unveils through an examination of geography or ecosystems, the outdated concept of "race," language, culture via the concept of *oikumene* (with the help of Toynbee, and Steadman, among others), the Western invention called "Asia." Indeed, the reductionist approach to "Asian" cuisine using "spiciness" as its main indicator fails to whip up a convincing operationalization of Asia-ness. The variety of culinary sensibilities found in Vietnamese, Cantonese and Japanese, to name a few, debunks the reductionist myth of spiciness as the defining element of "Asian" cuisine.

This reviewer hopes that one day this tome of Zialcita would be translated to Filipino. Translation will give a wider public access to the ideas presented in this book. Indeed, Filipinos need not be insecure or uneasy about many aspects of their culture—indigenous, imported, or hybrid. Zialcita, this reviewer has heard from several sources, has expressed his fear of becoming a "popularizer." If the process of "popularization" refers to an airing of ideas that seek to correct misconceptions about one's own culture through a comparative reexamination of artifacts across national boundaries using language that can easily be understood, then Zialcita ought not to fear anything. Perhaps he should embrace this role, one that is of great import accorded only to a few with the skill and the talent to write with great clarity, and in so doing become a "defender of faith in Philippine culture."—**MCM Santamaria,** *Associate Professor, Asian Center, University of the Philippines, Diliman.*

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Kevin Hewison and Richard Robison, eds. 2006. *East Asia and the Trials of Neo-Liberalism.* London and New York: RoutledgeCurzon. 156 pp.

East Asia and the Trials of Neo-Liberalism is a compilation of articles concerning the imposition of neoliberal reforms in selected East Asian economies (Indonesia, Malaysia, South Korea, Thailand, Vietnam, and China) as a result of the Asian crisis. The main point of the book, especially expressed in the integrative essay by the editors in the preface, is that there had been inroads by the International Monetary Fund (IMF) and the World Bank in imposing neoliberal reforms in the selected East Asian economies, but nowhere did they achieve the comprehensive and total economic reforms that the Washington Consensus espoused. The main reason is that the specific political processes of the countries did not result in strong domestic political coalitions that were strong believers of neoliberalism, which could implement consistently and thoroughly the neoliberal agenda (this was also strongly pointed out in the Indonesian article by Beeson and Robison). Instead, the specificities of the political and social processes resulted in each country's incorporating some neoliberal reforms in a bigger domestic setting, wherein the state either continued undertaking significant interventions in the markets, or big business still violated the basic norms of neoliberal "market-determined" rules and behavior.

The articles in the book all give valuable insights. The first article by Mark Beeson and Iyanatul Islam is a good summary and description of the Washington Consensus and the "augmented" Washington Consensus. It also summarizes the well-known criticisms against this school of thought, particularly the deterioration of poverty reduction, economic growth, and income distribution during the recent decades when neoliberal reforms were imposed on the developing world (outside China and India). Despite this, developed countries and international financial institutions (IFIs), especially the IMF and World Bank, continue to force the Washington Consensus on developing countries and shy away from their responsibilities of providing genuine developmental aid and assistance to developing countries, and of allowing developing countries sufficient access to their trade markets. Beeson and Islam conclude that developing countries should undertake nationally and regionally based strategies to continue the developmental state and its development plan, making sure that this does not result in the rise or perpetuation of authoritarian governments accompanied by cronyism.

The article, however, appears completely isolated from the rest of the book, which chronicles the six countries' experiences with neoliberal reforms, and how these reforms failed to completely overhaul the economic and political processes of each country—for the better, or for the worse. It is my aim to provide a more coherent framework so as to analyze more systematically the experiences of the six countries.

