

These chapters are significant in that they remind the reader that alongside the gains — such as productivity, FDI and technological performance (p. 20) — from international trade, are the challenges arising from higher levels of integration. While the former are largely known and widely accepted from the literature, the latter can only be understood within a country context. In the case of Brazil, Garzia and Lopez (Chapter 14) point out that addressing rising transportation costs is crucial for firms to move forward and build their competitiveness. Likewise, Zhang and Zhang (Chapter 20) elaborate on the limits of Chinese firms' comparative advantage in processing trade to derive further competitive gains, apart from other emerging domestic problems, such as the rising labour costs and low environmental standards, following the export-oriented FDI drive of China.

Finally, while some contributors have taken on classic issues in the field, such as exchange rate volatility, export diversification along the extensive and intensive margins, and imported technology, they have provided robust findings on export activity using micro data at the firm- and plant level. Kandilov and Leblebicioglu (Chapter 16) specify the exchange rate volatility effect on plant-level exporting decision in the case of Colombia. Similarly, Fernandes and Lopez (Chapter 17) have extended their sector-analysis using plant-level data to provide more reliable results on the effects of imported technology for export behaviour of Chilean plants. Both studies are very much aligned with the reality that it is firms that engage in commerce, and the current progression in the literature from how countries trade to how firms trade.

It has become only too evident that the linkages between trade and development are not straightforward. In that aspect, this volume has provided compelling evidence that it is not trade *per se* that is important, but the context within which trade occurs, at the region, country and firm level. This volume also genuinely breaks some new ground, which is useful for readers to rethink and reshape their outlook on this subject. The quality and intellectual rigour that characterizes the entire volume can therefore hardly be over-

rated. As a final point, the Handbook, a product of many expert contributions, will serve as a valuable guide for academics, researchers and students of development economics.

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***The Local Impact of Globalization in South and Southeast Asia.* Edited by Bart Lambregts, Niels Beerepoot and Robert C. Kloosterman. London and New York: Routledge, 2016. Pp. 219.**

The book under review touches an unexplored area: the impact of multinational service industries on local systems — society, culture, innovation, labour, class, industrial systems, etc. Researchers and policymakers, especially those in the developmental space, will benefit greatly from the book. The book uses simple qualitative research methods and descriptive statistical analysis, which makes it accessible to everyone.

The hardbound book is divided into four broad parts under which three or four chapters are clubbed. These are: the broader framework of globalization of the services sector and how it manifests in India and Philippines; how it is different in smaller contexts like Hong Kong and Bangkok; the changes in labour and industrial organizations; and the rise of the new middle class due to the emerging service economy. Besides covering India (Mumbai) and the Philippines (Manila), the book also covers: China and its cities in the Pearl River Delta; Hong Kong; and Bangkok.

The book clearly delineates what it wants to achieve in the first chapter, to analyse: the local impact of services offshoring in South and Southeast Asia in terms of opportunities; how the relationships between multinational industrial systems and local players are played out in

various domains; and implications for theories of development. This is followed with Part I, consisting of Chapters 2 to 5, which contains some hits and misses. Chapter 2 provides the necessary historical details of service-sector-driven economic development while teasing out the theories of economic development. It can be a good introduction to junior scholars for an understanding of the role of the service sector in economic development. While the third chapter compares the business process offshoring (BPO) industries in India and Philippines and factors for development, Chapter 4 zooms into the BPO sector in the Philippines. Apart from raising some concerns about negative implications, the latter chapter's analysis is not deep enough and could have been better if merged with the earlier chapter. Although Chapter 3 does not have a strong theoretical framework driving it, it at least clearly differentiates software services from business processing in its analyses, unlike many studies in this area. Chapter 5 approaches its topic on global value chains and national innovation systems from a more wholesome perspective, laying the theoretical foundation nicely and making good efforts in collecting data. While the theories discussed pave an easy entry into the discussion on ecosystems in the Philippines, the data and its findings could have been described in greater detail. This chapter has the potential to be published as a research article in a good journal.

Part II follows with three chapters. The sixth chapter, possibly one of the most well written ones in the book, describes the Pearl River Delta region (Guangdong province) in China and cautions that the single developmental approach might not fit all cities. The details presented here are not easily available, and it contains a table of typologies of business services economies that can serve as a framework for future studies. The seventh chapter introduces us to "re-exportation" in Hong Kong and explains it using secondary data. Although this chapter expounds on an interesting concept, it could have borrowed the framework from the earlier chapter for greater analytical strength. The eighth chapter casts a spotlight on the peculiar case of Japanese call centres in Bangkok. Despite

the limited extent of this phenomenon, this chapter presents an interesting finding for the research community. It is based on qualitative interviews of a small sample, which is acceptable for an exploratory study.

