Book Reviews

Vincent Boudreau. *Grass Roots and Cadre in the Protest Movement*. Quezon City: Ateneo de Manila University Press, 2001. 242 pages.

This is an important new study of social movements in the Philippines, contributing both to the history of Philippine protest and to general social theory. Prof. Boudreau's opus is well-researched, based on dozens of field interviews over a two-year period as well as on primary documentation, and well-written. It is only unfortunate that more than nearly one-third of the text is in lengthy substantive and reference footnotes, placed at the back, making necessary a two-track read with much flipping of pages.

This is the story of the rise, and fall, of BISIG (Bukluran para sa Ikauunlad ng Sosyalistang Isip at Gawa, or The Federation for the Advancement of Socialist Thought and Praxis). Fortunate for the general reader there is more attention to the praxis than the thought. The story focuses primarily on the period from 1986 to 1988, examining how BISIG was formed and how three important grass roots organizations emerged, mobilizing farmers, urban poor and fisherfolk in Central Luzon, Southern Tagalog and the environs of Manila, and how for a time they became BISIG affiliates. This story is put in the context of a masterful summary of the history of the Left and the changing character of the political process in the early years of the Aquino Administration.

As Boudreau notes, BISIG was organized by a group of activists which included renegade social democrats, disaffected national democrats, and even former member of the PKP. (Not an "accumulated flotsam" (37), as Boudreau unintentionally slams his friends, who included some of the finest minds in the Philippines, deeply committed to social transformation.) By 1985 they had found unity in differentiating themselves from the NDs on the left and the SDs on the right and began to form their own organization. By 1986 they began to reach out to DIWA, KASAMA and

UMALUN, the three grass roots organization on which Boudreau's research focuses. But the close cooperation and organizational linkages that were soon established had dissipated by 1988, which undermined BISIG's own future prospects. (Unfortunately Boudreau has no postcript that covers BISIG's later transformation into a political party.)

Boudreau explains the process by which BISIG mobilizes the grass roots, and the subsequent severance of links – which curiously he calls 'demobilization', even though the grass roots organizations continued to function even after they de-linked from BISIG – primarily in terms of the changing political milieu, or 'structures', in which they operated after the restoration of constitutional government, the election of Congress, and Cory Aquino's move to the right. He summarizes the process well on p. 138, "To make revolution, activists needed to rally the population against a clear despot. To win reforms, they required access to and influence over national government. In the post-EDSA period, the broad progressive movement could do neither, and entered a crisis." And at the same time that activists, as in BISIG, lost influence and the hope of reform, they suffered a decline in their own funding from various sources, which created tensions in day-to-day relations with the affiliated grass roots. Those relations had partly been based on an expectation of top down financial flows. Yet it was at this same moment that BISIG felt the need to rethink its strategies and to spend more time on political education for mass affiliates. A priority on thought at the center conflicted with an urgent desire for more effective and better funded praxis at the local level. BISIG's relations with the grass roots were thus affected not only by a changing political context but by the nature of the organizational linkages themselves, which Boudreau analyzes in some detail.

Boudreau is clearly concerned to put his analysis in terms which would allow comparison with social movements in other countries and be relevant to recent trends in social theory. While this may be commendable, as a result he seems to leave important gaps both in his story, and in his

analytical argument. His concentration on the relations between the leaders and cadres of a national social movement, BISIG, and the leaders of grass roots organizations, has the effect of largely ignoring what must surely be just as important, the character of relations between grass roots leaders and their own followers.

Furthermore, he also largely ignores an important concept used by many scholars in the analysis of Philippine social and political life, patron-client relations. Though each is mentioned once in the text, neither 'clientelism' nor 'patron-client system' is to be found in an otherwise comprehensive index. And the one use of the latter term was in a quote from this reviewer, who in 1988 surely overstated the case: "In the late 1960s, the breakdown of the patron-client system, which began in Central Luzon, spread to other parts of the country". That 'breakdown', as is now obvious, was at most partial.

What is fascinating is that, while he does not want to use the term, Prof. Boudreau makes frequent references to the substance of patron-client relations, the need to distribute economic benefits in order to maintain a political following. Such terms as 'livelihood', 'socio-economic issues' and 'local concerns' are used to substitute for any discussion of patronage. The inability by 1988 of BISIG to distribute economic benefits, which, in turn, jeopardized the positions of grass roots leaders in their own organizations was surely an important part of an explanation for the de-linking that Boudreau described. Those leaders then sought other patrons to keep the funds flowing. The refusal to use the term 'patron-client relations' in reference to this phenomenon is, at the very least, curious. It misses a chance to describe and explain the many innovative ways in which patronage has been reconfigured to meet pressing needs, even within social movements. This could itself enrich social theory.

