

Articulo - Journal of Urban Research

Book Reviews

2012

The student's new companion on economic geography

Book review of: Boris Braun and Christian Schulz.

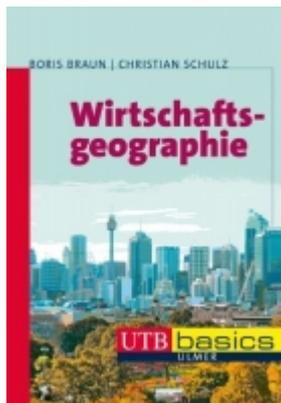
Wirtschaftsgeographie

SABINE DÖRRY

Bibliographical reference

Boris Braun and Christian Schulz. 2012. *Wirtschaftsgeographie*. Stuttgart, UTB.

Full text



Full size image

Credits : © UTB GmbH

- 1 To come straight to the point, the new textbook *Wirtschaftsgeographie* [Economic Geography] by Boris Braun and Christian Schulz is a highly recommendable read. In pursuit of its goal to outline “*a very dynamic and multifarious sub-domain of geography*” [author’s translation] (p. 249), this book is mainly directed at current and prospective students of the field of economic geography (p. 6). It keeps both these promises in quite an appealing manner. Alongside an insightful introduction to the myriad of theoretical

structures applied in economic geography, its strength lies mainly in its engaging and stylistically coherent review as well as in the systematic cross-linkage of major topics. Valuable didactic tricks – such as info boxes giving a quick overview at the beginning of each chapter, additional text boxes that provide examples to underline the theoretical structures discussed, highlighted keywords in the body of the text, a rich stock of illustrations and charts, as well as review questions and recommendations for further reading – make this book a helpful companion for students. Topics are successfully cross-linked through clearly arranged and colour coded references of lexical precision as well as by repeatedly addressing, relating, and embedding major theoretical approaches from a variety of perception angles. The book embraces the exacting standards of both the authors, who explain them as follows: “*Currently relevant basic assumptions, theories, and models of economic geography, their differences as well as their manifold linkages shall be presented more vividly than in comparable textbooks*” [author's translation] (p. 6).

- 2 As a textbook, *Wirtschaftsgeographie* avoids the long-established sectoral structure. Instead, the outline largely follows a historically conditioned development of the field of study. It is divided into eight chapters and respective subchapters. The authors begin the introductory section with a general account of the origin and the development of economic geography as an academic discipline. On this basis, they continue to discuss paradigms, approaches, and styles of thought, while also relating economic geography to neighbouring disciplines. Thereby, they provide a broad foundation for the introduction of formative concepts and theories of economic geography in the subsequent chapters.
- 3 The entire second chapter is dedicated to a comprehensive examination of the neo-classical location theory, including a comprehensive assessment of the classical theorists Thünen, Alonso, Christaller, Lösch, Weber, Smith, and Hotelling. This is certainly justified, since neo-classicism – although heavily attacked – has essentially raised awareness for crucial phenomena in space and wielded great influence on the theory construction in economic geography for a long time. In separation from the static neo-classical models, the third section presents process – and innovation – related approaches in location research, discussing the classical location issue and its dynamic. At this juncture, mainly behavioural and structural approaches (such as the product-life cycle theory, the long wave theory, or the techno-economic paradigm) are compared and critically evaluated.
- 4 In Chapter 4, observable regional differences of development and structure are examined by means of spatial economic theories and models. This – longest – section of the book provides the necessary space to juxtapose both the neo-classical regional development and the polarisation approach by exploring their fundamental epistemic value and identified deficiencies. However, the authors still take it one step further and offer – in view of the criticism voiced – a level-headed introduction to the structuralistically dominated dependency theory within political economy. In detail, these comprise the neo-imperialist theory, the dependency theory, and the world-systems theory. This rather successful attempt at thinking outside the box of their original field of study is highly beneficial, as various new conceptual approaches have emerged from these theories, such as the global commodity chain approach, which today is widely adapted and empirically analysed in economic geography. This also

applies to the critical reception of economic geography (Krugman 1991, 2011) and theories that deal with physiogeographical and demographic influences on the economic development of a state (Gallup et al. 1999). With good reason, however, Braun and Schulz repeatedly call attention to the boundaries of the discussed lines of thought. At one point, for example, they claim that these considerations “*shall be read as advice on not entirely neglecting the physiogeographical and demographic conditions when seeking reasons for underdevelopment*” [author's translation] (p. 130).

5 Chapter 5 is one of the core chapters for comprehending the current trends and tendencies of economic geography. It provides a coherent overview of the research field of institutional economics by borrowing from historical accounts and also discusses regional development from a relational perspective. In the process, the macro-economic approaches of both the varieties of capitalism and the regulation theory are contrasted chronologically and in terms of their differences in scale level, followed by an account of the explanatory approaches from a meso – and micro – perspective. These include, for example, network configurations in their various forms, but also the “*significance of social contexts for companies and networks*” [author's translation] (p. 148), which provides the basis for the subsequent account of the “*development and dynamics of regional economic areas*” [author's translation] (p. 150). Emphasising the importance of social institutions, the authors extensively discuss the strengths and weaknesses of concepts such as the growth and development paths of industrial economic regions (evolutionary approaches), local production systems (e.g. clusters and industrial districts), and localised innovation systems (creative milieu, regional innovation system, learning region). With reference to the fact “*that localised production systems cannot be considered in isolation from other economic regions or superior process and decision-making levels*” [author's translation] (p. 165), they move on to a critical examination of processes and spatial impacts of (economic) globalisation in the sixth chapter.

