

Shorter Notices

Taeko Hoshino. *Industrialisation and Private Enterprises in Mexico*. Chiba: Institute of Developing Economies (Occasional Paper Series No. 36), 2001. Pages 142. Hardbound. Price not given.

Taeko Hoshino is a Senior Research Fellow specialising in the study of economic development in Mexico at the Institute of Developing Economies, Hitotsubashi University, Tokyo. In *Industrialisation and Private Enterprises in Mexico* Hoshino sheds lights on the structure of Mexican industry laying particular emphasis on the behavioural implications of prevalent structures. Failure on the part of the Mexican government to understand these features may compromise the neo-liberal development strategy currently being pursued.

Hoshino attributes Mexico's shift from import substitution industrialisation (ISI) to neo-liberalism, and also to the economic crises of 1982, 1987, and 1994. These recurring crises stem from Mexico's external debt problem and economic liberalisation itself. Of particular interest is the fact that in spite of an unfavourable operating environment, large-scale Mexican enterprises have been able to adapt and compete successfully.

In assessing the causes of the relative success of large-scale enterprises, several factors are of significance. First, as the government privatises its productive assets, large-scale Mexican firms are the only indigenous players with the resources to buy and operate them. Thus, part of the expansion is due to the transfer of state assets. Second, an increasing share of the domestic market has enabled large-scale enterprises to expand abroad, mainly within the Western Hemisphere. In addition to these two factors are internal reorganisation and the re-negotiation of external debts.

This does not imply that Mexico's big businesses are expanding by default. A major thrust of Hoshino's argument is that by examining the early period of Mexican industrial development before the 1980s strong internal factors, such as superior business strategy, become apparent. The empirical basis for this contention is established by case studies of individual large-scale private sector firms drawn from the beer brewing, steel, mining, auto-parts, and banking industries.

Viewed in the present context of rising popular opposition to corporate globalisation, *Industrialisation and Private Enterprises in Mexico* is an important and timely work. What many readers will find disturbing is that in Mexico, as in other countries, neo-liberalism works to the direct advantage of large companies and exacerbates difficulties faced by small and medium scale enterprises. (Ilhan Niaz)

Priyanthi Fernando and Gina Porter (eds.). *Balancing the Load: Women, Gender and Transport*. London: Zed Books, 2002. 291 pages. Paperback. £ 16.95.

Employing the case-study methodology, *Balancing the Load: Women, Gender and Transport* is a descriptive-analytical study of transport-related issues confronting women in developing countries. It is edited by Priyanthi Fernando, the Executive Secretary of the International Forum for Rural Transport and Development, and Gina Porter, a Senior Research Fellow in the Anthropology Department of the University of Durham in the United Kingdom.

The central argument or the theme linking the nineteen research articles that constitute *Balancing the Load* is the insufficient degree to which the relationship between gender and transport is integrated into debates on transport infrastructure, services, and means. Experts in gender studies have so far failed to fully appreciate or even properly recognise the connection between improved transportation and the ability to fulfil responsibilities such as water and firewood collection.

In terms of logic, the argument is simple and structurally sound. Transportation requires time. Inefficient means of transport consume more time. Time is perhaps the most valuable resource. If a significant portion of a women's time is consumed in trudging from one domestic chore to another, there is little left over for investing in improvements, such as education or vocational training. By tackling the issue of "time-poverty" the ability of women to redress core grievances and strategic concerns can be enhanced.

One of the principal objectives of *Balancing the Load* is to forge a consensus between and amongst specialists in transport and gender. The research programme upon which this consensus building exercise rests was funded by the United Kingdom's Department of International Development and entailed workshops in Calcutta and Kampala, with briefings, group sessions, etc., culminating in two regional seminars in 1999.

Of all the papers presented at the regional seminars, nineteen case studies have made it into *Balancing the Load*. Ten case studies focus on Africa and nine on Asia. A Total of thirteen countries, nine from Africa and four from Asia, are scrutinised from the perspective of gender and transport. Some of the more important observations that arise from the material presented are the impact of culture, domestic structures, climate, and demography on the ability of women to utilise transport efficiently. (Ilhan Niaz)

Naureen Talha. *Economic Factors in the Making of Pakistan 1921–1947*. Karachi: Oxford University Press, 2000. 220 pages. Hardbound. Price not given.

