

ing scholars—presents a balanced view, neither alarmist nor complacent about Soviet intentions and practices. All told, there were more than 190 Soviet military actions between 1944 and 1979 (e.g., Hungary in 1956, Czechoslovakia in 1968, West African waters in 1969 and 1970). Kaplan concludes that a steady erosion, relatively speaking, of U.S. military power (and the will to use it) will only encourage Soviet boldness. Moscow grows more willing to take risks as it perceives the advantage shifting its way, and token U.S. gestures, such as dispatching task forces to trouble spots, will be perceived by the Soviets as bluffs—increasingly likely to be called.

—Anthony H. Cordesman

**CHINA'S SOCIALIST
ECONOMY**
by Xue Muqiao
Foreign Languages Press,
1981, 316 pp. \$8

In China, "six times more workers are needed in light industry and 11 times more in heavy industry to produce the same quantities of goods as in developed capitalist countries," laments Xue, perhaps China's most prominent economic theorist. In the most comprehensive insider's interpretation of the PRC economy available in English, Xue analyzes both how the system works and the ideas that have shaped China's present goals—the Four Modernizations. Although the communists have been relatively successful at development since they took power in 1949, China has not achieved what it should, he argues. Xue cites two culprits—the over-centralized Stalinist economic model adopted during the 1950s and Mao's disruptive politics of mass-mobilization. Mao is now gone, and the new leadership, under Deng Xiaoping, has written his official epitaph (a 35,000-word evaluation published last July) in an attempt to chart a new political direction. Xue focuses on reforming the Stalinist command-economy system. His solution: direct material incentives for workers and peasants, some decentralization of decision-making, and use of economic rather than administrative prods to the economy (e.g., pricing rather than output quotas); in short, "market socialism."

—Peter Van Ness ('74)