Without doubt Boudreau adds greatly to our understanding of Philippine social movements and of the organizational problems that they face. This is a careful

scholarly volume which all students of Philippine society must consult. But the failure to integrate these new findings with other established and still valid analytical approaches offers a challenging opportunity for the next researcher in this field. ❖

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Randolf S. David. *Reflections on Sociology and Philippine Society*. Quezon City: University of the Philippines Press, 2001. 256 pages.

Randolf David, a professor at the University of the Philippines and a well-known newspaper and television commentator in the country, brings together in this book twenty-two essays that he has written during the last twenty-five years. They are clustered into three groups: rethinking sociology, re-imagining the Philippine nation, and Philippine politics. All essays are clearly written and frequently link Philippine topics to relevant social science literature on identity, nationalism, globalization, political and economic development, and democratization.

David says in the preface (p. ix) that the core of the book consists of his reflections on the basic characteristics of Philippine society. He has not provided a concluding chapter to highlight what those characteristics are. Here is what I see emerging from the essays:

Filipino culture, he emphasizes, is not fixed. Hence, David is critical of analysts who have, in his view, over emphasized certain values, treating them as hallmarks of Philippine culture when instead they are some of many.

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"Cultures," he writes (p.101), in the Philippines and elsewhere "are tools of survival rather than heirlooms kept as remembrance." Filipinos are not captives of their cultures; rather they "lean on their cultures to help them pull through" difficult circumstances. Two features of Filipinos he seems to admire are flexibility and adaptability. Filipinos are often "re-inventing" themselves according to different experiences and opportunities. He attributes this trait in part to Filipinos' history of international exposure and participation, not just in today's "globalization" but for centuries.

While emphasizing flexibility, David also says Filipinos have "cultural moorings." These are not well elaborated but a few essays point to some. David writes about "Filipino moral identity," which includes quests for national freedom, democracy, economic self-reliance, social justice, and ecological balance (pp.83-84). A second mooring seems to be the family. It is now and has long been in flux, David says, hence there is no single family type. Nevertheless, he sees the family as a major institution that provides protection and nourishment to Filipinos. Indeed, he is concerned that families sometimes become too central in people's lives, thus turning the family into an "anti-social unit" (p.123). A third mooring is education, which David says is highly prized by most Filipinos in all classes and sectors of society.

Class divisions and poverty are two additional central characteristic of Philippine society. David is not celebrating these but pointing out that they exist and are likely to continue for a long while. One main reason, suggested in several essays, is that members of the upper class elite have considerable cohesion and will go to great lengths to maintain their privileges and hence perpetuate class divisions and poverty. Elite Filipinos are particularly well versed in using power inside and outside of government office to maintain their top position even at the expense of continuing political and economic practices that foster poverty. David does not say but if they share with other Filipinos the quests for social justice and democracy, their interpretations must be rather different from those sketched in this book.

Experts and novices alike will benefit from this collection. Should all copies be sold, as I hope they will be, and the publisher were to reprint it, I would urge the author to write that missing conclusion about the salient characteristics of Philippine society and to add an index for the entire book. ❖

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Mina Roces. *Kinship Politics in Post-War Philippines: The Lopez Family, 1946-2000*. De La Salle University, 2002. 330 pages.

Kinship Politics in Post-War Philippines: The Lopez Family, 1946-2000 focuses on what Prof. Mina Roces claims to be the undervalued role of kinship networks as a foundation of Filipino politics. Roces argues that the best way to understand politics back home is through the prism of *politica de familia*, where parents, children, cousins, in-laws create an arrangement aimed at preserving their economic and political power while doing "service" to the nation. Politica de familia trumps patron-clientism, warlordism, oligarchy and class.

Family politics also reflects what Roces calls "competing discourses" – one representing the modern, rational and progressive language of politics coming from the West, while the other symbolizing the more traditional, narrow, and indigenous language of the family. The Filipino political family – routed through the story by the Lopez clan – can best be understood if we listen to how they publicly talk about politics and their role in it. This, for Roces, is what will enlighten us about the quirks and nuances of our political processes.

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Roces has another reason for bringing political discourse to our attention. She has always been critical of the way foreign academics (especially the irrepressible Alfred W. McCoy) who concentrate too much on the blood and gore of Filipino politics these days. She insists on a more complicated picture that also highlights the contest of "discourses," i.e., public pronouncements and rhetoric that represent, on the one hand, narrow family interest, and those that talk of more lofty goals like democracy and nationalism. Roces argues that political families are not always prone to violence; in fact, in a lot of cases their politics tend to be discursive.

