

discussion of public policies such as most-favored-nation (MFN) status and the debate between human rights and trade. In the opinion of this reviewer, foreign investors actually play an important part in China's development, but do not dominate institutional changes. In addition, the author fails to get rid of the "stimulus-response" model. At this point, the methodology is truly Western centralism.

Indeed, *Dragon in a Three-Piece Suit* is an innovative examination of organizational change in transforming China. The author has attempted to illuminate many hidden facets of China's reform through direct observations of decisions and practices of economic actors in the marketplace, as a way to explore the meaning of the broader political and institutional changes of economic transition. Even though there are aspects of critiques, the defects cannot obscure the merits. Guthrie's book offers us a unique opportunity to explore the path-dependent and globalization-driven nature of the transforming economy in China.

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The First Tung Chee-hwa Administration: The First Five Years of the Hong Kong Special Administrative Region. Edited by LAU SIU-KAI. Hong Kong: The Chinese University Press, 2002. xxxiv + 430 pages. Paperback: US\$28.50; ISBN: 962996015X.

This edited volume analyzes different aspects of Hong Kong during Chief Executive Tung Chee-hwa's first term of office in order to "give readers a broad and balanced portrayal of Hong Kong under Tung Chee-hwa" (p. x). While not pretending to make a scholarly endeavor to study Hong Kong from a coherent theoretical perspective, this book nevertheless does provide very rich, interesting, and insightful observations of Hong Kong's full transition to a Special Administrative Region under a

one-party regime over the last five years.

The book includes sixteen chapters: six devoted to institutional and constitutional changes (chaps. 1-4, 11, and 14), three concerned with the relations between the Chief Executive and major political groups in the Hong Kong context (chaps. 12 and 15-16), while the remainder cover policy changes (chaps. 5-10 and 12-13). The book can serve as a useful and interesting reference book on Hong Kong's political development, especially for undergraduate and graduate students. The book also provides competent analysis and serves as a reliable source of data and research material on post-1997 Hong Kong.

As suggested by its title, the book seeks to highlight the role of Tung Chee-hwa in changing the political system in Hong Kong in the post-1997 period. The book has not delivered on this promise, however, with only two authors providing in-depth examinations of the role played by Tung Chee-hwa. The other contributors merely write about general changes in Hong Kong during the five-year period.

Lau Siu-Kai is the only author who explicitly analyzes Tung Chee-hwa's political and policy roles in the post-1997 period. Lau claims that he has sought to study Tung's "governing strategy" in terms of the Chief Executive's "overriding objective to steer economic development in a new direction in a context of stability characterized by drastic depoliticalization" (p. 3). Lau adopts, however, an unnecessarily narrow definition of "depoliticalization": a "drastic reduction in the amount of political conflict in Hong Kong" (p. 3). Such a definition does not account for how various political figures and groups enter into and exit from the political arena. Moreover, Lau is short on research material to detail the contents of Tung's grand strategy—failing even to interview the Chief Executive. Also sorely missing from Lau's analysis is reference to the relevant literature (e.g., on ruling elite, policymaking, and the like) from the social science disciplines.

Lok Sang Ho's analysis of the "policy blunder of the century" does attempt to pinpoint Tung's role in a major housing policy failure (chap. 8). According to Ho, the Tenant Purchase Scheme (TPS) that was promoted by Tung reduced the incentives given to rich tenants to pour money into

private flats, thereby undermining the price support girding multiple tiers of real-estate market. This led to the collapse of the local real-estate market and the decline of the Hong Kong economy. Ho has provided quite convincing statistical evidence to substantiate his assessment of Tung's misguided housing policy. Ho's case study has somewhat exaggerated the adverse impact of Tung's housing policy, however, not being sufficient to falsify the impact of other potential independent variables behind the plunge of Hong Kong's real-estate market—such as the oversupply of land, the competition from the Pearl River Valley, the Hong Kong version of the bubble economy, and global economic recession.

How far has Hong Kong significantly changed in a political and policy sense since 1997? This collection of chapters taken together gives readers a general sense that there has been continuity and relative stability in various policy arenas over the past five years. As well articulated by Anthony P. L. Cheung, "Chinese leaders clearly preferred that Hong Kong remains bureaucratically controlled and governed in much the same way as it had been during the more typical British colonial days" (p. 43). In fact, the continuation of the status quo of Hong Kong is very much expected by all key actors in the power arena of Hong Kong today.

Furthermore, following their own momentum, many policy packages implemented of late are in fact derived from Hong Kong's colonial period. According to John Burns, for example, the civil service reforms that originated in the early and mid-1990s "[have] been piecemeal and have left the traditional civil service system intact" (p. 267). Hong Kong's civil service reform has echoed the British brand of "managerialism" that is characterized by the introduction of accountability, decentralization, simplification, and downsizing. One must note, however, that some of the reform initiatives have stalled. For example, the trading fund departments have not really become independent from the civil service and the promised staff cuts and improvements in efficiency have not materialized. In the case of social welfare reform, Kenneth L. Chau and Chack-Kie Wong noted that over the last five years the HKSAR government has introduced market mechanisms, cost-effectiveness, and result-oriented control measures as an integral part of the larger, public sector reform

requirements (pp. 201-36). After all, social welfare reform has run its own course of change that is independent of the transformation of Hong Kong in the post-1997 period.

Within the limited confines as noted above, has the hand-over resulted in observable change in Hong Kong? The book suggests that the many changes in Hong Kong over the last five years have nothing to do with the hand-over of 1997. True, there have been adverse changes in Hong Kong over the last five years, but they are only attributable to larger contextual and international factors beyond the control of the HKSAR government. Note that both Yun-Wing Sung and Y. C. Jao suggest that Hong Kong's economy has been in deep trouble since 1997, yet both attribute this to the international economic environment (chaps. 5 and 6). The fact that the Chief Executive has already articulated his policy objectives and formed his grand strategy does not necessarily ensure their successful execution. This is characterized as "crises of efficiency, probity, and efficacy," a "crisis of coordination," and a "crisis of accountability" by Anthony P. L. Cheung (pp. 52-55). Moreover, under the Tung Chee-hwa administration, some changes in the post-1997 period have not even been intended, for example, in what is termed "political revolution by default" with reference to the introduction of political "ministerial" appointment (Cheung, pp. 60-62).

As a collected volume, the format of the book is not adequate to handle a subject matter requiring a coherent and integrated treatment of Hong Kong in its historical transition to the post-1997 period. As social scientists, the contributors of this book have yet to work out the theories and methodologies needed to study the subject matter seriously. In fact, the book has raised more questions than what the contributors together can answer. For instance, is the time span of five years long enough to identify any trends in the transformation of Hong Kong after 1997? How should we approach the question of a transformation as historically unique—and with the many unanticipated consequences—as the case of Hong Kong? What are the best methodologies and theories for examining the subjective (or inter-subjective) dimensions regarding the intentions, strategies, and calculi of the key actors in the change in the post-1997 period?

The above questions should provide a worthwhile research agenda for the future scholarly study of Hong Kong.

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