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BOOK REVIEWS

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Asheim, B., Isaksen, A., & Trippl, M. (2019) *Advanced Introduction to Regional Innovation Systems.* Edward Elgar: Cheltenham, UK and Northampton, MA, USA. 9781 785361982, 160 pp., $24.95 (hardcover).

Reviewed by *Cristina Marine*, University of Maryland, Global Campus

Bjorn T. Asheim, Arne Isaksen, and Michaela Trippl, leading scholars and professors at top-tier Norwegian universities, collaborated to produce an exceptional Advanced Introduction to Regional Innovation Systems. The authors conducted in-depth research on regional innovation systems (RIS) - an important concept for 21st century regional economies. This compact volume (146 pages, including 20 pages of references) reviews and summarizes seminal RIS research, highlighting several main topics: (1) RIS origins and theoretical underpinnings; (2) conceptual advances of RIS aimed at highlighting "the complexity of the geography of innovation" (p. 2); (3) lessons learned from empirical applications of RIS; (4) the impact of the RIS approach on policy development; and (5) main challenges for future RIS research.

The readers (researchers and practitioners) are impressed with the logical organization of the material in eight compact chapters preceded by an informative Introduction. In Chapters 2-4, the authors research the origins of the RIS concept and aptly identify two bodies of literature: the (national) innovation systems approach and the territorial innovation models. The RIS approach is closely connected with the innovation that emerges from "localized innovation networks that are embedded in specific socio-cultural settings" (p. 3). An in-depth discussion on RIS, as it relates to other territorial innovation models (TIMs), and the different typologies of RIS add significant value to this volume.

The substantive input of the first three chapters (following the Introduction) consolidates the RIS concept and prepares the reader to absorb Chapter 5 information related to the valuable contributions of researchers who built "connections between the RIS framework and evolutionary approaches" (p. 4) of regional economic growth values.

The empirical applications of RIS are reviewed in Chapters 6 and 7. The authors point out that while RIS has initially built on experiences of Western European economies, researchers have gradually refined the concept to include features of RISs in the transition economies of

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the former communist bloc. The logical closing to this exceptional volume comes in Chapters 8 and 9; the authors build a persuasive argument supporting the idea that the RIS concept has had a sustained positive impact on policy development and on the "implementation of regional innovation strategies and interventions in many parts of the world" (p. 4).

The authors present a logical flow of ideas that allow the nine chapters to develop a strong information continuum. The origins of the regional innovation system approach are traced back to 1982 when Chris Freeman's draft paper to an OECD expert group introduced RIS and established a direct link to competitiveness. The authors further link innovation to the countries' competitiveness objectives and highlight key research work on the evolution of the concept and of the two subsystems of exploration and exploitation as they unfold in the market economies. Chapter 2 persuades the reader that RIS contributes to developing innovation knowledge bases; such bases, opine the three scholars, allow entrepreneurs "to tap into globally distributed knowledge networks and use them productively" (p. 9). A compare-and-contrast discussion on the scope of the innovation (system) policy is supported with examples from markets on both sides of the Atlantic with highlights from the Nordic European countries.

An information rich Chapter 3 focuses on the theoretical foundations of RIS as covered by key literature sources. The authors start by reviewing the conceptual core of research focused on innovation systems and expand their analysis by reviewing "empirical investigations and theoretical work of different types of regional industrial agglomerations" (p. 13). Chapter 3 establishes meaningful links between and among the works of different researchers and discusses the core elements of an innovation system. Using information from fellow researchers, the authors offer an overview that outlines the scope of information system variants. Industrial clustering is discussed based on examples from the industrial districts in Italy and in other markets. An insightful brief flashback on growth poles and clusters reminds the reader of the main tenets of Francois Perroux's focus on the co-location of companies and firms that become a "growth pole" benefiting from companies belonging to similar sectors.

