the developmental state for Japan, Korea, and Taiwan, there is little evidence for China fitting this model.

A similar analytical stretch to fit all his cases within the same framework takes place in Chapter 4, where the author tells the reader that the family in East Asian societies facilitated changes in the organization of production needed to produce economic growth and create a kind of ‘Nation, Inc.’. Not only does the author provide relatively little direct evidence of how particular family forms and practices relate to economic growth, there is even less explanation of how a family rather than individual orientation leads to common national purpose. And, once again, China’s fit into this argument is especially awkward.

Chapter 5 poses the thesis that throughout East Asia people, or at least elites, have taken ‘growth as a historical mandate’ (114–17). The author acknowledges that reform-era China does not quite fit a Chalmers Johnson kind of developmental state model, yet still feels East Asian countries, including China, shared strong states able to implement policies and programs that

might in other kinds of political environments be challenged or interrupted (125). Here the key point seems to be that all these states had effective centralized authority and that views dissenting from government policies had little opportunity for effective expression.

For all the successes of East Asian economic growth, the author suggests in Chapter 6 that the institutional logic he has presented for East Asian societies has played itself out. As these economies mature, they must find new bases of competitiveness in the knowledge economy. Today, the state and national framework are no longer the basic growth units as governments face groups organized to protect their interests, which can mean privileged positions that inhibit changes need to promote further economic growth.

The concluding chapter summarizes the book's main arguments. The author stresses in his final remarks the importance of people's attitudes, stating 'When rapid economic growth became the fundamental value of a society, the society would adjust accordingly' (222). Ultimately, the author's argument combines a political institutional analysis of the state's role in promoting economic growth in East Asia with a broadly cultural view of the psychological attitudes and social norms that he thinks account for economic growth across East Asia.

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Linus Hagström, *Japan's China Policy: A Relational Power Analysis*, London: Routledge, 2005, \$105.00 hbk ISBN: 0415346797
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As one of the latest additions to the Routledge book series on East Asian Economics and Business published in collaboration with the European Institute for Japanese Studies, *Japan's China Policy: A Relational Power Analysis* is a significant addition to the field of Japanese foreign policy. The book's main strengths are the author's contributions to theoretical developments in foreign policy analysis. Linus Hagström has skillfully applied existing theoretical notions to develop his own framework of 'relational power' to analyze Japan's China policy. His theoretical elaboration is based on a solid foundation, drawing from not only classical writers such as Steven Lukes, David Baldwin, Kenneth Waltz, Robert Dahl, Robert Keohane, and Joseph Nye, but also a variety of experts on Japan and East Asian studies. He demonstrates solid analytical skills and a deep familiarity with existing scholarship. His concept of relational power also provides a useful analytical tool to understand Japanese foreign policy in the post-war era, particularly in regard to its policies toward China.

In developing his notion of relational power, the author has elaborated a three-step method—process-tracing analysis, interest analysis, and intentional analysis—to understand Japanese power and influence in the foreign policy dimension. This analytical tool can be applied to analyses of other countries as well, and, therefore, has broader implications in the fields of international relations and foreign policy analysis. In this way, this book has indeed filled a scholarship gap and made a significant contribution to our understanding of Japanese foreign policy.

This work's second strength lies in the author's empirical study. The author has conducted in-depth field research in both Beijing and Tokyo and interviewed a variety of people including scholars, politicians, and government officials. To support the analytical framework he presents in Chapter 1, and applies in Chapter 2, Linus Hagström presents us with detailed case studies in

Chapters 3 and 4. The first case study focuses on the negotiation process for Japan's investment protection in China. The controversy in this issue is China's prolonged resistance to the Japanese demand for National Treatment (NT). During the negotiation, the Japanese side insisted on its demands but at the same time did not discourage the Chinese side. The second case deals with interactions between the two countries over the territory disputes over the Diaoyu/Sankaku islands. The Japanese adopted a strategy of emphasizing China's 'real interests'; namely, policy priorities between 'sovereignty and modernization'. As we can see, one case relates to economic policies and the other to political and security issues, both of which are crucial issues in Japan–China relations. These empirical chapters are well researched and analyzed and provide evidence of the cogency of the author's conceptual framework; namely, relational power analysis.

This book has therefore demonstrated Hagström's ability to conduct what I call 'theoretically guided empirical study'. This is one of the most effective ways, I believe, to present one's research findings in the field of foreign policy analysis. I would like to emphasize five points on how to conduct research along this line. First, it is imperative to develop well-defined questions. In this study, the question itself is significant enough to attract people's interest. In contrast, some other well-grounded, methodologically sophisticated research projects only deal with trivial or obvious issues and are, therefore, uninteresting. Second, the project should address major controversies or ongoing debates in the field. Only by putting the issue into this context can one have a better understanding of the subject being discussed. The nature of Japanese foreign policy and its policy toward China is an issue constantly debated. This debate takes place not only in academic circles, but also in the public forum.

Third, simplicity is beauty. Although theoretical applications are often complicated, it is necessary to present conceptual frameworks in a precise format. I have always placed in high esteem books in political science that grasp the nature of a significant issue in explicit and concise terminology. The conceptual notion presented in this book, relational power, has set a good example in this regard. Fourth, solid empirical study should be conducted and field research should be encouraged, which is always the necessary means for an author to obtain first-hand knowledge. Only with a well-designed case study can a theoretical framework be fully developed and illuminated. Fifth, the theoretical framework and case studies should be integrated and not viewed as mutually exclusive dimensions. This integration requires genuine comprehension of the theoretical approach and a true understanding of empirical cases. I am glad to see this book has made noteworthy efforts in moving in this direction.

As many fine works demonstrate, an ambitious academic study will often create more questions than answers. One of the questions this volume has tried to answer, as Marie Söderberg, the series editor, has suggested, is the question of whether or not it is possible that a 'political dwarf' such as Japan can wield influence over a 'political giant' such as China more than is commonly acknowledged (Preface, ix). This work has raised the question, grappled with it, and left room for researchers to conduct further study. This is particularly true when considering the author's argument that 'Japanese foreign policy can be portrayed more intelligibly in terms of power' (p. 158). As these words suggest, Hagström's work provides fresh insight on a difficult topic, and will thus provoke additional scholarship along similar lines.

In sum, this book is a timely addition to the existing scholarship on Japanese foreign policy. It is ideal for a recommended reading list, particularly for graduate seminars, and a worthwhile read for scholars in the field of Japanese foreign policy and East Asian international relations.

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