
***The Economics of Transition in Laos: From Socialism to ASEAN Integration.* By Yves Bourdet.** Cheltenham: Edward Elgar, 2000. Pp. 169.

While books on Laos tend to be a rarity, books on the economy of Laos are even more thin on the ground. *The Economics of Transition in Laos* seeks to depict and analyse the transition process that the Lao economy has been undertaking since the mid-1980s, and is a very welcome addition to the scant body of literature on this topic. The author has monitored at first-hand the entire economic transition process in Laos, and his insights are undoubtedly worthy of an audience. Not only has the economic transition process in Laos differed from that of ex-socialist countries in Eastern Europe, but it has also displayed characteristics that make it quite distinctive from the transition process in neighbouring China and Vietnam. In this regard alone, the publication of *The Economics of Transition in Laos* should be welcomed by researchers interested in the country and/or the process of economic transition.

That said, there are a number of minor weaknesses in *The Economics of Transition in Laos*, which serve to make the book a bit of a disappointment. The sub-title is slightly misleading, in that the country's recent integration into ASEAN receives little attention, beyond a relatively short section in the introductory chapter. Indeed, for those expecting a fully comprehensive overview of the economic transition process in Laos, this book really only focuses on a handful of — albeit critical — issues: rural and agricultural reforms, fiscal policy changes, labour market adjustment, regional disparities, and a “macroeconomic evaluation of Laos' transition mix”. The inflow pattern of foreign investment on Laos gets almost no attention, while the very considerable impact of the Asian Crisis on Laos is also discussed all too briefly. With an economy heavily oriented towards Thailand, the Lao economy was hit hard by the regional economic downturn, and its currency registered a depreciation greater than even the Indonesian

rupiah (although partly attributable to domestic factors). Laos' fairly unique privatization programme — which ranged from quite bold and inspiring partial divestments of strategic firms into joint ventures with foreign firms, to much less inspiring leasing arrangements — is also not explored. There is also no discussion of the country's overly ambitious hydropower development plan, in which Lao policy-makers put heavy emphasis in the early 1990s.

The book might have also benefited from a concluding chapter that sought to bring together the various strands discussed in the preceding chapters, and tried to identify the main determining factors of future economic prospects in Laos. As the author concedes in the preface, the chapters in *The Economics of Transition in Laos* are up-dates of articles previously published in a range of academic journals (although not cited in the bibliography). Unfortunately, the re-drafting of these earlier articles is fairly minimal, which means that some chapters now appear rather dated, with little commentary of developments since the mid-1990s. Perhaps this is due in part to the fact that most of the more critical economic reforms were enacted prior to 1995. Indeed, some observers would argue that the economic transition process in Laos has stalled since the mid-1990s, congruent with the rise of military officers in the senior leadership ranks. But if so, this is not really made clear by the author.

Sadly, little effort has been made to strip out duplicate sentences and data in the former articles that make up the chapters of the book. As a result, the reader becomes tired of seeing in the opening paragraph of each chapter phrases such as “Laos has been engaged in an ambitious reform programme”. (By Chapter Seven, one would hope that the reader is more than well aware that the Lao economy has been undergoing economic reform.) This sort of repetition is perhaps to be expected in a compendium of articles, but not in a single-authored book that seeks to be a coherent whole. Sloppy editing is also evident in repeated references to the Thai currency as the “bath”.

The book also has a strangely detached feel, almost as if divorced from Laos at times. As the

title seems to suggest, Laos appears here as a case study of a former socialist economy in transition. This reader would have preferred to see a more applied discussion of the transition process, as conducted by Laos, and experienced by its people, its leadership, its institutions, private sector actors, and so on. This would have been something well within the capabilities of the author, whose other published works display a sound appreciation of the various dynamics that lie behind contemporary Laos. However, these are relatively minor quibbles with what is a carefully considered and valuable analysis of the economy in this oft-neglected country. In particular, Laos' unique experience in unwinding an ambitious (and inevitably doomed) attempt at central planning of a subsistence-dominated agricultural sector makes for interesting reading. Published material on the process of transition from plan to market in Asia's less developed countries is scant, and *The Economics of Transition in Laos* is a very welcome addition to the literature.

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***Prospects in Trade, Investment and Business in Vietnam and East Asia.* Edited by Tran Van Hoa.** London and New York: MacMillan Press and St. Martin's Press, 2000. Pp. 248.

Despite the title's reference to "East Asia", the volume's more narrow aim is "...first and foremost to contribute, by means of rigorous analytical and quantitative studies on main indicators and aspects of international commerce, to development and promotion of trade, investment between Vietnam and Australia and other foreign trading countries" (p. 2). The inclusion of Australia is understandable because the book is composed of twelve chapters derived from papers delivered at an International Workshop on Trade, Investment, and Business in Vietnam, organized by the Professor Tran, an Associate Professor at the University of

Wollongong in Australia. The workshop took place in November 1996 at the University Conference Centre in Sydney, Australia. Following their 1996 presentation, the papers, authored by Professor Tran and eight other scholars based at Australian and Vietnamese institutions, were revised and updated prior to publication in this volume. The chapters are preceded by a foreword by Pham Ngoc San, the Commercial Counselor for the Vietnam Trade Office located in Sydney.

Clearly, although the title makes reference to "East Asia", the book overwhelmingly focuses on Vietnam and therefore so will this review. Seven of the book's chapters deal exclusively with Vietnam, another three examine matters pertaining to Vietnam's linkage to Australia, one deals with Vietnam within the context of regional development within the greater Mekong area, and there is a chapter on South Korea. In the two introductory chapters, Professor Tran begins the book by presenting an overview of trends and prospects for trade, investment and business enterprise development in Vietnam. His observations, based on an examination of empirical data, form an intellectually solid foundation for what follows; that is, a set of analyses of the law on foreign investment within the context of other factors that combine to create a need for trade, investment and business promotion. The contributors point out that there is a need to confront constraints that include "...vague and contradictory regulations, an underdeveloped legal system, concerns over the adjudication process for economic disputes, a lack of accounting standards, and constant shifts in the relationships in property ownership" (pp. 66-67).

The chapters go on to identify other problems; e.g. "...bureaucratic red tape, ...growing corruption, ...difficulties in securing hard foreign currency...and Vietnam's unpredictable and haphazard taxation system". The result of all of these phenomena, the chapters' authors argue, is a pervasive aura of uncertainty. Indeed, uncertainty is now seen as a "normal" part of doing business in Vietnam, and this "...arises from the various factors discussed above including the large