6 To begin with, this section compares various attempts to define globalisation from the point of view of representatives of different fields of study, whose common denominators comprise the process-like, the complex, and the integrative elements. These elements also dominate the discussion in the subsections, in which cross-border and multinational corporations, being powerful and location-shaping actors, are considered to be highly influential within the globalisation process. The following examination of spatial – fragmenting – impacts of globalisation unfolds by using the example of the rise of the Asian emergent markets and the increasingly observable de-industrialisation tendencies in numerous old industrial regions of the Western world but also the new significance of global cities and the globalisation of urban regions. In addition, the extensive debate about novel organisational patterns of globalised industries constitutes an essential contribution to the chapter. This is exemplified by the concepts of global commodity chains/global production networks (GCC/GPN), still relatively new to the realm of economic geography, as well as the inherent questions on the governance of these configurations, which are mainly addressed in terms of the concept of global value chains (GVC). Well-informed and full of nuances, Braun and Schulz succeed in juxtaposing, critically examining, and translating the often similar conceptual basics of GCC, GVC, and GPN into a comprehensible

textbook language. Alongside an abundance of recent empirical data, they correctly emphasise the potentially larger explanatory value by acknowledging the complementarities of these approaches with the stakeholder approach presented in Chapter 5 as well as by recognising the still unconcluded theory formation. Addressing the ecological dimension as well as the environmental management by companies embedded in such GCCs/GPNs constitutes one of the central aspects of analysis in the seventh section.

- 7 Within a critical exploration of the economic development and the natural environment, Chapter 7 chooses as an example a young, emerging branch of economic geography, which could in the future operate under the umbrella of “*Environmental Economic Geography*” [author’s translation] (p. 218). Convinced that a severely impacted global ecosystem will “*necessitate an alteration of economic structures*” [author’s translation] (p. 219) and that these alterations require a conceptual foundation as well as an empirical examination, the advocates of this approach focus on the spatial impacts of these distinctly systemic phenomena. In contrast to many currently available German textbooks, both chapters 6 and 7 significantly expand on the prevalent introduction into the field of economic geography.
- 8 In the closing eighth chapter, the authors venture into a sort of self-evaluation of their book. Once again, they point to the limited space, which is the reason why important topics of current research had to be neglected, such as the geography of labour, of consumption, of tourism, or of agrarian economy. This certainly is understandable, yet the concise depiction particularly of recent theoretical approaches does no harm. The opposite is true: the short but careful accounts rather tempt the reader to deepen her/his knowledge about the briefly outlined approaches. However, although the authors identify important future fields of research in economic geography – such as an enhanced analysis of the concept of financialisation, of the phenomenon of digital penetration, or the controversial debate about new growth paradigms – unfortunately there is little mention of the geography of finance. In reaction to the increasingly important pension fund capitalism, this particular field of study has become especially influential in the Anglophone economic geography but recently also within German academia. This shortcoming is regrettable, since the culpable neglect of such a vital, yet not fully established economic geographical branch mirrors our conceptual and empirical (semi-)understanding of the global circulation of capital and its governance.
- 9 This rather limited criticism is outpaced by my genuine goodwill towards this book. The didactically clever new textbook *Wirtschaftsgeographie* will certainly succeed in conveying a broad range of knowledge and more importantly in imparting great enthusiasm to current and prospective students of this field of study alike.

Bibliography

Gallup J. L., Sachs J. D., Mellinger A. D. 1999. Geography and Economic Development. *International Regional Science Review* 22(2), 179-232.

Krugman P. 1991. *Geography and Trade*. Cambridge, MIT Press.

Krugman P. 2011. The New Economic Geography, Now Middle-aged. *Regional Studies* 45(1), 1-7.

References

Electronic reference

Sabine Dörry, « The student's new companion on economic geography », *Articulo - Journal of Urban Research* [Online], Book Reviews, 2012, Online since 18 December 2012, connection on 09 January 2013. URL : <http://articulo.revues.org/2194>

About the author

Sabine Dörry

Sabine Dörry holds a position as Research Fellow at the Department of Geography at the Centre for Population, Poverty and Public Policy Studies (CEPS/INSTEAD) in Luxembourg. From 2004 to 2010, she lectured economic geography at the Goethe-University of Frankfurt am Main where she also received her PhD from. Her current research interests lie in the political economy of financial and real estate office markets in financial centres as well as in the field of global development. Email: sabine.doerry@ceps.lu

By this author

Disentangling the geography of finance and real estate: competing space-times of decision-making and uneven spatial development [Full text]

Published in *Articulo - Journal of Urban Research*, 9 | 2012

When the financial markets start coughing, office markets quickly catch a cold [Full text]

Book review of: Colin Lizieri. *Towers of Capital. Office Markets and International Financial Services*

Published in *Articulo - Journal of Urban Research*, Book Reviews, 2011

Copyright

Creative Commons 3.0 – by-nc-nd, except for those images whose rights are reserved.