Part III opens with Chapter 9, which cautions readers of the marginalization of Asian workers in global production chains, basing its analysis on the Marxist school of thought. The chapter could have been improved by showcasing adequate data from the service industry. The subsequent two chapters describe the challenges and opportunities of the BPO industry through microcosmic case studies of Metro Manila and Mumbai respectively. Although Chapter 10 lacks a strong theoretical closure, it presents an interesting analysis of post-BPO job experiences and their impact on certain segments of labour as well as important directions for future research. The eleventh chapter elaborates on the impact of the BPO sector on supplementary services in the local economy, in particular, on security services in Mumbai. It demonstrates how the security sector is being corporatized in India and how local companies face the transition.

The book concludes with Part IV, which contains four chapters. While Chapter 12 to 14 employ rigorous research methods, the inadequate description of their research findings do not do justice to the efforts put into the research. In the twelfth chapter, the rise of the new middle class in India is discussed, and this phenomenon is attributed to the off-shoring of services. National level data is used in the rigorous analysis, but the linkage between globalization and the middle class is not clearly brought out. Chapter 13 extends the argument of Chapter 12 that the BPO industry contributes to the formation of a new consumerist middle class in Mumbai with survey data from 322 respondents. The main focus of the chapter — the consumption pattern of the middle class — is not adequately discussed in quantitative terms. The penultimate chapter follows the same theme with a sample size of 554. It compares the perception of class positions before and after respondents obtain a BPO job. However, the subsection of new consumer practices of workers is inadequately explained. The book ends well as the final chapter

summarizes the findings aptly and lists topics for future research.

As an edited volume, it faces some common challenges. The book is an outcome of a multi-country study conducted in 2013. Thus, some of the data presented stops at 2012 or earlier. In addition, some of the findings in the chapters contradict each other. For instance in Chapter 4, we have content on the BPO sector in Philippines about its growth and employment prospects. In Chapter 5, concerns are being raised about its marginalization. Nevertheless, these chapters also serve as discussion points for young scholars in understanding different perspectives of the BPO sector. The chapters are also uneven in terms of length, theoretical discussion and methodologies. A reader is expected to have some basic knowledge to appreciate these differences.

Overall, the book is a compendium of case studies and theories related to the BPO industry and I would recommend it to anyone who is looking at the local impact of multinational service industries.

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***Rubber Manufacturing in Malaysia: Resource-Based Industrialization in Practice.* By C.C. Goldthorpe.** Singapore: NUS Press, 2015. Pp. x + 166.

Emerging from an unspecified “research study” at the University of Bradford, this little book is resolutely practical, factual, and sometimes quite technical, but it has fascinating wider implications for economic historians and economists. The author uses the case of Malaysian rubber, examined through a thorough reading of secondary sources, to investigate the viability of “resource-

based industrialization”. The question is whether a region that produces a particular raw material should seek to transform it into semi-finished or finished goods. Goldthorpe further explores M.E. Porter’s notion that a government may need to nudge manufacturers to take advantage of a local resource. Readers interested in these wider themes might want to skip Chapter 2 which reviews the development of the production of rubber goods in modern times, although any budding manufacturer should study it attentively.

In Chapters 3 and 4, there follows a synthesis of the overall growth of manufacturing in Malaysia since independence, which is rather too lengthy for this book. For economic historians, the most important aspect of Goldthorpe’s story lies in his querying of the standard notion of colonial deindustrialization. Malaysia was not a classical colonial economy at independence, structured to supply the West with raw materials. Much secondary industry had already developed in colonial times, as well as an infrastructure well suited for the rapid further growth of manufacturing. This crucial point is not stressed as much as it might be, however, and the main emphasis of these two chapters is on industrial policy since independence. While the proportion of manufacturing in GDP undoubtedly increased, Import Substitution Industrialization with few barriers to foreign inward investment, which was adopted initially, proved unsatisfactory. The policy led to tariff hopping, imports of raw materials, poor linkages to other sectors of the economy, low value-added, large remitted profits, high relative prices of finished goods, and the saturation of a small local market. From the “race riots” of 1969, or in reality from the previous year, policy shifted to Export Substitution Industrialization. This was knocked off course by a brief and impractical push to establish heavy industry in the early 1980s. Only from the mid-1980s was there at last some clear planning for resource-based manufacturing.

The author turns to rubber manufacturing in Chapter 5, which is in many ways the best chapter in the book. Goldthorpe elaborates on the already well-developed colonial manufacturing sector with a wealth of fascinating detail, challenging much