

the Northern Wei (386–534), horse paintings from the eighth to twentieth century as art or propaganda, and the unity of the personal and political in the philosophy of the poet Su Shi (1037–1101), respectively. Based on a thorough reading of English secondary literature, Chandler summarizes how broader issues of a certain time translate into concrete artistic practices. One example is the sinicization of Buddhism that becomes visible in the style of garments of early Chinese Buddhist sculpture.

An important question of the book concerns the haunting smile of the two Buddhas on its cover, to which Chandler repeatedly draws the reader's attention (pp. 64–68, 75, 96–99). Assisted by Li's theory she tries to understand why they are smiling and why we like their smiles. According to Li, material and formal properties of an artwork trigger an initial *aesthetic attitude*. The next step, *aesthetic attention*, “involves more serious consideration of the object” as the acquisition of contextual knowledge. The final *aesthetic experience* establishes a connection between both previous steps. (pp. 45–46) However, contrary to Li, who “accuses these gently smiling faces of lacking ‘any love, kindness, or concern for the world’” (p. 65), Chandler believes to have supplied sufficient historical evidence for the second step to demonstrate that the “religious emotion of the time remains in their smiles” (p. 97).

Be that as it may, by virtue of this statement the Buddhas' beauty appears to be an epiphany of Chandler's own making. Much like them, with similar “concerns for compassion and love” (p. 196) she aims at showing how “aesthetic experience ... is transforming” (p. 195) the viewer to an extent that “one feels part of a greater harmony, a larger community, in a way that is anything but joyless” (p. 195).

While for her the desirability of these ideals seem to be out of question, Li's fiercest opponent, Liu Xiaobo (1955–2017), in his *Critique of Choice: A Dialogue with Li Zehou* (1988), already attacked him on this very point. He argued that harmony and communitarianism are an ideological choice, and for him beauty is the opposite, defined by conflict, quarrel, and dispute.

Inspired by Liu, I would like to propose another line of inquiry. Helmuth Plessner (1892–1985), in his general analysis of *The Smile* (1950), accounted precisely for the enigmatic character of this facial expression, as it preserves distance from expression in expression. It is thus representative of the exclusively human capability to reflect on the boundary between the inner and outer world, which they desire to bridge with cultural means. Smiles and artworks are both the result of this fundamental anthropological constitution.

In *The Limits of Community: A Critique of Social Radicalism* (1924, transl. 1988) Plessner legitimizes force in the widest sense as necessary for social interactions in a public sphere. In his critique, he argues for “the possibility of a spiritualization and refinement of the means of force, means to which in any event mankind is compelled by virtue of its physical existence” (p. 62). Plessner shows us with a smile that “the thorough transformation of the societal life relations that are based on force into communal life relations that are based on nonviolence—is ... a lie” (ibid.).

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Technological innovation is simultaneously globalizing and localizing. While ambitious scientists, entrepreneurs, and investors operate in a transnational environment, national leaders perceive

domestic innovation as a source of international power and of domestic regime legitimacy. Douglas B. Fuller's impressive contribution, *Paper Tigers, Hidden Dragons: Firms and the Political Economy of China's Technological Development*, lies at the intersection of—and elucidates—these tensions and complex dynamics.

Forging an intermediate path between neoliberal market prescriptions and the government interventions advocated by statist political economists, Fuller contends that China's most innovative high-technology enterprises are those adopting a "hybrid model" of development. Hybrid firms fuse a "China-based operational strategy"—in which organizations focus their operations on China's domestic markets, utilize China's human capital resources, and commit to China's technological upgrading—with financing from global capital. While these ethnically Chinese "hidden dragons" leverage their "socio-cultural knowledge" to navigate China's political economy more nimbly than their multinational counterparts, the hard budget constraint enforced by their foreign investors drives these enterprises to perpetually upgrade in order to remain profitable. China's hybrids thus harness the dynamics of globalization to circumvent the inefficiencies of China's domestic financial system. In contrast, China's state-owned enterprises and private state-favored darlings, the "paper tigers" of Fuller's argument, languish in the arms of state support, gluttonously consuming resources without investing in technological advancement. Multinationals, juxtaposed at the opposite end of Fuller's model, insufficiently commit to China's industrial ecosystem, and thus are perceived by the state as potentially hazardous to China's future security and technological independence. Ultimately, Fuller characterizes the hybrid model as an alternative development trajectory for late industrializers, and thereby impels his readers to look beyond the domestic institutions to the broader global context as they theorize mechanisms of development.