This chapter offers a succinct substantive discussion on Michael E. Porter's cluster theory; the authors note that Porter's definition of clusters as the "geographic concentration of interconnected companies and institutions in a particular field" (p. 22) is a weakness of Porter's theory in the context of globalization. Chapter 3 closes with an informative discussion on what the authors deem to be two key problems with Porter's approach on clusters: [1] there seems to be a lack of causality "in explaining why (regional) clustering makes firms more competitive" (p. 22); [2] the cluster definition seems to eliminate the differences between clusters and RISs.

The first three chapters prepare the reader to delve into a detailed discussion on the early contributions and applications of the RIS concept, starting with the introduction of the concept in the 1990s through the 2000s. The authors highlight key research work on the introduction of regional innovation systems as an analytical and policy concept; discuss the triple helix strategy "improving the connectivity of a RIS "(p. 24); highlight the varieties of regional innovation systems; and emphasize the importance of connecting clusters and regional innovation systems.

Chapter 4 traces the evolution of the RIS concept and comments on the decline from the original focus on innovation to the use of the concept only as a policy analysis tool.

Abundant research data from Swedish and Norwegian agencies and universities add value to this discussion "on innovation as a socially and territorially embedded interactive process" that has to be integrated into "historical, cultural, and institutional contexts" (p. 25). The authors note that RISs have promoted the innovativeness and competitiveness of regions. A discussion on the relevance of the triple helix approach highlights both the positives and negatives of this perspective. In Chapter 4, the authors outline three main varieties of regional innovation systems: [1] territorially embedded RIS; [2] regionally networked RIS; and [3] regionalized national innovation systems. Supporting their discussion with examples from the United Kingdom, Germany, and the United States, the authors note that further clarification and research are needed to investigate the linkage between clusters and RISs.

Knowledge bases, knowledge base combinations and dynamics, RISs and new growth paths, the importance of actors, and RIS evolution are the core topics of Chapter 5 that demonstrate how RIS research has taken a more dynamic perspective. Understanding knowledge creation, learning, and innovation is needed in the context of the globalized knowledge economy. The authors support the knowledge base approach arguing that "economic diversification and innovation-based competition can be achieved in all industries, sectors, or regions" (p. 39). Providing a strong theoretical basis allows for developing a complex innovation policy based on each region's potential. The analytical (science based), synthetic (engineering based), and symbolic (arts based) knowledge bases are germinating factors of economic growth. A detailed discussion of the three knowledge bases authored by Asheim et al. (2011) challenges the reader to understand the rationale of knowledge creation, the development and use of knowledge, and which actors are involved. The authors build a persuasive argument demonstrating how each of the three knowledge bases benefits from knowledge types, showing the importance of spatial proximity and indicating the outcome. The authors point out that, in the context of firm heterogeneity, it is critical to be aware of the differentiation between knowledge bases. Research on potential combinatorial knowledge bases could provide relevant insights regarding their interconnections with the firms' innovativeness. The three scholars also highlight the links between RISs and regional industrial path development as regional economies are trying to rebuild their economic structures.

Ample research indicates that different types of RIS will have the potential to support innovation and entrepreneurship in new economic ventures. These different potentials will depend on learning opportunities and on the outcome from combinations of different knowledge bases. Chapter 5 includes a detailed discussion on the three different types of RISs: "organizationally thick and diversified RISs, organizationally thick and specialized RISs, and organizationally thin RISs" (p. 44). The authors note that the evolutionary economic geography (EEG) and the policy approach of smart specialization are two developments that have strengthened the RIS approach. Five different forms of path development are explained by describing their key mechanisms as noted by Martin and Sunley (2006), and Tödtling and Trippl (2013). An insightful discussion on RIS evolution, with a focus on the role of RISs in cluster evolution and on the organic and planned RIS evolution, outlines a web of interconnecting paths in the cluster development that is inevitably affected by RIS configurations.

Chapters 6 and 7 discuss empirical applications of different types of RISs and outline the geography of knowledge linkages. Over 300 research articles on RIS have provided relevant examples demonstrating how RISs operate differently in diverse geographical contexts. Strong examples of entrepreneurial RISs (ERISs) and institutional RISs (IRISs) highlighting significant differences help readers understand the impact of RIS in Western Europe and in East Asia. Chapter 6 further expands on Cooke et al.'s (2000) analysis of innovation patterns in eleven European regions distinguishing four models: regions in transition, institutionally thin regions, dualized RISs, and interactive RISs. The four models are explored in the regional contexts of Poland, Hungary, Belgium, Italy, Portugal, The Netherlands, Austria, Spain, and Germany. Discussing RISs in the transition economies of Eastern European countries, the authors highlight the research results, although it is unclear why they refer to these countries as "post-socialist" rather than post-communist economies.