Advances have been made in the field of economics and it is no recent trend to merge economics with other subjects to tackle various issues. The author combines the empirical implications of economics with the facts of Pakistan Studies

in this book. Much has been said about the Partition of the Subcontinent. Various authors have discussed, in detail and depth, the political, social, religious, and philosophical factors that led to Partition. On the contrary, the quiet voice of Naureen Talha provides an even more compelling though mundane reasoning for the split. She emphasises economics as the prime mover. Her approach to a major issue in the history of the Subcontinent is refreshing.

The book comprises seven cohesive chapters that seek to trace the economic reasoning behind Partition. Each chapter takes up an interesting issue, adequately supported with sound arguments and empirical evidence in the form of statistical data.

The historical background has been divided into four periods. The first period is from 1857 to 1921. The second covers the period 1921–1935, the third encompasses the period 1935–1940, whereas the fourth period is from 1940 to independence in 1947. The main focus of the book is the period 1921–1947, as suggested by the title of the book.

After the 1857 war, Muslims were further thrown into the pit of economic misery due to the unfavourable attitude of the British and their own ignorance towards education. The author uses appropriate figures and facts to justify her claims that depict the decline of Muslim fortunes.

The succeeding chapter highlights the efforts of the Muslims in a bid to achieve the much-lacking economic security. The role of the Muslim League and prominent Muslim leaders is discussed comprehensively. The author lays great emphasis on the economic aspect and asserts that Muslims were working politically and socially for a better economic future.

The sixth chapter of the book, which is probably the most important, clarifies that Pakistan was very much an economically viable country as opposed to much critical opinion at the time. The author argues that Pakistan had tremendous economic potential and openly condemns the supposition of the British and the Hindus that Pakistan was not an economically viable state. The author concludes that it was economic awareness among the Muslims that furthered their ultimate causes and led to the creation of Pakistan.

Pedantic in nature, as based on a doctoral thesis, it is an interesting, bold, and innovative in approach in the much-restricted circles of Pakistan Studies. It may be argued that the book is biased towards nationalism and is pro-Pakistani.

(Waleed Mohsin)

World Bank. *Constructing Knowledge Societies: New Challenges for Tertiary Education.* Washington, D. C: World Bank. 2002. 204 pages. Paperback. Price not given.

Globalisation has significantly changed the very purpose of tertiary education systems. Knowledge accumulation and its application have become major factors in the process of economic development and play an important role in forming a country's competitive advantage in the global economy. There are both positive and negative aspects of these changes. On the positive side, tertiary education is now playing a more constructive role in the building of knowledge economies and democratic societies. In fact, it is the main force in the creation of the intellectual capacity on which knowledge production and utilisation depend, and in the promotion of the lifelong-learning practices needed to update individual knowledge and skills. New types of tertiary institutions have been developed, forcing the traditional institutions to change their modes of operation and to take advantage of the opportunities offered by the new information and communication technologies. But, on the other side, this technological transformation carries with it the danger of a divide between as well as within nations.

The World Bank has encouraged tertiary education reform efforts in a number of countries. But the general perception is that the Bank is supporting only basic education. It is advocating that low-income countries reallocate public expenditures from tertiary to basic education. Further, it is promoting cost recovery and private sector expansion, and discouraging these countries from considering any investment in advanced human capital. This World Bank report is about the importance of tertiary education for building a country's capacity to participate in an increasingly knowledge-based world economy. It investigates the following questions: What is the importance of tertiary education for economic and social development? How can the World Bank and other development agencies assist in this process?

The report describes the ongoing bank research and analysis on the dynamics of knowledge economies and on science and technology development. It has examined how countries can adapt and shape their tertiary education systems to confront growing challenges of internal and international market forces. In a highly competitive world economy the developing and transition countries are in danger of being further marginalised given their incompetent tertiary education systems. It is the state's responsibility to develop an environment that encourages tertiary education institutions to be more innovative and more responsive to the needs of a globally competitive knowledge economy and to the changing labour market requirements. Finally, the report discusses the World Bank position in supporting its member countries to learn from international experience and in mobilising the resources needed to improve the effectiveness and responsiveness of their tertiary education systems.

