adopt. He is willing to take a critical view of both media organizations and political forces. The author incorporates citations of previous works to back up assertions he makes, and includes current research that is relevant to his study.

Structurally speaking, McCargo aids the reader by providing a preview for each chapter as well as conclusions which often are supplemented by bulleted information. He gives the reader useful headings as he moves from one subject to another. Stylistically, the text reads very smoothly and at a level that is clear but articulate. The presentations are thorough, well-organized, reasonably paced, sufficiently explained, and supported by arguments that are carefully developed. The author leaves the reader with much to consider, as well as a framework for viewing unfolding events in these countries as the press attempts to cover them.

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*The Power of Institutions*, by the Australian political scientist Andrew MacIntyre, is one of the latest books in the distinguished series in Cornell Studies in Political Economy under the editorship of Peter Katzenstein. The book grew out of the author’s longstanding interest and research in political institutions, particularly in Asia. In broad terms, one could say that MacIntyre’s purpose here is to explore the effects that the dispersal of governmental decision-making power can have on public policy, and he wants to explore these effects not in the advanced industrial democracies, on which much of the extant literature has focused, but in “the world of semi-democracies and non-democracies (pp. 2–3)”. He argues that since institutions in developing countries are likely to be either highly centralized or very fragmented, they are especially “susceptible to problematic patterns of governance”. In fact, countries with highly centralized decision-making power are likely to experience serious problems with policy volatility, while those with fragmented decision-making institutions will be prone to policy rigidity (pp. 8–9). He sets out to test this hypothesis by examining how the
governments of Thailand, Malaysia, the Philippines, and Indonesia responded to the economic crisis of 1997–98.

The book is essentially based on four case studies of how and why the “political architecture” of the four countries affected their response to the economic crisis, but the case studies are masterfully integrated into a fascinating, truly comparative work that will be of interest to scholars in comparative politics and international relations. The first three chapters lay out clearly and concisely the theoretical framework of the enterprise, drawing on what research has shown on advanced industrial democracies and showing how these findings are helpful in elaborating a framework to investigate the effects of political architecture in developing countries. At the time of the economic crisis, Indonesia and Malaysia lay at the extreme of highly centralized structures for decision-making (either a single “veto” wielding player, as in the person of Suharto in Indonesia; or very few veto yielding players, as in the person of Mahathir together with UMNO in Malaysia), and should therefore have been susceptible to policy volatility in response to the crisis. Thailand lay at the opposite extreme of having a highly fragmented political architecture (with many veto yielding players) and should therefore have been susceptible to policy rigidity. The Philippines had a decentralized political architecture, but not as fragmented as Thailand, and therefore would have been expected to handle the economic crisis better than any of the other three countries.

Two chapters are then devoted to testing out the theoretical framework. Chapter 4 focuses on how the political architecture of the four countries affected policy-making in the economic crisis. As expected, highly centralized decision-making processes in Indonesia and Malaysia initially were beneficial in that the governments could react quickly to the crisis as it began to unfold in 1997. But this advantage of centralization was overcome in short order as the policies of both countries became especially volatile, subject to arbitrary, and quickly changing, decision-making by a small number of veto yielding players. Thailand’s extreme of decentralization, with bickering among many veto yielding political parties in the governing coalition, had the effect of creating a virtual policy paralysis that persisted for some time, much to the disadvantage of Thailand in dealing with the serious effects of the economic crisis. As expected, the Philippines was best able to react to the crisis, with its more democratic institutions characterized by a moderate number of veto yielding players stimulating a greater willingness to compromise and to pull together to respond to the crisis in a rational manner.

It is significant, as MacIntyre shows in Chapter 5, the second major substantive chapter of the book, that the political architecture of the
four countries, which had an effect on how they dealt with the economic crisis, also impacted upon the manner in which they dealt with the issue of reform of their political institutions in the wake of the crisis. Proponents of reform, as he points out, face two sets of difficulties: first, they must find a way to dislodge existing institutions; and second, they must create new ones to replace the discredited ones. In Thailand and the Philippines, discussions of the need for institutional reform had been going on for some time before the crisis, but the crisis had different results on the reform movement in both countries. In Thailand, the failure to deal effectively with the crisis ushered in sweeping reforms. In the Philippines, relative success in dealing with the crisis had the effect of laying to rest discussions that had been going on for some time of introducing significant institutional reforms, namely, of moving from a presidential to a parliamentary system. Malaysia provides a unique case, where the political architecture was not seriously challenged despite the fact that the volatility that characterized decision-making during the crisis was a serious problem. But there the “reform” was accomplished by an internal struggle for power in which dissenters were purged from positions of leadership. Indonesia, which had experienced the most extreme volatility of decision-making during the crisis, again lay at the extreme in terms of reform in that the economic crisis ushered in dramatic changes in its political architecture.

*The Power of Institutions* is a book of extremely high quality, and MacIntyre should be commended for executing it so well. The scholarship is superb throughout, and it demonstrates a good grasp of a broad range of theoretical and empirical research. Beyond that, it is a very well written book. Indeed, MacIntyre is a gifted writer with great powers of concentration and draws the reader into his arguments and analysis. He gets his points across clearly and concisely. Even those who will find fault with the theoretical underpinnings of the book, or question the focus on institutional configurations to explain policy formulation and outcomes (which MacIntyre himself concedes in his concluding remarks and assessment of his own work), will find that it is a pleasure to read this book.

The book will be of interest to a relatively broad community of scholars. It will, of course, be of interest to those who specialize in Southeast Asian politics inasmuch as it provides tremendous insight into the importance of political institutions for policy-making in a crisis situation. But beyond that, scholars in comparative politics in general will appreciate the highly sophisticated way in which MacIntyre developed his framework for analysis and carried it through to a successful conclusion. International relations scholars, especially those interested in international political economy, will find useful MacIntyre’s
discussion of how the political architecture of Malaysia, Indonesia, Thailand, and the Philippines impacted on policy choices and outcomes as the financial crisis of 1997–98 unfolded. The book is also likely to be of value as a teaching tool in a variety of courses at the graduate and advanced undergraduate levels in comparative politics, and, to some extent, international relations.

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