The second part of the discussion on empirical applications (Chapter 7) seeks an answer to the question "what is the geographical dimension of knowledge sharing and exchange in pursuit of innovation and new path development?" (p. 75). The authors investigate the local and global knowledge flows (reminding the reader to return to Chapter 1 for a refresher on territorial innovation models – TIMs); focus on place specificities, innovation modes, and types of knowledge exchange; and provide an analysis on how space influences innovation in different regional and industrial contexts. To assess the differentiated importance of different innovation scales, Chapter 7 proposes an integrative view of the regional and industrial contexts. In the subsection on place specificities, innovation modes, and types of knowledge exchange, the authors seek to provide a nuanced perspective that captures both regional and industrial settings of the special dimensions of knowledge linkages.

One of Chapter 7 subsections investigates the close link between space and the innovation processes. The authors focus on research that has been attempting to capture variations among industries while drawing a distinction between two modes of innovation: the STI (Science, Technology, and Innovation) and the DUI (Doing, Using, and Interacting) modes. Using these two modes, subsection 7.3 demonstrates how space influences innovation in different regional and industrial contexts. The table of RIS types and innovation modes summarizes types of knowledge linkages and the geography of knowledge sources. The closing paragraph on policy conclusions is a good segue to Chapter 8 that offers a brief review of policy inspired by the RIS approach.

Chapter 8 posits that "promoting regional innovation-based growth and development has become a top priority for policymakers in many countries and regions across the world" (p. 94). The authors opine that the capacity of the RIS approach to create a strong conceptual foundation has been an important tool for policymakers to develop customized innovation policies. System failures as a result of the legitimization of regional innovation policies, the relevance of RIS for the policy makers, and smart specialization as the powerful characteristic of regional innovation and industrial policies in Europe are the main topics of Chapter 8. Expanding a table created by Zukauskaite et al. (2017), the authors summarize the features influencing small specialization practices in three types of regions: less-developed regions, intermediate regions, and advanced regions. Each region displays differentiating characteristics related to organizational configuration, collaboration patterns, value and patterns of innovation, past policy experiences, governance of innovation, prioritization scope, prioritization novelty, and funding.

This *Advanced Introduction to Regional Innovation Systems* closes with a brief review of the challenges ahead (Chapter 9) after a quarter century of conceptual and empirical academic work. Four compact subsections highlight recent critical assessment of the RIS approach; discuss RISs, industrial dynamics, and new path development; suggest future research on RISs and new forms and modes of innovation; and argue that in the context of continued economic transformation and challenges, RIS research and innovation "should also result in enhanced capacities to tackle grand societal challenges and dynamics…that should result in inclusive and sustainable economic development" (p. 115).

Bjorn T. Asheim, Arne Isaksen, and Michaela Trippl engaged in a most challenging research work on the growth of the regional innovation systems concept. They have been up to the task and produced an outstanding advanced introduction to this topic for the seasoned researchers and for experienced policymakers. Young researchers and new practitioners may struggle to understand the information-loaded long sentences and paragraphs and would need to ensure they master the concepts before reading this excellent volume. The 20-page Reference list is both a testament of the authors' extensive research and a treasure trove for fellow researchers to continue investigating RIS as a viable theoretical approach as well as a relevant policy tool.

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We are now used to being told that economic growth in cities, regions, and nations is generally positive, and therefore, it makes sense to establish policies that stimulate economic growth. However, in the last two decades, the average growth rate of per capita gross domestic product (GDP) in the United States has been one percent, which half of what it has been for several decades preceding the year 2000. Seeing this statistic, the instinctive assumption that many people make is that the decline from two to one percent should cause great concern. The objective of this book is to challenge the above belief and "share the surprising story of why growth slowed down—and why that's a good sign" (p. viii). In what follows, rather than provide a tedious chapter by chapter review, I shall sample selectively from the book's content. This should provide the reader with an adequate flavor for the intellectual contributions of the book.

