

Book Reviews

"capitalist" or "socialist" stages of history. Furthermore, it is emphasized that competition is not a determining factor in the distinction between capitalism and socialism. Profit-making is allowable in so far as it is consistent with the social and economic objectives of the state plan. "Socialist" competition is self-professedly less exploitative under the conditions of the public ownership of the means of production. The Chinese insist, for example, that the emphasis on household responsibility in agriculture must be placed in the context of collective ownership of the basic means of production. Also, they insist that in the event of unemployment resulting from competition the state is constitutionally responsible to re-assign unemployed workers to new jobs.

Wang Haiko regrets the confusion over contemporary reform, which he says originates with the narrow and "habitual adherence to conventional economic concepts" and "familiarity with capitalist competition" and "the lack of experience with 'socialist competition'." After reading this volume the reader may wish to judge whether the Chinese are again creatively adapting socialism to Chinese conditions or whether they are engaged in a surreptitious capitalism. An informed judgment requires the outside observer to venture into the labyrinth of Chinese economic debate. Paper-cut versions of "capitalism" and "socialism" are not adequate to the task at hand. *China's Economic Reforms* provides a starting point in the Chinese understanding of the interrelated factors of reform and state planning which is reinforced in extensive statistical appendices and in a specialized English-Chinese vocabulary of the terminology of economic reform. Armed with domestic perspectives and vocabulary the intrepid observer may be able to find his way back out of the labyrinth.

The China Quandary: Domestic Determinants of U.S. China Policy, 1972-1982 by Robert G. Sutter. Boulder, Colorado: Westview Press, 1984, 194 pages, US\$22.50.

From his vantage point within the Library of Congress Research Service, Robert Sutter has put together an intriguing and multifaceted study of the domestic and political variables which have influenced contemporary US China policy. This type of study is already well established in international relations literature. That at any given time there is a plethora of conflicting viewpoints in the making of US foreign policy is not in itself surprising; however, this study suggests that the process of policy-making has had to cope with serious tensions and constraints. It is striking that despite such massive institutional infrastructure reinforcing this process through extensive investigation and informed debate, there has, nevertheless, been so much confusion in US China policy.

The author reviews the central strategic and political considerations which explain the signing of the Shanghai communiqué of 1972, the agreement to establish diplomatic relations in December 1978, and the necessary negotiations leading to the joint communiqué of August 1982; but the review is placed within the contextual dynamics of

the US foreign policy process. The coverage of these dynamics is generally fair and quite comprehensive. The extent of antipathy between those with "direct oversight responsibility for Asian affairs" in the administration and Congress is based on over 100 interviews with government officials. The author also records the "sinologues" in their interaction with Congressional committees. The study furthermore systematically documents the variety of conflicting views within the administration and the political pressures affecting Congressional opinion.

Initially the reader is allowed to draw his own conclusions, but the author does set out several conclusions in his last chapter. Sutter asserts that the Carter administration, while successful in moving United States-People's Republic of China relations forward, was derelict in its responsibility for the "consensus building" necessary to the long-term consolidation of policy. US policy relating to Taiwan and the PRC is discussed in terms of the tension between the requirements of secrecy and of democratic participation. Executive secrecy arguably makes sense in responding effectively to Chinese negotiating sensitivities, but Sutter concludes that too much secrecy exacerbates the natural institutional tensions between the administration and Congress to the detriment of rational policy formulation. He suggests that if US China policy was more open no future administration would endanger the basic US-PRC relationship with ill-conceived political gestures towards Taiwan.

The author in conclusion stresses several alternative policies. He not only opts for the gradual reduction of arms sales to Taiwan, but also the "quiet transfer" of weapons production technologies to Taiwan. Whether such a transfer, no matter how "quiet," would complicate US-PRC relations deserves further consideration. The author is apparently concerned about the loss of "evenhandedness" in US policy towards the PRC and the USSR, and he suggests that limited transfers of military equipment to the PRC must be accompanied by an explicit statement to the effect that any expansion of such a transfer would have to await the maturation of Sino-American relations.

As the reader sets down the book he will ask to what extent is the domestic policy process capable of clearly and consistently defining US interests. Sutter raises this question with particular reference to arms sales to both the PRC and Taiwan. There is, however, the question as to whether the process can with precision identify Chinese priorities in order to insure an informed policy response enhancing the possibilities for greater cooperation. The author warns of the possibility of future disappointment, but he also emphasizes the "broad community of interests" in areas of world food supply, population control and arms limitations. Some of these issues are hardly discussed. The Reagan-Zhao confrontation at Cancun over Third World development requires analysis. The sharp Chinese reaction to US criticism of Chinese family planning may alternatively suggest a lack of cooperation in the area of population control.

Chinese foreign policy may be generally less bellicose, but it supports multipolarity and multilateralism as a means of checking the extension of superpower influence. The US is condemned for its policies in Central and Latin