

to pay for high energy prices. The solution proposed for the problems, namely the liberalization of the energy sector and a greater market orientation, including the liberalization of foreign trade (esp. pp. 104–126), poses the question as to how China would be able to pursue such a policy without counteracting its professed aim of getting its economy up to scratch in order to survive in the face of international competition. At any rate, China's own intentions and its respective political and politico-economic measures are not explained. The call for more liberalization and private initiative and less government interference is also evident in the following contribution on environmental problems in China by Dai Qing (free-lance journalist) and Eduard B. Vermeer, Leiden, (pp. 142–162). After presenting various non-government environmental initiatives, the authors conclude that less state intervention is necessary and, if opponents of the state policy are not powerful enough to achieve their goals, foreign interference is required. The idea that the central government unjustly plans and organizes environmental policies is also suggested by the title "Do good work, but do not offend the old Communists", but is not explained. Apparently, the authors simply imply that every reader is automatically convinced that Communists are always evil and want to monopolize everything and undermine every private initiative. That it was in fact these very Communists who initiated market economy reforms and liberalization does not matter in this context – as long as they still have their own plans, they have to be regarded as harmful. Consequently, the reason why the Chinese government often does not much care about environmental policies and initiatives or even seeks to abolish certain ecological measures is not explained but transformed into a moral complaint.

In all, the volume provides a good survey of policy-related economic and social issues of current developments in China. It is to be hoped that the publications of the ECAN will meet an interested, critical audience so as to promote further discussion and collaboration between experts of different fields and countries.

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YA PING WANG, ALAN MURIE, *Housing Policy and Practice in China*. London: Macmillan Press, 1999. XII, 274 pages, £ 55.00. ISBN 0-333-68253-X

The ongoing reforms of the real estate and housing sectors in the People's Republic of China (PRC) still have top priority in the financial news coverage of Western newspapers and magazines, and in recent market reports of international consulting agencies as well. After the rapid and widespread

boom of the Chinese property markets in 1992 and 1993, the real estate industry stands as a symbol for the successful economic transformation from a state-centred to a market-centred approach in the so-called "Socialist Market Economy" (*shehuizhuyi shichang jingji*). When the real estate business in China started to expand, the "real estate fever" (*fangdichan re*) even infected foreign investors looking for huge profits within a short period of time. Meanwhile, all those short-sighted illusions have faded away and are replaced by more realistic assessments of the long-term opportunities in the real estate business. Foreign and Chinese investors alike have to face many problems. Since the middle of the 1990s, totally overscaled investment activities in the construction sector of nearly all major Chinese cities have resulted in vacancy rates of fifty or more per cent, especially in luxury residential and office buildings. Only recently, the central political authorities in Peking have made serious attempts to abolish arbitrary local construction fees and taxes which are charged to a large extent without their permission. In spite of quite effective political measures to build up an institutional and legal framework for the "Socialist Market Economy", the level of informal decision making and of corruption in the Chinese real estate sector is still very high, causing a tremendous increase in the actual construction costs, in particular for luxury private residences, centrally located service apartments and first-class offices, and so-called "Grade A" shopping malls.

But what are the housing conditions of the vast majority of Chinese citizens who cannot afford rents of more than 20 US\$ per square metre in these so-called "Western-style" housing compounds and high-rise commercial apartment buildings? How have the housing conditions in the countryside changed, where nearly 70% of the Chinese population still live as a result of the officially enforced policies of "Reform and Opening to the Outside World" (*gaige kaifang zhengce*)? And what are the decisive political-administrative structures and implementation processes which influence housing policy and practice in the PRC? These questions, which are commonly neglected in ordinary newspaper articles and professional consultants' reports, are the major concerns of Ya Ping Wang and Alan Murie. The authors are distinguished experts in urban and regional studies who have applied their profound methodological and theoretical knowledge to the study of the PRC. The book is mainly based on their own field work in China, funded by the British Economic and Social Research Council and carried out over several years. Wang and Murie make extensive use of original documents and literature in Chinese, which are systematically complemented by interviews with Chinese housing experts and local decision-makers. The book consists of nine chapters, beginning with an introduction into the underlying methodological and theoretical principles of the study. The second chapter provides a short but comprehensive description of the

social, economic, and political context in which housing policies are formulated in the PRC. Chapters three to seven describe the development of urban housing provision and reform in clearly defined stages, from the foundation of the PRC in 1949, the "Socialist Transformation" (*shehuizhuyi gaizao*) in the 1950s until the 8<sup>th</sup> Five-Year Plan (1991–1995). In each chapter the historical background is briefly outlined, giving the necessary information to readers not familiar with the Chinese setting. Chapter eight presents an overall view of rural housing conditions and developments. The last chapter provides a sound assessment of the Chinese housing system in relation to the social and economic process of modernization. In their conclusion, the authors stress the multiple implications of the newly established "Socialist Market Economy" for the future of housing policies in the PRC in terms of commercialization and privatization. Though published in late December 1999, the book unfortunately does not include the major shift in housing policy since the inauguration of Prime Minister Zhu Rongji in March 1998. In sum, the main emphasis of this study lies on the comprehensive and detailed analysis of the historical context and the changes in housing policies in the PRC until 1995. The authors succeed brilliantly in describing the changes and continuities of policy implementation within the ideologically legitimized boundaries of Communist rule in a historical perspective. However, the reader mainly interested in the concrete practice of housing investment and management will be disappointed to find no up-to-date information or advice for doing real estate business in present-day PRC.

Martin Kittlaus

SUSANNE WEIGELIN-SCHWIEDRZIK, DAGMAR HAUF (eds.), *Ländliche Unternehmen in der Volksrepublik China*. (Schriften zu Regional- und Verkehrsproblemen in Industrie- und Entwicklungsländern, vol. 64) Berlin: Duncker & Humblot, 1999. 255 pages, with appendix, DM 124,-. ISBN 3-428-09635-5

In keeping with its importance for the transformation of economy and society in China the industrialization of the Chinese countryside has been of growing concern in Western studies of contemporary China. This book presents the findings of a field research project on enterprises in Shanghai's Qingpu county, which the editors (S. Weigelin-Schwiedrzik holds a chair for Contemporary Chinese Studies, D. Hauff is her assistant), together with advanced students of the Institute for Chinese Studies of Heidelberg University, carried out in cooperation with Shanghai International Studies University. The aim of the project was to demonstrate the multiple – not only economic and fiscal, but also social and political – significance of rural industrialization