The proceedings commence with the author indicating that the average growth rate of per capita GDP from 2000 to 2016 in the United States was only one percent which is 1.25 percent less than the corresponding growth rate from 1950 to 2000. If we are to comprehend this 1.25 percent decline, then we must recognize that because economic growth involves the growth of goods and services, this growth cannot be understood without looking at the growth of the relevant inputs. The two salient inputs on which to focus are physical and human capital. Although physical and human capital both grew slowly from 2000-2016, the slow growth of physical capital explains very little of the average GDP growth slowdown. In contrast, the slower growth of human capital explains 0.8 percentage points of the 1.25 percentage point decline for which the author is seeking to account. Since the combined slow growth of physical and human capital does not adequately explain the overall decline in economic growth, we must look at the notion of residual growth which “captures everything else involved in economic growth that is not due to growth in human and physical capital” (p. 3).

Given that the slowdown in the growth of human capital explains a non-trivial portion of the overall reduction in economic growth, it makes sense to ask why there was a slowdown in the growth of human capital in the first place. The answer is that this happened to a large extent “because of the baby boomers’ move into retirement” (p. 33-34). Even so, it is important to understand that when it comes to the intertemporal behavior of real GDP per worker, “the role of human capital was smaller, and the role of the residual larger” (p. 54).

Another key aspect of the decline in human capital growth concerns the effect of ageing. In particular, the ageing population has reduced the fraction of working-age adults and has increased the fraction in dependent categories such as “children” and the “elderly.” This means that the fraction of workers to the total population, which was already declining in the early 2000s, will continue to decline in the future. Relative to the lingering impacts of the 2008 recession, these demographic changes are more important in understanding the overall growth slowdown in the United States.

Another aspect of the growth slowdown in the United States is related to the general shift in the economy from a focus on goods to services production. This is important because goods (services) producing industries tend to exhibit faster (slower) growth. Therefore, “moving from goods to services would be responsible for some of the slowdown in productivity growth” (p. 85). This observation is followed by an excellent discussion of the “cost disease” of the service sector, a concept introduced in the literature by the now deceased economist William Baumol. As the author rightly emphasizes, slow productivity in services arises because of the time and attention-intensive nature of services production and not because the pace of innovation or our technological know-how has diminished. In this context, the point to grasp is that the “shift into services is a consequence of our incredible success at making goods, not a sign of some failure or problem with the economy” (p. 100). Quantitatively, our success in producing goods and then shifting into services together explains 80 percent of the entire slowdown in overall growth.

Although many believe that the increasing possession of market power by a certain group of firms is bad for economic growth, we must comprehend that an increase in market power does not necessarily reduce output production. What it does do is shift “output away from workers and capital, toward economic profits” (p. 113). Following this observation, the author provides a thoughtful discussion of the necessity of market power, rightly explaining that “market power is what generates the incentives to innovate in the first place” (p. 127).

Is there insufficient turnover of the factors of production in the American economy? The author addresses this question, paying particular attention to the supposed decline in geographic mobility within the United States. The data show that there has definitely been a slowdown of mobility across space. This fact, when viewed in concert with the data on output per worker across metropolitan statistical areas (MSAs), raises the possibility that the declining spatial mobility has had an adverse influence on productivity growth. Number crunching and plausible verbal analysis by the author reveals that the “decline in geographic mobility was not trivial, but it does not explain the growth slowdown” (p. 169).

The final part of this book asks whether the government, through taxation and regulation, inequality, through investment and spending pattern changes, and international trade, particularly trade with China, have impacted the overall growth slowdown in the United States. Using data-driven analysis, the author demonstrates that “although all three of these had real effects on the economy, no effect was large enough to account plausibly for the growth slowdown. None of them had much of an effect on the growth rate at all. . . ” (p. 170). Since there has been a great deal of discussion about the insalubrious effects of inequality on the American economy, it is worth stressing two points. First, the author agrees that the presence of inequality corroborates stories about how the increasing market power possessed by some firms has given rise to an increase in the amount of income flowing to the executives of such firms. Second, the first point notwithstanding, the “rise in inequality is not, per se, a source of the growth slowdown” (p. 194).

