118 Reviews

The importance of Menzel's research lies in the care with which empirical data which are available are structured theoretically. This means that Menzel does not fall into the trap associated with dogmatic theories of peripheraly capitalism. He lets himself be guided by the facts, meaning that in historical China, at least, a dual concept, i.e. a parallel development of both the modern and the traditional sector must emerge.

Menzel drew upon a large amount of literature and facts and was thus able to construct a comprehensive picture of Chinese development. Everyone who has at some stage come up against a lack of Chinese statistics in vital areas will appreciate this attempt. It is even more remarkable in so far as the author was unfortunately unable to use original material in Chinese as his source.

Bernhard Glaeser

WOLFGANG KLENNER: Ordnungsprinzipien im Industrialisierungsprozeß der VR China. Planung - Organisation - Unternehmens-konzept. (Veröffentlichungen des HWWA-Instituts für Wirtschaftsforschung, Hamburg). Hamburg: Verlag Weltarchiv, 1979. 360 pages, DM 42.50

This study was presented by the author as a dissertation at the University of Bochum and was financed by the Volkswagen Foundation as part of its program of modern East Asian studies. The fruits of this program are apparent in this work. The author, an Economics graduate with a thorough training in development from the German Development Institute (Berlin), has sufficient command of Chinese to study source material himself and to conduct interviews in China. Since receiving his doctorate, Klenner has directed the China Group at the HWWA (Hamburg).

As for the dissertation, it must be said that the title "Ordnungsprinzipien" - roughly translated as structural principles - is somewhat misleading, in spite of the subtitle 'Planning, Organisation, Company Structure'. This is due to the fact that the study is concerned not only with these structural principles, but especially with their emergence, and how these have subsequently been deprived of their normative aspects in practice. The author assumes, furthermore, that an understanding of "the economic order" may be taken for granted in China; this term is frequently used in conjunction with the concept of "process politics" (Prozeßpolitik), which has not been defined in this context.

The book claims to further our "understanding of Chinese development policies by establishing and analysing the structural principles in the process of industrialization" (p. 15). This is not quite correct, for the study is essentially one of "economic administration" or "business organisation in the industrial sector"

Reviews 119

(until about 1970). Moreover, in view of the lack of information and data, normative analysis must inevitably play an important role. In addition, the author's own term for economic administration in practice - "pragmatism Chinese style" - offers little in the way of classification by political content. This makes it even more difficult to come to grips with the problems discussed.

The book is divided into four sections. The first part is a rather tedious explanation of concepts such as 'national product', the importance of industrial production in the economy as a whole, and an analysis of institutions relevant to development policies. The second part deals with the practical experience of the Soviet development model. With this, the author draws attention to the connection between ideology and technology, something which is becoming increasingly important in the general discussion on development policies. The strength of the book lies in the third part, i.e. the discussion of the alteration of the Soviet development model and the emergence of an independent Chinese concept. The factors responsible for this transition at the level of the individual factories are convincingly explained and this means that the study is a good supplement to the work of B. Richman and F. Braumann, One aspect, however, requires further field research, and that is the relationship between large and small industrial units with respect to the vertical and horizontal integration of production. Indeed, related topics such as simultaneous running of large and small factories, the simultaneous application of Western and local technology etc. sound rather hollow. The various beginnings made by J. Sigurdson, C. Riskin, B.Richman, etc. offer suitable starting points for further research.

One of the main causes of the generally inadequate attention paid to the integration of production might well lie in the over-emphasis of the classical approach to the sociology of organisation. Klenner is no exception in this respect. His main interest is in the people who make decisions. One result of this restrictive approach is the cursory treatment of numerous important decision-making processes with regard to social policies, educational policy, employment policies, etc., including even the author's particular field: policies on technology. It is precisely these fields which, in view of China's opening to the West, are gaining in importance.

To conclude, one may say that this work contains a fund of new material and insights supported in part by new field work. But this needs to be complemented by studies dealing with the period after the Cultural Revolution.