

farming sector. The author highly praises the advantages of the family farm and of market mechanisms (p. 148). Maybe the distant Chinese observer, who collected her data in Chinese villages and does a lot of field research even now, but has processed the data in a university in the Federal Republic of Germany, does not fully realise the drawbacks of our system, where there is no market mechanism for most farm products, where the family farm is waning, where the system is maintained by huge subsidies which a poor economy could never afford.

The book is very concise, frank in its criticism and offers the European reader explanations and insights into a distant society, the world's largest farming community - but in our terms. It is important reading for all researchers engaged in Chinese development, development issues in general, the living conditions and behaviour of peasants. The author is presently engaged in further field research. Her future publications might be as enlightening as the book which appeared as the first in a new series "Studies on the Chinese Economy", co-edited by Dong Fureng, Beijing, and Peter Nolan from the UK. It is an excellent starter for the new series.

*Theodor Bergmann*

ANGELIKA ERNST, HELMUT LAUMER, *Struktur und Dynamik der mittelständischen Wirtschaft in Japan*. (Mitteilungen des Instituts für Asienkunde, Nr. 170). Hamburg 1989, 151 pages, DM 21.-

The renowned Ifo-Institute of Economic Research in Munich, where both authors of this study work, has the merit of having established a special branch for "Japanese Studies". And both authors are widely known as experts in Japanese economy.

This new publication *Structure and Dynamics of Small and Medium Enterprise in Japan* draws our attention to a "corner" of the Japanese economy which turns out to be much more than a "corner", in fact to be the basis of Japanese economic performance. Let us first turn to the main findings which can prove this overall statement:

- Small and medium enterprise (SME) in Japan have a share of more than 99% of the total number of enterprises and of around 80% of all employed persons (not including agriculture and public services). And those figures did not change much in the period from 1975 to

1986. There are, of course, big differences between various sectors of the economy of which manufacturing (relatively low share of SME), wholesale trade and retailing (high shares) get special attention.

- "Dualism" (between SME and big industries) is called a "durable theme" in discussions of the Japanese economy. It is shown that the gap between big industries and SME (e.g. in wages) which was narrowing during the phase of high economic growth prior to the first oil crisis has since been widening again and may not close for the time being (and the newest figures do not falsify this projection).
- "Subcontracting" (*shitauke*, pronounced shta-uke) is a special and important form of "cooperating" between big and small industry in Japan. Thus Ernst/Laumer rightly devote roughly a third of their research to subcontracting, offering a lot of valuable new information. It is shown that subcontracting has made a great contribution to the overall flexibility and productivity (e.g. in the diffusion of just-in-time delivery), but the question whether subcontracting firms normally get an "equal" part of the productivity gains is answered ambiguously.
- There seems to be one group of SME with more economic strength in their relative markets, concentrating on "new products", high-tech products and not as dependent on only one "mother" company as many of the subcontracting firms. This "venture business" is especially promoted by the government "Venture Enterprise Center" and it also fits into the nation-wide "Technopolis" concept.
- From 1985 to 1987 the foreign exchange rate jumped from 260 ¥/\$ to 130 ¥/\$. This meant a special blow for SME as they were faced with an inflow of competitive goods on "their" markets and with a partial breakdown of their own exports. Ernst/Laumer discuss the reactions of the SME to this blow in a special chapter, showing that SME - often by cooperating with other SME - succeeded in modernizing their own production and in starting new businesses outside Japan, mainly by investing in Taiwan, Korea and China (and today more and more in America and Europe).
- The SME could not have adapted to the problems of dualism, subcontracting dependency, business cycles and dollar crisis without government support. This is the subject of the last chapter, and again a lot of information is given on the various institutions, laws and funds. The authors conclude that the variety of policies towards the SME may have been confusing for them and that an investigation into the efficiency of Japanese SME policy "has not yet been made".

This last remark, however, may be the result of one of the drawbacks of the book: Not much of the (very extensive) research in Japanese on SME (policy) seems to have been used and evaluated in this study (in fact, only five recent books in Japanese are quoted, not even the important yearly *White Paper on SME*). Another defect could (and should) have been eliminated by more intensive proof-reading: there is, e.g., a confusion between (German) "billion" and "trillion" (p. 133), 94.000 and 940.000 (p. 18), and also (more important) a confusion in definition: "Small enterprises" are neither those with 1-5 employed persons (p. 16), nor those with 1-5 persons in trade and services or 1-20 in manufacturing (p. 14) (Correct is 1-4/1-19).

Apart from such errors, much can be learned from this study on a very important aspect of Japanese economic performance.

Siegfried Lörcher

WILFRIED WAGNER (Hrsg.), *Strukturwandel im pazifischen Raum. Referate der Jahrestagung des Arbeitskreises Pazifik vom 9.-11. September 1987 in Bremen*. (Veröffentlichungen aus dem Übersee-Museum Bremen. Reihe G: Bremer Pazifik-Studien, Band 3). Bremen: Übersee-Museum, 1988, 478 Seiten.

Im vorliegenden Band werden die auf einer Tagung des "Arbeitskreises Pazifik" in Bremen im September 1987 gehaltenen Referate publiziert. Es handelt sich dabei um den Versuch, verschiedene Einzelwissenschaften, die sich mit dem pazifischen Raum befassen, zu einer "Pazifikwissenschaft" zu bündeln. Die auf die etwas eigenwilligen "Vorbemerkungen zur Redaktion" folgenden, durchweg interessanten Beiträge sind unter den folgenden Überschriften zusammengefaßt: "Strukturwandel auf sicherheitspolitischer Ebene", "Entwicklungstendenzen im nichtgouvernementalen Bereich", "Deutsche Kolonialgeschichte im Pazifischen Raum", "Strukturwandel auf ökonomischer Ebene", "Innenansichten aus dem zurückhaltenden Anrainerstaat Volksrepublik China". Sie werden ergänzt durch eine nützliche Literaturübersicht. Die Fülle der Beiträge bietet ein buntes Kaleidoskop von Analysen, Beschreibungen und Bewertungen bis zu sehr persönlichen Ansichten. Es liegt in der Natur der Sache, daß die auf einer Tagung gehaltenen Referate ganz unterschiedliche Themen behandeln: Umfassende Beiträge mit mehr globalen Fragestellungen (etwa Schellhorns informativer Aufsatz über die Sicherheitspolitik im