Let me conclude this review with three observations. First, the author emphasizes the point that one reason why we should view the overall growth slowdown in America as a success and not a failure is that women’s welfare has improved greatly. But research (see (Stevenson and Wolfers, 2009)) shows that in the last three to four decades, women’s happiness has declined both absolutely and relative to men. The author does not address this salient point. Second, even though inequality and international trade with China do not affect the overall growth slowdown, they still have a non-trivial impact on the welfare of many Americans and hence deserve policy attention. Finally, the preceding two points notwithstanding, *Fully Grown* is an excellent book that provides the reader with a good background in growth economics and, at the same time, explains why growth is not always the best way of measuring economic success in a nation.

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Reviewed by *Leslie Dunn*, Washington and Jefferson College

Lin and Monga (2017) begin by highlighting common issues given as the causes of poor economic performance in the developing world and asks whether these issues are true roadblocks to growth and development. Specifically, they explore areas such as infrastructure, human capital development, financial development, and the business environment of the country. They argue that many of the identified issues do not prevent the development process from occurring and do not have to be solved with costly large-scale initiatives before economic growth can occur. For example, "[a] more pragmatic approach is to focus the government's limited resources and implementation capacity on the creation of 'islands of excellence' or carefully selected areas with good infrastructure and business environment (even in countries with a poor overall infrastructure and business climate), to facilitate the emergence of competitive industries – those that exploit the economy's latent comparative advantage" (p. 27-28). Moreover, they argue that weaknesses in these areas are in fact the result of the situation the country finds itself in as opposed to the cause and that no country begins the development process with the correct amount of human capital, infrastructure, etc. These areas will improve as development occurs.

A common theme explored in the development literature is the importance of good governance and the control of corruption. Lin and Monga (2017) explore these issues while comparing corruption and governance between high and low-income countries. They also investigate the complexities of measuring governance and corruption. They argue that issues with corruption as well as bad governance are not unique to the developing world and are part of the historical experiences of high-income economies as well as "endogenous to the economic development level" (p. 61). Moreover, the authors contend that if a country adopts a development strategy focused on the comparative advantages of the country, then there will be fewer reasons that support is needed for the industries through subsidies and other measures that create the opportunity for rent-seeking behavior. This will increase growth and development which will improve governance and reduce corruption.

There is a long history of policy recommendations used to promote development. Lin and Monga (2017) provide a brief historical overview beginning with the colonial era and continue through the dominant ideas based on the Washington Consensus. The goal is to identify the binding constraints on development and the proper policies to pursue in order to overcome these constraints. Empirical growth regressions and investment climate surveys are examples of techniques employed to identify binding constraints. The authors highlight many issues associated with policies based on the use of these techniques and provide a thorough critique of Washington Consensus based policy prescriptions. They give a detailed overview of the standard growth model that grew out of (Khan and Knight, 1985), the flaws associated with it, and the policies that resulted. Lin and Monga (2017) explain the short-term costs associated with these policies and the debate over the long-term benefits.

No one would argue that the factor endowments between high and low-income economies differ. When designing a development strategy, attention must be paid to the current resource endowments of a country and the resulting comparative advantages. Lin and Monga (2017) argue that the development strategy must facilitate and support development in those comparative advantage sectors while continually supporting the development of the country's resource endowment. The strategies should not go against the current endowment in support of comparative advantage defying industries. "They must select industries with latent comparative advantages determined by their current factor endowments and turn them into their competitive advantages with the government's facilitation in overcoming externality and coordination problems" (p. 133). This role of the government is what Lin and Monga (2017) contend has been missing in traditional development policies and the standard growth model.