The political history of the Lopezes, for a long time the most dominant pamilya in the western Visayas, and in the 1960s, the makers of presidents, senators and congressmen, typify this contest of discourses. Violence was never the norm of Lopez politics, especially in the post-war period. Instead, as Roces shows us in detail, their rise to power and defense of their prominence were done through invoking either discourses or, in times of crisis, pitting the discourse of the family against competing discourses that focus modernity, democracy and governance.

There is, unfortunately, nothing new with this argument. Its attempt to suggest it has transcended the limitations of modernization and conflict theories actually is negated by its regression back to the basic arguments of the old hats like Samuel Huntington and Myron Weiner: i.e., that in developing societies there is a continuous battle between the modern (i.e., Western, or more specifically, American), and the "traditional" (i.e., identities and networks with narrow and provincial interests, like, say, the family). Reading through Roces' "theory" chapter brings back memories of poring over the 1960s tracts of the above authors, tracts that were subsequently debunked by younger radical colleagues and even their very own students. So why is Roces attempting to resurrect modernization theory?

Moreover, the evidence it harnesses judges the strength of a case study, and its intellectual merit is evaluated by how much it measures up against contrary empirical cases. Politica de familia may be a handy guide for tracking the Lopezes' pursuit of power and defense, but how useful is it in accounting for the discord within families? Kinship politics may unify, but it also, and often, divides. Roces ignores the cleavages within and among the Filipino classes; her almost exclusive focus on the unifying power of *politica de familia* opens her to criticisms concerning her failure to examine conflicts within the kinship network. This elision thus limits the value of her first argument.

But I suspect that Roces may have avoided these contrary cases because they compel her to extend her analyses into areas that would complicate the portrait she wants us to appreciate. She will have to deal with questions like: "Under what circumstances does kinship politics engender intra-family unity and under what conditions does it induce the unraveling of such unity?" She may have to complicate her portrait of *politica de familia* by comparing kin that remain united through time (the Lopezes) against those whose unity unraveled. Broadening her intellectual vista by exploring these comparative pathways would inevitably bring her face-to-face with her bete noire, McCoy, whose "simplistic" views of elite politics actually entail an understanding of the fissures within and among elite families.

Roces criticizes scholars like McCoy for giving inordinate attention to individuals rather than families, and thus mistaking the trees for the forest. But Roces' book itself is very much the story of two individuals – the brothers Eugenio and Fernando Lopez. We only catch a glimpse of the other Lopezes, especially the women, and a peek of the martial law period, when the seniors, politically and economically disemboweled by Marcos, gave way to a younger generation more experienced in surviving authoritarianism. One can argue, like Roces, that before martial law, the brother negotiated, gambled, fought and sought to enhance the family's power and prestige. But there is also no reason not

to look at the rise and fall of Eugenio and Fernando as stories of ambitious individuals (strongmen?) with the family playing a supporting but secondary role.

The family only began to act as a collective unit – as familia – after the trauma of martial law impressed on the younger Lopezes that acting collectively was better than centralizing power in the hands of one or two members as in the old days. Their experience with authoritarianism and crony capitalism taught them not to invest their political and economic wherewithal on just one group, but to spread these "democratically" among various and contending political forces. Finally, the fall of their fathers persuaded them to choose the option of hushed exercise of economic influence over that of overt politicking. Hence, after 1986, we read stories about the Lopezes' "silent" backroom negotiations to get back their properties, their "professionalism" in acquiring new businesses and expanding the recovered empire, and their modest celebration of new economic and political alliances through marriage (compare the ostentatious and tacky display of wealth during Eugenio's 40th wedding anniversary celebration to the restrained wedding of his grandson Beaver Lopez to a daughter of President Estrada).

The book would have been more interesting if it had reoriented itself towards telling us more about these shifts in the Lopezes' way of doing politics and business and the corresponding attitudinal changes as each generation came to grips with its respective political realities. In fact, to do this would have given the *politica de familia* argument a more interesting twist because these modifications in attitude and praxis indicate the adaptiveness and flexibility of kinship politics. The meaning and substance of *politica de familia* are, in short, open to changes depending on the historical conjuncture, the context and the organization of the family; they are not, as Roces tends to depict them, static, cohesive, and eternally stable.

