

**Arve Hansen / Jo Inge Bekkevold /
Kristen Nordhaug (eds.): The Socialist
Market Economy in Asia: Develop-
ment in China, Vietnam and Laos,
Singapore: Palgrave Macmillan, 2020,
XIII, 353 pp.**

Reviewed by
Alice Trinkle, Berlin

“China, Laos and Vietnam are three of the few remaining communist regimes in the world. They are also among the fastest growing economies in the world.” This remark opens the edited volume *The Socialist Market Economy in Asia*. To date, understanding of how China, Vietnam, and Laos combine spectacular market driven economic growth with a socialist political system is discussed widely. Aiming to close this gap, the volume’s editors Arve Hansen, Jo I. Bekkevold, and Kristen Nordhaug approach the question of what constitutes (South) East Asian “socialist market economies” from a variety of angles, centring around the key themes of state market relations, environmental sustainability, and state and society.

The volume is a contribution to the growing literature on the economies of socialist Asian countries, including single-country studies on China[1] and Vietnam[2] or studies focusing on specific drivers of marketisation, like for example price reform[3]. The publication at hand is one of the very few trying to understand these three self-proclaimed “socialist market economies” in a comparative manner, based on both

theoretical and practical studies. Some individual contributions in the volume take said comparative approach, others analyse single aspects of the respective economies in-depth, among them several on the frequently overlooked case of Laos.

Published in 2020, the edited volume is based on papers presented at a conference in Oslo on (South) East Asian “socialist market economies” in 2017. It brings together perspectives from a variety of disciplines, among them geography, China studies, political economy, and development studies. Authors address: the international politics of economic reforms in all three countries (Jo Inge Bekkevold); the party state and governance in Vietnam and China (Thiem Hai Bui); state-owned enterprise (SOE) reform in Vietnam (Hege Merete Knutsen/Do Ta Khanh); countryside development (Robert Cole/Micah L. Ingalls) and environmental governance in Laos and Vietnam (Stephan Ortmann); China’s labour conflicts (Kristen Nordhaug) and welfare policies (Kristin Dalen); changed habitus in Laos during the country’s capitalist transformation (Boike Rehbein); and two theoretical-based characterisations of China and Vietnam as consumer socialist (Arve Hansen) or consolidated market Leninist systems (Jonathan D. London).

Of particular note is the contribution from Jonathan D. London on the nature of “socialist market economies” in Vietnam and China. The author argues that neither the perspectives of classical economics, nor developmental studies and the varieties of capitalism school, nor a left-leaning critical political economy comprehensively describe the contemporary Chinese or Vietnamese socio-political system. On the

assumption that Leninism constitutes of a set of ideologies that inform governance, London surveys the literature published in a range of fields to conclude that the marketisation process in both countries are led by a Leninist communist party holding on to single-party rule. In his estimation, the most fitting label for these systems is “consolidated market Leninism”.

The authors of a contribution on SOE reform in Vietnam analyse “socialist market economies” in practice. Based on qualitative interviews with enterprise managers, Hege Merete Knutsen and Do Ta Khanh provide a unique insight into the reform and marketisation process of three Vietnamese SOEs; two beer companies, and a diary producer. The chapter covers internationalisation strategies, the increasing influence of foreign shareholders, the conflicts arising between state interference and marketisation processes, and challenges arising during a transitional process of SOE marketisation. For example, one of the companies experienced difficulties in selling shares to a foreign bidder, as the share prices requested by the state were above the market price.

In the concluding chapter, the editors point out that all three countries share core features of the “socialist market economy”: rule by a single communist party; a “restrictive regime” with regards to land ownership; a relative openness towards some elements of so-called neoliberalism; and openness towards trade and foreign direct investments – paired with a tight control of financial institutions and monetary policy by the state. They stress that the three countries would fail to deliver with regards to environmental sustainability and inequality or income distribution. They

further emphasise that the self-proclaimed socialist market economies of Laos, Vietnam, and China can only be understood beyond the logic of political left and right or socialism and capitalism.

In sum, the volume provides a rich, timely, and diverse discussion of the “socialist market economies” in (South) East Asia, bringing together contributions on widely studied China with studies on the lesser explored Vietnamese case, merged with the all-out understudied case of Laos. For historians, this book will provide a valuable insight into discussions in the social sciences. For readers who seek to understand specific aspects of market reforms in Asian socialist economies, such as SOE reform in Vietnam or the transition of the Laotian rural economy, the chapters will provide a valuable entry point.

The publication date means that the volume does not cover newer and significant developments like the internal economic problems caused in China by its long-lasting “zero-Covid” policy. Reading the book in 2022, one is left wondering whether the coronavirus pandemic and its multiple effects throw into doubt the long-standing narrative of the (South) East Asian economic growth miracles. The premise of the book, understanding how strong economic growth is coupled with one-party rule by communist parties, is facing headwinds in the current global macroeconomic situation. Also, the use of the term “socialist market economy” as an analytical category is unfortunate. It was coined by economists close to the Chinese Communist Party (CCP) and introduced as the official description of its economic system in the early 1990s.[4] As a consequence, its usage in this context is politically and

ideologically charged. Choosing a more neutral analytical category would do more justice to the volume. These critical points should, however, not undermine the value of the diverse contributions in the book, especially when read on their own.

Overall, the volume proves useful and timely for anyone working on (post) socialist regimes, economic transition, (South) East Asia, and economic history. Its interdisciplinarity and balancing of micro macro scale are strengths when it comes to understanding Vietnamese, Laotian, and Chinese reforms. With its diversity of contributions, the volume delivers unexpected and manifold insights for anyone seeking to understand the Laotian, Vietnamese, and Chinese 'socialist market economies' from different angles.

Notes

- 1 B. Naughton, *The Chinese Economy: Adaptation and Growth*, Cambridge, MA 2018.
- 2 J. D. London (ed.), *Routledge Handbook of Contemporary Vietnam*, Abingdon Oxon/New York 2022.
- 3 I. Weber, *How China Escaped Shock Therapy: The Market Reform Debate*, Abingdon Oxon/New York 2021.
- 4 B. Naughton (ed.), *Wu Jinglian: Voice of Reform in China*, Cambridge, MA 2013.

Brenda S. A. Yeoh / Francis L. Collins:
Handbook on Transnationalism,
Cheltenham: Edward Elgar
Publishing Ltd., 2020, 480 pp.

Reviewed by
 Paolo Zucconi, Leipzig

In the *Handbook on Transnationalism*, editors Brenda S. A. Yeoh and Francis Collins provide a comprehensive work on the pressing topic of transnationalism and its importance "as a theoretical and analytical lens for social scientists and others grappling with a range of phenomena" (p. 2). Bringing together contributions by many authors, the handbook focuses on "the way in which notions of transnationalism took shape in new approaches to migration, placing particular emphasis on its emergence in the 1990s [...] before the increasing normalization of transnational terminology and the development of new conceptual directions" (p. 3). Facing today the consequences of global issues like the Covid-19 pandemic, climate change, and an increasing uncertainty in the global economy, this book is a timely contribution to the scholarship offering a new lexicon and a transnational lens that can be helpful to theoretically understand cross-border phenomena.

Transnationalism is an important topic of which there is no shortage of literature. While the authors in this book make no secret of that as, at the beginning of each chapter, they present a background of previous works, they are able to add important and under-researched aspects of transna-