A general theme among developing economies is the current importance of the agriculture sector to the economy. Lin and Monga (2017) then ask why has this sector been commonly skipped over in development policies? The agricultural sector's role in the development process is both important and extremely complicated. The authors delve into these complexities and demonstrate the important role agriculture plays. However, even though its role is important, agricultural development cannot be the ultimate goal of development policy. Instead, structural change must be the overarching objective and the authors thoroughly explore the causes and effects of structural change. They highlight industrialization as "the main engine for structural change" (p. 184). Lin and Monga (2017) explore the debate of whether manufacturing is still important to the development process given new sources of economic growth, and they are able to demonstrate the key role manufacturing still plays for the growth prospects of the developing world.

Lin and Monga (2017) remind the reader through statistics and examples that the prosperity of one country does not need to come at the expense of another. The idea that countries are in direct competition with each other like firms in the marketplace is not correct for many reasons as shown by the authors. What does seem to be key is that countries adopt the correct development policies based on factor endowments. "It pays off to resist temptation of engaging in the most ambitious modernization strategies and instead calibrate the pace at which technologically advanced industries and sectors are selected" (p. 192). When looking for sectors to move into, it is best for a country to look to those they are similar to in income and factor endowments. The key is to best optimize what the country has now and then use those gains to grow and change their endowments to generate new comparative advantages in the future.

Finding the right industrial entry point for a country is critical and should be the focus of the development policies. Lin and Monga (2017) illustrate that many developing countries have been overwhelmed by the various development strategies recommended to them. These policies are usually focused on what the country does not have and needs as opposed to what it does have and can leverage as a source of growth. Lin and Monga (2017) propose a plan that will guide a country to the correct entry point; this is called the growth identification and facilitation framework (GIFF) which is based on previous work that they have conducted. This framework outlines a six-step process.

The goal of the first step of the process is to find sectors that were previously unidentified as potential sources of comparative advantage for the country. The authors do this by analyzing export specialization indices and revealed comparative advantages of comparison countries based on criterion outlined in the text. "Comparator countries are selected using two criteria: first, an average growth rate of more than 6 percent annually in the past twenty years or so, and second, a per capita income that is roughly between 100 and 300 percent of the low-income country's or that was about at the same level twenty years earlier" (p. 215). The second step gives guidelines for finding and removing constraints that are facing existing firms in the industries identified in step 1. The authors advocate for classifying these constraints as those that generate high factor costs or those that generate high transaction costs. They give recommendations on addressing many of the common constraints identified with solutions being ones focused on the identified industries and those which best use limited government resources. Next, governments should attempt to attract foreign direct investment in industries identified in the first step that are not being currently pursued by domestic firms. Lin and Monga (2017) describe ways in which developing economies, especially those that are not seen as viable FDI destinations, may attract investment in these specific sectors. Specifically, they illustrate their ideas using a success story from Ethiopia and the Chinese firm Huajian. Next, the GIFF advocates that governments support opportunities and innovations generated by the private sector. The government must be careful with this support and not create opportunities for rent-seeking. The GIFF advocates the use of an independent board using publicly disclosed criteria to identify new potential ventures and public-private partnerships. Both special economic zones and export processing zones are strategies highlighted to use the limit resources of the country to begin the industrial process. This allows for focused infrastructure investment and reforms.

The next step in the GIFF framework is to transition special economic zones and export processing zones into industrial clusters. The final step is for the government to offer limited compensation to initial firms in the identified sectors in the form of "time-limited tax incentives, co-financing of and direct credit for investments, or access to foreign exchange" (p. 249). The authors explain why this final step is necessary and highlight ways to avoid the potential negative side effects of such policies. Lin and Monga (2017) devote the remaining text to exploring the changing global trade environment, what it means for the developing world, and ways to properly undertake special economic zones that avoid the potential pitfalls associated with them.

The primary strength of *Beating the Odds* is its realistic policy recommendations. Lin and Monga (2017) advocate for growth strategies that do not ignore the current resource endowments of the country in an attempt to leapfrog to a development scheme that is non-sustainable and likely will only contribute to the poor governance environment while straining limited government resources. They also stress the importance of growing and adapting the resource endowment so that the industries in which the country has a comparative advantage in can move up the value ladder. Additionally, they create policies for the realities that developing economies face. The growth identification and facilitation framework (GIFF) is detailed and gives a practical way to identify industries with potential latent comparative advantages.

