

BOOK REVIEWS

Development and Structural Change in Asia-Pacific: Globalising Miracles or End of a Model?
Edited by Martin Andersson and Christer Gunnarsson. London and New York: RoutledgeCurzon, 2003. Pp. 217.

Instead of another edited volume on the Asian financial crisis, nine authors set themselves to rethink on the Asia-Pacific “miracle” development model. The misperception that the East and Southeast Asian economies never represented or followed one model is replaced by them as part and parcel of a regional industrialization process, each with different roles commensurate with their economic and social structure and level of development. In the context of globalization and deregulation, a rethinking of the Asia-Pacific model is also timely. The edited volume from a 1999 conference relooks at the structural and institutional differences of the Asian crisis economies, also in comparison with Latin American crisis economies and the interplay of international and national institutional and political factors in the overall shaping of the challenges and responses in the processes of industrialization and globalization.

Organized into two parts and ten chapters, the editors (Martin Andersson and Christer Gunnarsson) first give the perspectives on Asia-Pacific development, straddling between the market-friendly and state-led approaches and how the Asian crisis gave further cause for pause for the controversial model. The divergent paths are

noted and the model reached a hiatus when the crisis broke out.

Part I on global institutions and the state contains five chapters on lessons learnt (Irma Adelman), a tale of two crises in Latin America and the “HPAEs” (John Weeks), a defence of neoliberalism in a comparative review of the Asian crisis (Chris Edwards), the IMF and the Thai crisis (Medhi Krongkaew), and the Malaysian in the economic globalization era (the late Ishak Shari). The idiosyncratic impact and policy response of these case studies reflect the need for a differentiated analysis of the financial crisis as the domestic political economy and state is intertwined with international political economy in contemporary times.

Part II has four chapters on beyond policy explanations (Martin Andersson and Christer Gunnarsson), education and equality (Anne Booth), failure of the universal model (Jomo, K. S.), and an epilogue (Martin Andersson and Christer Gunnarsson). The divergent economic development paths are further underscored. The epilogue concludes with two propositions, the first in terms of the historical divide as before mid-1980s and the one after as applicable to Asia-Pacific, the second of another divide between Northeast and Southeast Asian in both periods. As the Asian crisis hit the whole region as part and parcel of a long-term developmental process, the editors conclude that industrialization types matter and that the traditional miracle explanation has run out of date.

The edited volume is focused on policy lessons both positively in terms of handling the globalized world better and somewhat regrettably in the end of a model with the financial crisis disruptive effects both cyclically and structurally. One way to review it more creatively is to imagine a policy-maker using the book in a proactive way if the next financial crisis is to be averted. Whatever is the controversy about state's sovereignty in the era of globalization and technology, some effort to understand the resultant global landscape and to learn how to navigate in new uncharted waters is a must. Various put as being globalization-ready, the institutional and policy choices in the context of path-dependent irreversibilities in the national developmental require some macroeconomics and microeconomics as well as international relations ranging from trade and exchange to political economy of such transactions. Economies are increasingly open with the symbiotic revolution of globalization and information communications technology. Beyond trade in goods, financial services and the *de facto* financial integration via capital markets have shaken Asian and Latin American economies badly when their institutional processes, capacity, and governance are not all as above-board to be globalization-ready.

Whether the two crises in Asia and Latin America are as different as reviewed or the IMF as the neoliberal agent made worse with intuitionists' views as blamed in Thailand and Indonesia, averted by Malaysia's own brand of capital controls, the divergence among Asian miracle economies is very stark. It seems beyond the developmental state and policy explanations on one hand, and neither does a universal model fit. It is neither satisfying nor particularly adding much to extant literature if the edited volume simply concludes industrialization type distinguished into first-tier type through the domestic market then going global and the second-tier type with open-market industrialization from the start are better than the traditional miracle explanations.

One can ask one more question or go a step deeper why both the first- and second-tier industrialization type did not make it in the face of the Asian crisis. Can one surmise then that neither

industrialization type is particularly enduring and resilient? Even Japan, Korea, Taiwan, and Singapore do not seem to have the wherewithal or transformative capacity for their developmental states to make the successful crossover to be truly first world industrial economies, societies and politics like those in the Western Organization for Economic Co-operation and Development. Rather than simply pronouncing the miracle explanations as dead and should rest in peace, the editors could have hinted or developed some agenda for future research how neither of the two types were entirely foolproof. Western neoliberals would like to put the blame on the state of political economy and true democratization as they see it. Has Asia any defence even if Asia's high savings and attention in time and money on human resources development have been so distinctively prudent and virtuous. The new regional division of labour since the demise of the Japanese flying geese model especially when inserted itself into the scene is still not quite the alternative strut of the Asian developmental model, but an interesting poser which may complement and supplement other literature based on new technological trends and networked production bases and behavioural networks of communication and co-operation.

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***The Asian Development Experience: Overcoming Crises and Adjusting to Change.* By Seiji F. Naya.** Hong Kong: Asian Development Bank, 2002. Pp. 212.

Professor Naya's book is written mainly for the Asian Development Bank (ADB) and its professional staff. The author's primary intent is to suggest ways that the ADB "can best use its limited resource to address the diverse and changing development needs of its developing member countries" (p. iii). He prefaces his volume by noting that members have two primary needs: finding ways to achieve sustainable development *and* to