

*Geographies of the New Economy: Critical Reflections*, edited by Peter Daniels, Andrew Leyshon, Mike Bradshaw, and Jonathan Beaverstock: Routledge, 2007. x + 198pp. ISBN 0-415-35783-7.

From the window in my home office in Vancouver where I am writing this review I can just see the tip of the Sun Tower, the tallest building in the British Empire when it was constructed in 1912. Once at the commercial heart of the city, during the post-war period as the downtown shifted west it was left behind on the wrong side of town, the Downtown Eastside. But over the last decade the wrong side has become the right side. The Sun Tower now sits dab in the middle of Vancouver's new economy cluster, with its firms specialising in gaming, web design, film, tv and video production, animation, and software publishing. What was bad – the seediness, the surrounding low-rent, crumbling red brick warehouses, the street people – is now good, connoting edginess, authenticity, diversity, and character. Richard Florida seems to have got it right. No wonder he recently moved to Canada.

Florida does not contribute to the volume under review, however. Maybe that's just as well given the book's subtitle. And maybe it is also just as well given that the contributors consistently bring to the topic a conceptual and empirical rigour and thoroughness not noted in Florida's writings. The quality of the contributions is high. Indeed, it is one of the most consistently good collections I have read, with several of the essays outstanding, and no poor contributions.

I could tell I was going to like the book from the first page of the Introduction. With humour, lucidity, and incisiveness, the editors provide an overview of the new economy and its geography: its dematerialised products, its intertwining with venture capital, its "bubbles" and

“melt-downs,” its sacred sites and peculiar urban geography, its enthusiasts, pioneers and storytellers, and its hippy-dippy values but conservative economic execution.

The volume is structured as a series of paired essays. The first are Ron Martin’s exemplary review of the new economy, and Roger Lee’s musings on the old one. Martin’s chapter is first rate and I immediately put it on the reading list of my economic geography course. It is loaded with up-to-date data (often re-manipulated by Martin from the original sources to bear better on the particular point he is making), is scrupulously clear, gracefully written, and comprehensive, is punctuated by useful summarising tables, and *précis*’s with admirable clarity the gamut of alternative theoretical expositions. Lee’s chapter isn’t bad either. It presents the argument that there will be nothing new about the new economy until its underlying values are transformed from those of capitalism. Otherwise it is only the old economy with new spots.

Andy Pratt’s chapter “The new economy or the Emperor’s new clothes” starts petulantly, continuing with Lee’s point that there is nothing new about the new economy. For Pratt talk of newness is hyperbole and gross generalisation. Pratt gets over his grumpiness, though, and writes a very nice essay about new media firms, and which, while I would hate to start him off again, seem, well, actually new. Likewise, Mathew Zook’s very able review of e-commerce also hesitates over the word “new,” resorting even to the oxymoron, “the new old thing.” Zook’s hesitation is the same as Lee’s: that you shouldn’t call the new economy new when it embodies the fundamental values of the old system; that is, as one of Zook’s (p. 90) interviewees puts it, there is nothing new about the economy when its central goal remains “get[ting] really rich.” But as Zook shows, while the new economy of e-commerce can allow some people to “get really rich,” it also offers other possibilities such as serving the public good rather than Mammon.

Zook's example of Craigslist is one such case in which the founder, Craig Newmark, says explicitly, "I am not going to get rich" (quoted p. 101). If this is indeed the case, it really is new.

This issue of who prospers from the new economy is examined systematically in the next pair of papers by Diane Perrons and Andy Herod. Perrons's chapter is wonderful, richly detailed, persuasive, and passionate. Her argument is that the income polarisation sweeping through Western economies is primarily a consequence of the rise of the new economy. Just like manufacture a hundred years or so before, the new economy immiserises the working class, swells the ranks of the proletariat, and engorges the holdings of Marx's "Mr Moneybags." In this sense, again, there is nothing new about the new economy: it is back to the future. I don't want to deny social polarisation, but my question would be is the new economy the only factor causing it? What about neoliberalism, the accumulation of dispossession, world cities, financialization, or even the decline of organised labour? The contributing role of the latter is discussed by Herod in perhaps the only contribution that didn't quite fit the volume. A decent essay, it was less about organising labour in the new economy than about organising labour within the international economy, or rather, about the difficulties of organising labour in the international economy.

The new economy within the world, outside of the Western core, is dealt with in the final pairing, chapters by Michael Leaf and Michael Bradshaw. Leaf's study of SE Asia, and in particular, Singapore and Malaysia, is the more interesting conceptually. He asks about the political consequences of shifting SE Asian economies from export-growth based on manufacturing and assembly to an economy of dematerialised products and creativity. He suggests that such a move might be so wrenching to the state developmentalism and associated forms of political authoritarianism found in SE Asia that it precipitates not only economic

change but social and political kinds as well. If Singapore and Malaysia are really the test cases, however, there isn't much evidence so far that change is afoot. Bradshaw's essay about Russia is best in its setting up, in describing the terrible torsions involved in moving from a command to a market economy, as well as the increasing role that staples play, especially oil. After this compelling account, the last section of the chapter on the new economy seemed a bit of a let down, and substantively, as Bradshaw shows, it is.

Joseph Schumpeter famously spoke about "gales of creative destruction" that periodically tore through economies, fuelled by the cyclonic energy of market-driven technological change. He thought, though, writing in the 1940s that such gales would lose force, become gentle zephyrs, as the state increasingly predominated in social life. Capitalism would end with a whimper not a bang. How wrong he was. The rise of neoliberalism over the last thirty year with its emphasis on free markets, and found now throughout the world, and its conjunction with technological innovation in the form of digitization, have combined to produce the perfect storm, the new economy, and cutting a swath across Western and some non-Western economies. It is so powerful that even the hitherto intransigent Downtown Eastside of Vancouver is changing. It is that forceful. The contributions in *Geographies of New Economies* superbly explain the how and the why, provide maps of its path, and suggest the means for taking shelter from the storm.

Trevor J. Barnes

University of British Columbia