

BOOK REVIEWS

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***Clusters and Economic Growth in Asia*. Edited by Sören Eriksson.** Cheltenham, U.K. and Northampton, Massachusetts: Edward Elgar, 2013. Pp. x + 189.

This new book adds to our knowledge on the role of clusters in industrial development in East and Southeast Asia, a research subject that has been substantially augmented and enriched over the past five to ten years. In its preface, the editor states the book's ambition of providing "new and interesting dimensions about clusters and economic growth" (p. ix). To what extent and in what way does it fulfill this ambition?

The book consists of eight chapters, each dealing with different aspects of industrial development and economic growth in Asia. The first chapter, by Alexander Ebner, discusses the need to understand the increasing relevance of cluster policies in the context of an ongoing economic transition in East Asia, towards innovation-driven growth. In this process, the "developmental state" evolves into the "entrepreneurial state", which tasks itself with creating more technologically advanced industries through the cluster approach. In Chapter 2, Yanfei Li and Wai-Mun Chia employ a growth accounting model to analyse the role of information and communications technology (ICT) in the economic growth of four Asian economies since the late 1990s: Japan, Hong Kong, South Korea, and Singapore. They conclude that ICT has made a significant contribution to economic growth in every economy but Singapore's.

In Chapter 3, Felix Haifeng Liao, Karen Zhihua Xu and Bin Liang investigate the industrial agglomeration of Taiwanese electronics firms in Dongguan, China. From firm-level interviews and

statistics, the authors observe that Taiwanese firms have co-located in Dongguan over the past two decades, forming a close network that local firms have hardly entered. In Chapter 4, Jun Koo and Jongmin Choi discuss the rise of the biomedical cluster in Wonju, South Korea, which offers a different — local-initiated — development model compared to the *chaebol*. The authors dissect the cluster development process to better understand the factors that affect clusters in their take-off stage. They find that the presence of successful "star" venture firms in the early stage can play a crucial role in the growth of clusters.

In Chapter 5, Henning Kroll and Daniel Schiller analyse the recovery of different regions and industries in China, from the exports dip during the 2008–09 global financial crisis. Although the regions were generally quite resilient, the authors notice regional differences in impact and recovery from the crisis, which also drove industries and regions into upgrading. In Chapter 6, Curt Nestor examines the technological intensity of foreign direct investments (FDI) in Vietnam, and technology development through FDI spillover effects. While the author primarily focuses on the technological characteristics of manufactured output and exports, he also notes the potential of FDI to drive the emergence of clusters.

The last two chapters, by Sören Eriksson, discuss several aspects of the aircraft industry's development in Asia. Chapter 7 focuses on Indonesia's attempt to establish an internationally competitive aircraft industry — an ambitious undertaking given the advanced technological and structural requirements of the industry. It details the main factors behind the long-term failure to promote technology development in Indonesia, and discusses arguments against creating such

industries for the purpose of economic growth in emerging countries. On the other hand, China has been more successful, with a significant and well-functioning military aircraft industry in — among other locations — Chengdu, the capital of Sichuan province. Eriksson discusses in detail the development of Chengdu's aircraft industry in Chapter 8, with a focus on the origins and characteristics of foreign technology transfers into Chengdu.

How to evaluate this book then? Each contribution adopts a singular perspective on a facet of industrial development, such as: ICT and growth; home effects in agglomeration and local networking; post-crisis regional growth paths; and foreign knowledge transfer in industry branch development. There is little connection and coherence across the contributions from the cluster perspective; in fact, despite its title, more than half of the chapters do not explicitly deal with cluster dynamics. One chapter refers to clusters only on the margin by discussing the concept in the conclusion, while three chapters take an industry or regional perspective without reference to the cluster concept. Second, the few commonalities between the chapters are not very explicit, and not adequately addressed in a general introduction. Apart from contributing the two chapters on the aircraft industry, the editor has limited himself to providing a two-page summary of the contributions to the book. With such an introduction absent, the individual chapters lack a framework in cluster theory and current insights into industrial cluster development in Asia. Finally, a significant weakness of the book is its lack of an overarching exposition on how it contributes to advancing our understanding of the dynamics of industrial clusters and development in Asia. It remains rather unclear if the book has accomplished its stated ambition in the preface. Thus, this book will most probably disappoint those who expect — on the basis of its stated ambition — an update on cluster development and the role of clustering in industrial dynamics. In this respect the title of the book is rather misleading.

Having said this, *Clusters and Economic Growth in Asia* should be taken as a collection

of individual articles on the diverse aspects of Asian industrial development. While not all of these aspects are new, the individual chapters are a good read, and provide useful insights into either national, regional or branch industrial development paths. Additionally, some chapters suggest future avenues on how to enhance the quality of industrial development through clustering. Those interested in the conditions for technological industrial upgrading (for regional resilience) and technology or innovation-driven industrial development in East and Southeast Asia — as well as the effectiveness of alternative strategies directed towards such development — will find many useful lessons in this book. Framing the contributions in this way would have been more relevant than invoking the concept of clusters, and would also leave the reader with less of a puzzle.

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Energy Market Integration in East Asia: Deepening Understanding and Moving Forward. Edited by Yanrui Wu, Fukunari Kimura and Xunpeng Shi. Abingdon: Routledge, 2014. Pp. xiii + 197.

This edited volume is a flagship study on energy market integration in East Asia. Conducted by the Economic Research Institute for ASEAN and East Asia (ERIA), it summarizes the progress of regional energy market integration over the past decade. While the volume focuses on Southeast Asia, where the results of regional integration are most evident, it also sheds light on the region's links with Northeast Asia and South Asia. The result is an engaging academic product and a highly policy-relevant work, not least because of its ERIA sponsorship and insight.