Fuller sets up his argument by first illustrating the failure of China's various attempts to foster "indigenous innovation." When the central government tries to mimic Silicon Valley and Hsinchu by encouraging the construction technology parks throughout China, the prioritization of *zhaoshang yinzi* (attracting investment) in the evaluation of local officials leaves cadres with little incentive to push firms towards technological upgrading. Consequently, the technology clusters are destined to failure from the start. When the state endeavors to imitate its East Asian neighbors by cultivating "national champions" reminiscent of Japan's *keiretsu* and Korea's *chaebol*, it ends up with a series of inept "paper tigers" guzzling the research funds, subsidies, government contracts, and state-bank loans with which they are lavished, but investing little in technological development. Similarly, though the state bolsters research funding, implements programs incentivizing scholars' and entrepreneurs' relocation to China, and crafts institutions aimed at constructing conduits between industry and academic science, these efforts fail to yield a substantial return of high-quality patents, at least among domestic enterprises.

Even in this hostile environment, however, global hybrids are able to persist, if not flourish. To demonstrate the hybrid development model's superiority, Fuller presents his readers with two case studies of enviable depth and detail—one analysing China's integrated circuit fabrication industries and the other examining integrated circuit design firms. The summation of these analyses comprises a persuasive, yet contentious, case that importing foreign institutions can, under specific conditions, constitute a "second best" solution to the problem of catalyzing economic and technological growth in developing countries. Such a strategy is not ubiquitously applicable, however. As Fuller concedes, the hybrid model's viability is limited not only to "nations that have or can create co-ethnic transnational technology networks" (p. 207), but also to high technology sectors characterized by "feasible modularity of the value chain, fast clockspeeds, and relatively high technological intensity" (p. 201). Even in China, hybrids' future existence is precarious, hinging on the state's continued tolerance of firms' linkages to foreign financial institutions. If local officials were less preoccupied with attracting FDI to the regions under their control, the

model could quickly collapse. Likewise, the hybrids would be rendered obsolete if the Chinese state were to reform its biased, state-directed investment and procurement policies.

Overall, Fuller's research is meticulous in its detail and astounding in scope, drawing on over 500 interviews conducted over the course of more than a decade, countless site visits, detailed analyses of state policies aimed at catalyzing knowledge of economy growth in China, patent data from both China's State Intellectual Property Office and the US patent and Trademark Office, varied Chinese media sources, and the extensive secondary literature on development and comparative institutions. This plethora of resources enables Fuller to expound on—and triangulate between—the perspectives of central government actors, local level officials, and firm affiliates as he builds his nuanced depiction of the dynamics driving China's IT sector.

The book also leaves concepts to be refined and mechanisms to be disentangled by future research, however. The dynamics of—and motivations behind—Fuller's notion of a "China-based operational strategy" (China-based OS), for example, remain undertheorized. Not all foreign-financed firms focused on China's domestic markets prosper, but Fuller offers very little explanation for such variance beyond government interference. My intuition is that hybrids' ability to thrive in China's domestic environment is contingent on more than "informational advantage," particularly as many returnees are not intimately familiar with the workings of China's political economy when they return. Fuller's definition of a China-based OS, however, is devoid of any discussion of the state and/or political context. As Fuller's own case studies show, navigating China's state capitalist economy requires all firms to contend, if not cooperate, with the party-state, irrespective of who provides their finances. Although Fuller argues that "government connections do little to determine success for hybrid foreign invested enterprises" (p. 146), it seems disingenuous to claim that hybrids like Alibaba, Tencent and BGI have neither aligned their business strategies with the goals of the party-state nor benefited from these arrangements. Although Fuller's criticisms of China's inefficient financial system, mismanaged SOEs, misaligned incentive structures, ineffective R&D investment monitoring, and rampant corruption are incontestable, China's state is not weak. The facilitating role played by the state in protecting and legitimizing the rise of hybrid firms should not be ignored. Likewise, while Fuller alludes to the techno-nationalism shaping China's domestic markets and institutions, he does not delve into the interplay between this trend and hybrid firms' adoption of a China-based OS.

Throughout Fuller's narrative, the state is characterized as a (somewhat inept) predator waiting to consume any hybrid that falters, while state support is construed as a black hole of technological stagnation into which firms are perilously close to falling. Such portrayals do not necessarily convey the full story, however. For example, the soft budget constraints Fuller so villainizes can enable innovation in high-risk high-tech industries, like biotechnology. Requiring substantial front-end research and at least a decade of development to move a product from the bench to the market, biotech requires capital more patient than what private venture capital is often prepared to offer. The Chinese government has proven willing to provide this patient investment, particularly for risky projects of national importance. For all its flaws, the party-state and its developmental priorities are built into the genetic code structuring China's increasingly distinctive domestic ecosystem of technological development. To deny the state its multi-faceted role is to oversimplify the complex—and often contradictory—dynamics of China's state capitalist system.

Valuable scholarly work always stimulates debate, and Fuller's brilliant contribution is no exception. With its provocative theory and extraordinary data, the book should be required reading for anyone interested in knowledge economy, comparative institutions, the political economy of development, and/or the relationship between industry and the state in contemporary China.