First, to understand the successful transition of China and Vietnam from command economies to "market" economies, one has to discuss the basic concept of the market and how its proliferation became a progressive force to release productive capacity in the evolution of feudalism to capitalism. Competitive markets provide the economic incentives to lower costs, and to improve technologies and quality of products. Given an initial fair and equitable endowment of assets and resources, the price mechanism of markets becomes a reasonably good allocator of goods and services in order to avoid shortages and surpluses. This is also true, but to a much lesser extent, in factor markets—labor and financial/capital markets—where market failures are strong and prevalent (thus the perennial problems of unemployment and financial crises).

But the mistake that neoclassical economists have instilled in our minds is the separation of markets from governance and from the political and social processes. As Polanyi said a long time ago, the market system cannot exist in a vacuum. The quality of the market is only as good as the quality of the institutions and governance structures where it is situated and where it is guided. Thus it is a big mistake to ascribe as part of the neoliberal reforms of the "augmented" Washington Consensus the need for public sector and private sector (corporate) governance. Corporate and financial governance is actually more a heterodox policy prescribed a long time ago by Marxists, Keynesians, and non-neoliberal schools of thought. It is a contradiction of the basic tenets of neoliberalism—the minimum intervention by the state on private sector governance outside the realm of enforcement of contracts, property rights, and the rule of law. The neoliberal call of "interventions" via corporate governance in the "augmented" (post-Asian crisis) Washington Consensus is an admission that there are market failures—monopoly and oligopoly markets, asymmetric information, moral hazards—and therefore the markets and the private sector need disciplining. The IFIs have again stolen ideas of the more progressive schools of thought (governance, social capital, poverty reduction) and made them their own. Of course, the content and implementation of corporate governance becomes neoliberal once it becomes a one-size-fits-all policy of Western prescriptions that disregard the political, social, and cultural setting of the country.

It is in this context that the successful reining in of *chaebol* excesses through corporate governance by the South Korean government in the article by David Hundt and similar attempts to rein in cronyism described in the chapter on the Malaysian model by William Case should be viewed. Both initiatives in the two countries were supported not only by international capital but by civil-society groups. It should be seen as part of the heterodox approaches of the two countries, with the IFIs supporting this particular reform.[1] In fact, for both countries and most successful East Asian countries, it is not only domestic capital that is being regulated. International productive capital is also heavily regulated and allowed only in export firms and/or in free trade areas. In Korea, where the article claims neoliberalism has made most inroads, only financial capital was able to come in large quantities in the equities (stock) market. But the chaebols survived and avoided fragmentation, and the foreign multinationals remained in the sidelines.

A corollary to the proposition above that markets are situated in a historical, political, social, and governance setting is that the policies undertaken and the quality of reforms are determined to a large extent by the quality and strength of the state— whether it has a developmental perspective or it exhibits relative autonomy from the various vested interests in the economy.

Thus, without diminishing criticisms of authoritarianism and the lack of democracy practiced by the corresponding states, the governments of Vietnam and China were able to use seemingly neoliberal reforms to advance the economic developments of their countries. In Martin Painter's article, Vietnam was able to use bilateral and IFIs' aid and assistance to advance its poverty reduction program. At the same time, by opening up the economy through trade liberalization (having achieved an economy that was ready to compete internationally), it was able to give the IFIs the carrot to allow continuing promotion and subsidies to state-owned enterprises and to continue their state interventions. In fact, for both Vietnam and China, the existence of a strong Communist state that is turning to markets and the outside world had made the IFIs much more accommodating and kinder to their heterodox policies than to countries that had been more obedient (like the East Asian countries hit by the crisis). In Leong Liew's chapter, China implements strong strategic industrial policies of picking the winners (in sectors exhibiting increasing returns to scale), using China's geography and large population to exploit economies of scale and protection of large provinces from the neoliberal reforms. Furthermore, China has been co-opting the increasingly wealthy corporate and financial elite in the Communist Party system in order to win their continuing support. This policy of course excludes the possibility of the blind and blanket adoption of all neoliberal economic reforms.

In Kevin Hewison's chapter, the authoritarian Thai government of Thaksin was able to successfully promote domestic capital and a more domestic-oriented growth strategy after it exited from the IMF program.