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Reviewed by *Ani Li*, Sarah Lawrence College

As the world becomes more interconnected through international trade and the flow of technology, resources, labor, and knowledge, new global cities begin to emerge and grow and join the system established by historically global cities. In the 21^{st} century, both the number of global cities and the number of citizens working and residing in these cities are reaching unprecedented levels. It is projected that by 2030, there will be 43 megacities, most of them in developing regions. Furthermore, by 2050, 68 percent of the world's population would live in cities (United Nations, 2019). In *Global Cities*, Greg Clark examined the history of global cities, identified factors that gave rise to and sustained global cities, put global cities in theoretical perspectives, and discussed challenges global cities would face in the future. This concise and comprehensive book is very helpful for both policymakers and scholars in thinking about today's global cities. In this review, I highlight the following contributions of Clark's book and discuss critical issues that need further study.

In Chapters 1 and 2, Clark argued that five factors manifest in cities that reached beyond domestic markets. These factors include cross-border trade, diverse and entrepreneurial populations, innovation and influence over systems of exchange, the discovery of new markets, products and practices, and geopolitical opportunities. In Chapters 3 and 4, Clark illustrated how these factors gave rise to pre-modern and modern global cities. However, to Clark's list of five factors, it is necessary to add a sixth factor – the role of governments. Although the globalization of cities is almost synonymous with participation in the international market, the national or city governments have both played important roles in this process. For example, as is shown by Clark, Northern European cities during the 16^{th} and 17^{th} centuries achieved international economic dominance because the governments provided legal protections of the merchants and bankers' investments and their personal wealth. A later example is Singapore. In the 1970s, the city-state grew into a major global city because of Singapore's state-led policies and programs that encouraged industrial investments, R&D, and disciplined labor movements. Clark summarized that the post-1980s wave of globalization was "distinctive for a more intentional approach by city governments and the rise of strategic planning for globalizing cities" (Clark, 2016, p. 80). The role of governments in establishing and sustaining regional advantage in trade and finance has also been studied by Chang (2002).

The next three chapters focused on the opportunities and challenges faced by today's global cities. In Chapter 5, Clark highlighted "three phases" of theorizing global cities since the 1970s. In the first two phases, scholars emphasized the hierarchical structure of global cities. The system of global cities spanning multiple countries is dominated by a few megacities in developed nations that control and coordinate the world economy. An elite group of cities – such as London, Tokyo, and New York – become the organizing centers of finance, professional services, and technological innovation. Since 2007, however, a third phase rejected the idea that a few global cities could command and control the global system of cities. As competition among global cities became intensified, capital became more footloose, technology and knowledge became more easily transferrable, and cities in emerging economies began to grow rapidly. Therefore, in Chapter 7, Clark showed that the success and failure of global cities would depend on how cities could deal with future challenges, including "(1) how to compete, (2) how to cope with success, and (3) how to build external partnership" (Clark, 2016, p. 149). A nice contribution of the book is that Clark identified different competition strategies for different cities. Large and diverse leading international cities should compete for global financial services, such as hosting global headquarters, becoming the place of initial public offering of global firms, or providing global media and information services. Smaller niche cities can build a specialized competitive advantage in niche activities such as specialized finance, technology, and software or asset management. A successful city must also solve problems such as fiscal deficits, acute problems of affordability and livability, pollution, congestion, and inequality. Solving such problems would require a new logic of governance. Clark followed these points with examples from around the world.

Several key questions that remain unanswered in this short book to include the following. Do we really need so many global cities? Although global cities are good for economic growth and commerce, can they really enhance the welfare of the people working and living in the cities and those who do not? Regarding the challenges faced by future global cities, to what extent are these challenges generated by the neoliberal world order, i.e. Washington Consensus? Can such challenges be solved without changing the neoliberal order? How does the history of colonialism and imperialism impact today's system of global cities? Clark's book could be seen as a start of these deeper conversations.

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