

level data that could be gleaned by discerning political economists interested in piecing together the historical development of China's best-known firms. It is often difficult to find such data in English. These data may also be useful to business scholars interested in including Chinese multinationals in their cross-national studies of firm-level globalization strategies. To be sure, this book will inspire scholars across disciplines to want to understand and characterize the specific mechanisms by which Chinese firms will change, and be changed by, the global marketplace.

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China's Rural Development Policy: Exploring the "New Socialist Countryside." By Minzi Su. Boulder: FirstForumPress, 2009. 290 pp. \$69.95 (cloth).

In 2006, as part of its Eleventh Five-Year Plan, the Chinese government introduced ambitious plans to address the growing imbalance between rural and urban China. Outlined in a speech at the annual session of the National People's Congress, Premier Wen Jiabao announced a set of commitments and policies aimed at creating a "new socialist countryside." This new state drive to raise rural incomes was part and parcel of the Hu-Wen administration's aim to build a *harmonious society*. The modernization of agricultural production was a key objective of the rural development program, which included eliminating agricultural taxes, increasing subsidies for education and health, and investing in rural infrastructure.

At the time, there was significant buzz about whether this new socialist countryside initiative represented a genuine shift in China's economic growth toward greater social equality, or whether the party was merely paying lip service. In *China's Rural Development Policy: Exploring the New Socialist Countryside*, Minzi Su evaluates the impact of the government's new development strategy. Contrary to the argument that the policies were wrapped more in slogan than substance, Su maintains that there have been positive results and significant changes in the livelihoods of Chinese farmers. However, she cautions that there have been inconsistent outcomes. In addition to natural endowments, such as a village's access to urban markets, a benign climate and soil

fertility, which Su identifies as “real assets,” the development capacity of a village and town is an important determinant in the success of this new development program. For Su, development capacity is a combination of real and human assets; the latter entails leadership capabilities and the human and social capital stock of the locality. Her research focuses on rural town and village government and uses interviews with villagers, farmers, and party and government officials across four provinces—Liaoning, Jiangsu, Sichuan, and Gansu—and eight towns (two towns and at least two villages in each province). Su also places importance on the presence of social networks, such as farm-business cooperatives, in facilitating access to information, capital, expertise, and resources. Emphasizing social and human capital suggests the importance of a more holistic approach in the investment of rural development.

The book’s contribution to the literature is Su’s detailed description of the evolution of China’s rural development. From the Mao era of mass campaigns that led to disastrous outcomes, to the introduction of the household responsibility system, Su places this era of development as a third period in China’s rural transformation. The author’s macro-perspective of this new chapter in the country’s development therefore endows the rural class with an important role in the country’s transition from a developing country. Increasing agricultural productivity and raising the social and economic conditions for China’s farmers is crucial for expanding domestic demand, which is key in helping to shift the country away from an export-led economy. The role of the peasant class is no longer to merely produce for urban consumption and support the industrialization of the east. Modernizing agricultural development and raising the consumption of the rural class is integral to the country’s overall scientific development, as devised by China’s fifth generation of leaders.

While Su is clear that policies associated with the new socialist countryside initiative, such as the elimination of the agricultural tax, have had a positive impact, there is some ambiguity about how to evaluate the state of China’s rural class. With only eight cases across four provinces, the author is careful about making generalizations but asserts that human assets (leadership capacity, social and human capital) are equally important to natural endowments and that capacity building should “begin first with human resources” (p. 237). This argument is, however, problematic in that Su does not elaborate on the factors necessary to contribute to healthy human and social capital stock. While

she mentions subsidies for education programs, training on farming techniques, and workshops for local leadership, readers are left to guess that these state-funded programs facilitate the development of human capital. The book therefore lacks a fuller theoretical development of the constituent elements of what Su terms “human assets” and specific policies that would generate human and social capital. For instance, the author laments that in rural villages with very poor natural endowments, the youth tend to head to the cities, causing human capital flight. It is not clear if state-funded programs can adequately prevent such flight when local natural assets are so meager.

A larger analytical framework would also help guide the reader to better understand the inner workings of the case studies. The author conducted extensive field work over a two-year period, and her explanation of case studies is very descriptive. Comparing towns within a province and between provinces, it is difficult to discern their differences and similarities and the lessons learned from their rural development strategies. A systematic approach to explain the significance of the comparison across cases is lacking. It is also notable that much of her fieldwork was conducted in 2006. Given that the new rural development policy was an update of policies outlined in the Tenth Five-Year Plan, which covered the period 2001–2005 and the elimination of the agricultural tax began in 2005, it may be premature to evaluate the effects of new development policies.

The author’s discussion of the role of associations and organizations is particularly interesting. It is here that the author examines Japan’s and South Korea’s rural development history and the formation of agricultural cooperatives. In China, memberships in farming associations are on the rise, which follows historical trends in the two countries. In Su’s observations, local farming associations have been integral to organizing and asserting political influence. It is therefore interesting that Su considers the establishment of national farming associations a potential benefit to give voice to farmers. Rather than leaving it to conjectures about whether the establishment of such an organization is possible, further explanation concerning the benefits of a national association would be insightful. This is especially true given the emphasis Su has placed on the importance of recognizing distinctive needs and capacities of localities in order to realize growth in rural China.

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