The more liberalized South Korean and Malaysian states (Badawi's government is perceived to be much more liberal compared to Mahathir's government) were able to undertake corporate governance in varying degrees of success (with Korea being more successful) against the big business conglomerates. All these demonstrate strong states with relative autonomy from individual vested interests. In fact, the key to South Korea's recovery from the crisis was the government's initiative outside the IMF program to call for a debt-workout between the chaebols and other debtors on the one hand, and the banks and other (mostly domestic) creditors on the other.[2]

On the other side is the case of Indonesia, where the successive governments of Habibi, Wahid, and Megawati failed to rein in the big conglomerates and owners of failed banks, so that they were able to get away without having to pay much of their debts or to be punished for their corrupt practices, especially in the judicial processes. This demonstrates the institutional legacy from the Suharto regime that protects large conglomerates and their interests. Thus, as Vedi Hadiz and Richard Robison observed, the state and the taxpayers were left to foot the bill to rehabilitate the banks and the corporate sector that collapsed during the crisis. Indonesia was the country most managed by the IFIs, and it is here where their attempts at financial and corporate reforms and rehabilitation were least successful. The nature and role of the state accounts for this irony. Even the decentralization process undertaken in Indonesia failed to reduce the powerful political connections to the economy as it simply devolved these connections to the provinces from Jakarta. It is interesting to find out if the new government of President Yudhoyono has managed to finally form a strong and relatively autonomous state given its seriousness in fighting corruption in the Indonesian economy.

Finally, it must be emphasized that it was the people's abhorrence of neoliberal policies that was key to the failure of neoliberalism to take over the East Asian economies. In countries where the IMF took control of the economy—Indonesia, Thailand, and South Korea—the drastic fiscal and monetary cutbacks, the closing down of banks en masse, and the fire sale of domestic assets to foreigners were all seen as below-the-belt methods to devastate the domestic economy and to give undue advantage to foreign capital vis-à-vis domestic capital. Although the Indonesians were initially receptive to IMF interventions as they saw it as the means to change the Suharto government, they finally began to resent the disastrous economic and financial collapse significantly brought about by the overkill of IMF policies. In Thailand, the authoritarian Thaksin government was able to get much popular support from its economic policies to invigorate domestic capital and a domestic-oriented economy. This was obviously a result of the public's strong reaction against the IMF policies. In the end, all three countries advanced their debt payments to the IMF just to get away from it as soon and as far as possible.—**Joseph Anthony Y. Lim,** *Professor, Department of Economics, School of Social Sciences, Ateneo De Manila University.*

Notes

1. The authors incorrectly call the corporate reforms as neoliberal.
2. This was not discussed in Hundt's chapter.

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Ronaldo Munck. 2005. *Globalization and Social Exclusion: A Transformationalist Perspective.* Connecticut: Kumarian Press Inc. 190 pp.

Amid the vast array of manifestos, scholarly essays, anthologies, and books that have been made available since the late '90s, Ronaldo Munck's *Globalization and Social Exclusion: A Transformationalist Perspective* no doubt marks itself as a useful cognitive map of these "interesting times." Published in 2005, the book seems to be a belated introductory volume, given its broad strokes. A closer look into the chapters, however, shows how Munck—a distinguished sociologist who has "always tried to make sociology relevant to society and engaged on behalf of the disempowered"—has benefited from his own hindsight and from the lessons of recent history.

The book's eight chapters tackle the different dimensions of globalization seen through the lens of social exclusion. All throughout, Munck endeavors to tackle historical couples that structure global capitalism: poverty and development; global integration and social disintegration; the local and the global. Postmodernists and postructuralists would be quick to dismiss these historical couples as an insistence upon crude western binarism. Munck's handling, on the other hand, convincingly demonstrates how globalization is precisely structured by a binary logic. The reproduction of binarisms in