

is a highly recommend reference for students of Thailand thanks to its quality and wide-ranging contributions.

BRUNO JETIN
*Institute of Asian Studies,
Universiti Brunei Darussalam, Jalan Tungku
Link, Gadong, Brunei Darussalam BE1410
email: bruno.jetin@ubd.edu.bn*

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***Central Banking as State Building: Policymakers and Their Nationalism in the Philippines, 1933–1964* by Yusuke Takagi.** Singapore and Kyoto: NUS Press and Kyoto University Press, 2016. Pp 214.

Yusuke Takagi elaborates on how states like the Philippines, which are regarded as weak because of their inability to exercise power, remain resilient because of the presence of “islands of state strength” in their armature. The phrase is associated with the sociologist Theda Skocpol to describe variations of state capacities and has since been adopted by other scholars, including Takagi.

Takagi shifts our attention away from the favoured revolutionaries and other opponents of the Philippine state, to state actors themselves — i.e., opportunistic politicians and usually leaden bureaucrats. He looks at how the Central Bank, the country’s top depository, led efforts first to stabilize the new national economy, and then defend this from pressures by Americans and Filipino agro-export elites to keep it subordinated to the United States. Leading the charge to defend national interest was Miguel Cuaderno, the Bank’s first Governor. He had the post until 1960 when the new president’s economic development did not sit well with him.

Cuaderno was a spendthrift. The new Republic, he argued, had a weak economy that could not rely simply on taxes, voluntary savings and expanded bank credits to grow. What was essential was to

enact measures aimed at keeping monies within national boundaries and not waste them. The key was “responsible spending”, where the Central Bank prevents the government’s use of deficit spending to fund operations, and the imposition of tariff and import controls to regulate the outflow of precious dollars.

An ardent defender of the peso, Cuaderno argued that it was vital that the Philippine peso must remain stable, for if it devalued, the country’s peace and order would be undermined. He did not reject devaluation as a weapon and regarded the increase import costs and the subsequent inflationary pressures as actually beneficial to an inward looking economy — they force industries to make do with what is available and then improve on the use of these resources.

Politicians and policymakers repeatedly challenged or tried to undermine the Central Bank’s patent anti-Keynesian policies, but to no avail. Cuaderno was always protected by the presidents he served. Cuaderno was able to establish what scholars of the state like Skocpol call “embedded autonomy”, i.e., being able to be fused with the interest of major state leaders, yet able to operate with very little interference from the latter.

The book has gripping sections on the battle between Cuaderno and Salvador Araneta who advocated for deficit financing and the removal of controls. This “Great Debate” is a fascinating highlight of the book. Takagi, however, does not only see the discussion as an exchange about the validity of one’s economic policies. They were symptomatic of the fight between advocates of a strong state autonomous from — and resistant to — the influence of powerful social actors. Cuaderno’s dogged defence of “responsible spending” reflected the position of a generation of economic and political leaders tasked with building an independent and economically well-established nation-state.

This book is a major contribution to the research on the early post-war Philippine political economy, which is still a largely unstudied period. Takagi has given the policy debate human faces (Cuaderno, Araneta) and thus humanized what we often read about — insipid number-driven policy

interactions among this first-generation of state builders under the Republic.

PATRICIO N. ABINALES
University of Hawai'i-Manoa,
Moore Hall Room 416, 1890 East-West Road,
Honolulu, HI 96822-2234, USA
email: abinales@hawaii.edu

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***The Oil Palm Complex: Smallholders, Agribusiness and the State in Indonesia and Malaysia.* Edited by Rob Cramb and John F. McCarthy.** Singapore: NUS Press, 2016. Pp. 470.

The tripling of areas planted with tropical oil crops since the 1990s marks the largest transformation of global food and agricultural systems since the Green Revolution. The Green Revolution's rapid increase in production arose through improved technology and higher yields. In stark contrast, the recent increase in oil crop production has principally come through an increase in the area planted. The environmental costs of this dramatic transformation of rural landscapes are well documented and coalitions of activists around the world campaign against the palm oil sector. Less is known about how it affects the lives of people living and working in these communities. *The Oil Palm Complex* tells some of their stories.

Edited by Rob Cramb and John McCarthy, this 512 page tome collects fourteen chapters on different aspects of the Indonesian and Malaysian palm oil sectors. These chapters cover: the nature of palm oil production in both countries; the history of state policies to promote the sector; rich case studies from Jambi, West Kalimantan, and Sarawak; and thoughtful perspectives on political economy, labour, migration, and conflict issues. There are also two more international chapters. One "deconstructs" the Roundtable for Sustainable Palm Oil to demonstrate the limitations of this voluntary approach in addressing sustainability challenges. In the other, Leslie Potter curiously suggests elements of the West African and Latin

American palm oil sectors that could be expanded in Southeast Asia (more mixed cropping without necessarily maximizing yield; a greater share of smaller mills, including non-industrial artisanal mills with traditional processing technology and far lower quality oil output; and an even greater role for cooperatives). I found chapters 2, 3, 7, and 8 most useful. The critical assessments of labour and migration issues in Chapters 11 and 12 were also fascinating. The remainder of this review reflects on three issues that stood out to me as a reader: the book's rather narrow disciplinary perspective; its overarching narrative and characterization of recent developments; and its key practical contribution. These reflections are drawn mostly with respect to Indonesia, the country I am more familiar with.

The primary policy issue concerning tropical oil crops is managing complex economic–environmental trade-offs. The big picture story of oil palm in Southeast Asia is that the sector's rapid growth has contributed to widespread environmental degradation while serving as a key source of economic growth in the post-Suharto era, lifting millions of rural Indonesians from extreme poverty (e.g. Byerlee, Falcon and Naylor 2017; Edwards 2016; and Euler et al. 2016). Given that there is limited attention to perspectives from economics and the various environmental sciences — disciplines that have been grappling with these issues for some time — the book unnecessarily limits its accessibility and relevance to mainstream academic and policy audiences.

The overarching theme of the book is "complex", offering the Oxford Dictionary definition at the start of the introduction ("consisting of many different and connected parts ... Not easy to analyze or understand; complicated or intricate ... A group or system of things that are linked in a close or complicated way: a network") and emphasizing an industry of powerful vested interests throughout (like a military industrial complex). Long-standing links between extractive and agro-industrial sectors and vested interests are well documented, so this book could have focused more on the fascinating changes that have taken place in the post-Suharto era, in particular the central role that