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New Challenges for Development and Modernization: Hong Kong and the Asia-Pacific Region
in the New Millennium by Yue-man Yeung

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New Challenges for Development and Modernization: Hong Kong and the Asia-Pacific Region in the New Millennium. Edited by YUE-MAN YEUNG. Hong Kong: Chinese University Press, 2002. 334 pp. \$38.50 (cloth).

New Challenges for Development and Modernization is part of a second wave of post-East Asian crisis studies. The first wave focused on the causes of the financial meltdown. The second wave has started to look at its long-term implications. On the one hand, the crisis compels a reassessment of past development and future perspectives. On the other hand, the world-scale impact of a financial crisis that unfolded in a relatively minor economy such as Thailand's can be understood as a sign of the increasing importance of East Asia. Many Asian countries are still haunted by the quandary exposed by the regional crisis. Yet, in a context dominated by severe drawbacks in purportedly "emerging markets" (such as in Latin America) and recessive tendencies in the United States and in Western Europe, East Asia increases its status as the most dynamic area of the world economy. Desynchronization appears to be the contemporary prevailing feature: rapid economic growth in China and its neighboring countries, impasse in the West and in Japan.

In this volume, edited by Professor Yue-man Yeung, Henry W. C. Yeung and Frederic Deyo look at two apparently contrasting dynamics. Yeung explores the modalities in which business networks have been increasingly integrated into international alliances. These alliances associate elites beyond national boundaries and represent a major force in the internationalization of the economy. Putting the attention on elites' international networks allows for moving away from a simplified dichotomy between state power and state decline. These international networks not only operate within states but also *internationalize* state functions in order to serve their own purposes. While Yeung focuses on elites and big capital, Deyo looks at the relation between state and SMEs (small and medium enterprises) in postcrisis Thailand. Thai SMEs—even when they are part of international alliances (in particular as subcontractors of Japanese enterprises)—do maintain a *national capital* identity, and their survival requires state protection. After the regional crisis, notwithstanding external pressure for economic restructuring along the lines of the neoliberal orthodoxy, it is possible to identify state interventions that Deyo relates to an Asian "developmental-state" model. The postcrisis experience reveals that the scope of state action is still significant when national forces (and in the Thai case, the interest of Japanese companies) do agree on a specific agenda. In other words, the erosion of state functions requires the consensus of national elites as described by Yeung and cannot operate only through external constraints.

Among the Asian former "miracle" economies, Hong Kong occupies a special place. Not only must Hong Kong cope with new postcrisis conditions, but it is also forced to reinvent its role after the reversion to China. Yun-win Sung suggests that Hong Kong needs a more proactive coordination policy with the mainland in order to maintain its role as a high-tech and financial services partner for China. This also leads Charles K. Kao to recommend that Hong Kong should put more emphasis in implementing a coherent technology roadmap, with a more decisive effort than what occurred in the 1990s.

Shaoguang Wang moves our attention to the dark side of East Asian economic success. Through his analysis of social impact of Chinese WTO accession, Wang identifies those who will pay the highest price as being the same who have already been hit by the current economic restructuring. While the first phase of economic

reform in China can be described as a win-win game, the current phase is a zero-sum game that presents a disquieting dilemma for the future.

A diversification of society in economic terms also poses new questions for political representation. This is the case for Hong Kong, which, as indicated by Siu-Kai Lau, sees a contrast between the elites controlling the executive power and the increasing demand for political participation among ordinary citizens. In the wider regional context, Jose V. Abueva indicates that the emergence of a middle class implies wider political mobilization and demands of democratic reforms. Emma Porio looks at the role of civil society in changing state-society dynamics and the tension with the different rationales expressed by political authorities. Looking ahead toward new potential challenges, Baogang He suggests that democratization, rather than being constructed as a source of potential destabilization, can be understood as part of the solution to these problems.

The more that the region grows in economic terms, the more that the hypnotic persuasion of catching-up motivations leads the way to new demands and requires a more nuanced analysis of society, including the emerging demographic and gender issues as discussed by Fanny M. Cheung. Poverty remains a relentless question not only in remote areas but also in the modern mega-cities, as indicated by Yue-man Yeung, notwithstanding their ability to exploit the opportunities created by the global market.

Finally, Andrew Elek explores the possible evolution of the APEC cooperation frame beyond trade and toward a possible new regional identity.

The thirteen chapters of this volume present interesting contributions to the current debate on a wide number of issues. The volume intends to celebrate the first ten years of activities of the Hong Kong Institute of Asian-Pacific Studies directed by Yue-man Yeung, and it is understood that it was preferred to present a broad range of approaches and topics, rather than converge on a more focused and coherent thematic frame.

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CHINA

Reinventing Confucianism/Xian dai xin rujia: The New Confucian Movement. By UMBERTO BRESCIANI. Taipei: Taipei Ricci Institute for Chinese Studies, 2001. ix, 652 pp. \$31.00/€35.00 (paper).

In the nineteenth and twentieth centuries, Confucianism was blamed for Chinese stagnation and vulnerability to imperialist encroachment. Confucianism was vilified by May Fourth intellectuals, condemned in Mao's China, and declared dead by scholars such as Joseph Levenson. At the same time, there were those who affirmed the opposite view, finding the core of Chinese strength and identity in Confucian ideals. The New