Tying the Autocrat's Hands: The Rise of the Rule of Law in China, by Yuhua Wang. New York: Cambridge University Press, 2014. 216 pp. US$90 (Hardcover). ISBN: 9781107071742.

What leads to the rise of the rule of law in authoritarian regimes? Under what conditions would authoritarian rulers be interested in the rule of law? Based on an in-depth case study on contemporary China, Yuhua Wang provides a concise answer to the questions—the demand of politically disconnected interest groups drives authoritarian rule of law. With quantitative and qualitative data analysis, *Tying the Autocrat's Hands* unfolds a bargaining process between authoritarian rulers and interest groups, and presents in detail the political economy and legal institutions in China.

Challenging the conventional wisdom that the rule of law restricts power of the state and is therefore not promoted by authoritarian rulers, Wang contends that under certain conditions the rule of law is in the interests of authoritarian regimes. Rulers need cooperation from interest groups that control valuable assets to stay in power, and will thus respect the rule of law when these asset holders demand for it. Grounded on such assumption, Wang proposes a demand-side theory: interest groups that lack political connection, namely, foreign-invested enterprises (FIEs), enhance law enforcement in China. Compared to state-owned enterprises, domestic private enterprises, and foreign enterprises owned by ethnic Chinese, the non-Chinese FIEs have less access to informal institutions such as personal network with local officials. More often they resort to formal legal institutions to protect their rights, and therefore have a greater demand for judicial efficiency and fairness. Local governments in regions with higher level of FIE presence are thus more likely to respect laws in order to protect these firms and encourage them to generate higher local GDP.

To test this demand-side theory, Wang conducts a cross-regional, within-country comparison using four nationwide survey data sets ranging from 1995 to 2006, and shows a few important associations from the regression results. First, FIEs outside the China circle (i.e., not from Hong Kong, Taiwan, or Macau) are less likely to bribe than any other type of firms. Second, regions with more foreign capital have less corruption in the commercial realm (but not in other realms). Third, the level of FDI (foreign direct investment) from outside the China circle is positively associated with the provincial government's financial support for courts. These results confirm the hypotheses that (1) FIEs are less likely to use informal institutions to protect their rights, (2) the presence of FIEs improves law enforcement, and (3) in regions with more FIEs, governments are more likely to support the rule of law.

A major contribution of the book is that it enriches our understanding of China's constitutional and legal system, and raises issues of critical importance to both scholars and policy makers. In China, behaviors of judicial organs are not only shaped by power relations among various actors, but also embedded in the indigenous political-economic context. As Wang points out sharply in the third chapter, China's courts lack independency. Courts' funding comes from the government budget, and its personnel appointment is greatly affected by the decision of the party committee. These institutional constraints to a large extent limit the power of the courts. As a result, the efficiency and fairness of legal institutions becomes a function of the interests of local governments and enterprises. Wang also underscores the high degree of decentralization and local autonomy in China. The same legal institution is performed rather distinctively at different local levels. For instance, some municipal governments allocate funding to courts timely and sufficiently, thereby generating a higher level of judicial efficiency, whereas others do not and the courts cannot function well as a result of funding shortages.

Pointing out such embeddedness has significant policy implications within and beyond China. If legal institutions are restricted by power relations and economic structure of society, creating legal organs and enacting laws on surface do not necessarily yield the rise of the rule of law in essence. Improvement of the legal system in authoritarian regimes depends on how judicial organs interact with existent social institutions and perform their function of original institutional design.

In terms of research methods, the hypothesis-testing part would have been stronger if the author had used better measurement of the variables. In chapter 6, where he evaluates the association between the amount of FDI and the level of corruption, he measures the dependent variable "corruption" by the proportion of survey respondents in each county who answered "court is corrupt" in given scenarios of dispute. Individuals' subjective perception of courts, first of all, may not accurately capture the actual level of corruption. Furthermore, the questions asked in the survey are all regarding scenarios of disputes between government and villagers. These scenarios do not reflect how courts deal with enterprise-related cases. In chapter 7, where he assesses how different types of enterprises affect the government's spending on court, the presence of foreign and China circle enterprises is measured by their levels of capital investment in mainland China, whereas the presence of state-owned enterprises and private-owned enterprises is measured by their proportion of labor employed. Stronger evidence would have been provided if he had used the same measurement for all four types of enterprises. Even so, Wang is crystal clear about his hypotheses, outcomes, and limitations of the data sets, and supplements the quantitative analysis with qualitative interviews conducted in 2007 and 2010 to make sense of the regression outcomes. The book provides an elegant and persuasive explanation of the rise of rule of law in authoritarian regimes.

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