This comprehensive report on tertiary education is organised in five chapters, supplemented by an overview in the beginning and data and information appendices at

the end. The first chapter describes the changes in the global environment that pose new challenges to tertiary education institutions. Among the most significant changes are the increasing importance of knowledge for growth in the context of the global economy, the information and communication revolution, the emergence of a worldwide labour market, and global sociopolitical transformations. In the second chapter, the implications of these changes are discussed from the perspective of the contribution of tertiary education to economic and social development. The third chapter reviews the current state of tertiary education in the developing and transition countries and the steps taken so far in dealing with the traditional problems of access and coverage, equity, quality, and governance. The fourth chapter looks at the new challenges facing tertiary education. For instance, the growing importance of the marketplace, and the evolving nature of the relationship between tertiary education institutions, the marketplace, and the state. Finally, the fifth chapter evaluates the World Bank's role in transforming tertiary education systems in the developing and transition countries and in closing the gap between them and the industrial countries. (Afia Malik)

Shahid Yusuf and Simon J. Evenett. *Can East Asia Compete? Innovation for Global Markets*. Washington, D.C.: World Bank, 2002. 212 pages. Paperback. Price not given.

The speedy growth recovery of the East Asian economies in 2000 from the 1997-98 crises is an indication that these countries have the ability to return to their pre-crisis growth rates within two to three years. The recent history of the region suggests that growth here is related to the pace of economic activity in the countries of the Organisation for Economic Cooperation and Development (OECD). However, East Asia can maintain rapid growth over the medium and long term depending on the response of individual countries to institutional reforms and efforts to develop knowledge-based sectors. These would continue the process contributing to long-run competitiveness and growth, and would encourage the 'leading as well as some lagging' sectors to move towards the frontier of technological possibilities. To a great extent, these measures are linked to the policies that boost these economies' openness to trade, factor flows, and other ideas that contributed to rapid growth in the second half of the 20th century.

In this book it is argued that innovation in three interconnected areas will raise the probability that East Asia's middle- and higher-income economies will resume sustainable growth. The first is an environment resulting from investment in research and development by the public and private sectors in a competitive manner. This will maximise the incentives to innovate and commercialise the findings and use them

effectively. The second area is the strong and efficient financial sector and business services. In East Asia, these currently lag far behind those of the industrial countries. A third area is of information and communication technologies. The co-ordination of these will increase the regional integration of East Asia and its links to world markets.

The book is organised in seven chapters. After the brief background information in the first chapter, the rest of the book examines how East Asia can benefit from its achievements and opportunities presented by the growing services- and knowledge-based economy.

Chapter Two is about the state's role in initiating and implementing economic reforms and creating a climate that is friendly to innovation. This chapter also highlights some of the constraints to future development, namely, macroeconomic instability and rising inequality associated with technological change. The consequences of regional integration, globalisation, and the changing scenarios of major economies in the region are also discussed in this chapter.

Chapter Three discusses the necessary elements of an innovation system relevant to the East Asian economies. It examines innovation from three angles: the macroeconomic, the firm level, and the transnational. The chapter begins with the national level policies, both macroeconomic and sectoral policies that influences investment, research and development spending, and the training of technical personnel. Then the focus is on the business management, firm turnover, and the clustering of businesses in urban networks. Finally, it explores how the national business environment has changed by international links among clusters, that is, through the circulation of knowledge workers among countries; foreign direct investment; and innovation in supply chains, which tie together producers and their buyers.

Chapter Four evaluates the institutional gaps, particularly in the financial sector. It discusses the reforms in the banking and financial sub-sectors that will influence East Asia's medium-term growth by channelling funds to the most promising and innovative segments of the economy.

In Chapter Five the contribution of information and communication technologies to productivity growth, to innovative activity, and to business development are discussed. Chapter Six provides the external dimension of an innovative economy and concentrates on the shifting pattern of foreign direct investment, the evolution of production networking, and the likely pace of economic integration. The focus is on how East Asian nations can re-design their policies with a view to the world economy and take maximum advantage.

Innovation has long been central to industrial competency. High achievers have always been those economies that excel at product or process innovation. Chapter 7 re-emphasises the importance of innovation for future growth in East Asia.

(Afia Malik)