Roces' argument that conflict can also be discerned through a study of political discourses merely echoes and perhaps is even derivative of the far more sophisticated theoretical reflections by Resil Mojares and Reynaldo Ileto. While there is nothing wrong in basing one's work on earlier scholarship, one is discomfited by Roces' simplistic appropriation of the methods of investigation popularized by the above authors. What made Pasyon and Revolution a classic, for example, is the way it deciphers an alternative worldview peasants conjured while listening to and participating in a Lenten ritual. Ileto shows how a religious text used by the Spanish to control the indio opened itself to being reinterpreted by the latter to subvert colonial hegemony. Peasants and urban folks constructed an emancipatory counter-logic out of a ritual of domination, turning the latter into an ideological weapon with which to undermine their rulers. We do not see the same subtle decoding of kinship or Western discourse in Roces' book, despite her claims at deconstructing both idioms. There is no intricate working out of the logic behind the elite's use of "Western" discourse or the idiom of *politica de familia*. Neither is there any attempt to explore the kinds of worldviews that lay behind the rhetoric, save for an unrefined overview of the features of these discourses in Chapter 2.

Roces assumes that there exists a conflict of discourses as the Lopezes (or any other elite) navigate through the perils of Philippine politics. This is unconvincing. What prevents us from arguing that these discursive "conflicts" are also rhetorical blandishments to justify and legitimize their ambitions? As the book itself shows the Lopezes were no different from any other ruling elite in their practices of economic accumulation (either through rent-seeking or through perfectly lawful means, two moves not necessarily in opposition to one another) and their accretion of political power. So what discursive conflict are we talking about when the appearance of conflict itself was instrumental in crafting the Lopez's public image and furthering the family's fortune?

Finally, Roces' attempt to compare the Philippines with other societies is weakened by her wrong choice of geographical site. It is not to Latin America that the Filipino *politica de familia* is comparable; it is the United States. The history of the Lopez family echoes more closely the Kennedys of Massachusetts, the Daleys of Chicago and the Tafts of Ohio – political families with disreputable roots that managed to gain legitimacy and prominence as well by entering "democratic" politics. Hagiographers eventually glossed over the Mafia-like past of these American families, even as traces of the old continue well into the present. The elder Richard Daley, for example, remained boss of Chicago in the 1960s, long after American Progressives declared the era of "boss rule" dead. His son, the present mayor, may be better known as a reformist administrator and professional politician, but one wonders if his career would have blossomed without the foundations laid down by his shady forebears.

Theoretical scantiness inevitably leads to conceptual recklessness. The April 6th Liberation Movement is accorded three descriptive markers – terrorist (without quotations), "terrorist" (with quotations) and revolutionary (without quotations) – all in one page (p. 139), confusing the reader as to the political identity of the group. For the first label validates the Marcos dictatorship's charges against the group, the second raises Roces' doubts about the Marcosian accusation, and the third elevates the group to the level of revolutionary opposition to Marcos. The question is not which is which, but what is this all about and why are the distinctions never explicitly addressed?

It is when Roces departs from her simplistic discursive theorizing and starts recounting oligarchic schemes and political machinations that the book actually becomes interesting, and tracking this story in itself would have been enough to endow the book with intellectual potency. But Roces is ambitious and wants to show she has something theoretically new. Alas, dabbling in crude discourse analysis and post-structuralism has only diminished the book's

insights and distracted the reader from considering its compelling empirical merits. ❖

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Mustaq Khan and Jomo K.S. (eds.). *Rents, Rent-seeking and Economic Development: Theory and Evidence in Asia*. Singapore: Cambridge University Press,. 2000. 338 pages.

Michael Ross, *Timber Booms and Institutional Breakdown in Southeast Asia*. Cambridge: Cambridge University Press, 2001. 335 pages.

The two books under review form part of an increasing attempt to integrate political science and economic thinking in explaining the varying development experiences of developing countries. Using the concept of rents and rent-seeking, but revising and employing them in a new way, these two books provide interesting research results as well as theoretical lenses in studying the dynamic development trajectories of Asian countries.

In the book Rents, Rent-seeking and Economic Development: Theory and Evidence in Asia which contains excellent essays by well-known scholars, editors Mustaq Khan and Jomo Kwame Sundaram offer a reassessment of the concepts of rents and rent-seeking and their role in the processes of economic development. This appraisal comes at an opportune time, in the aftermath of the 1997 financial crisis, where the IMF and many Western-based academics argue that rent-seeking and corruption are among its root cause, and their prognosis is that, without

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uprooting these institutional structures, the prospects of the region's recovery is dim.

The authors raise a puzzle that does not sit well with conventional economic models on rent-seeking: why were corruption, clientelism and other forms of rent-seeking widespread during Asia's high growth period? Why were they associated with spectacular growth in some countries while caused stagnation in others? The authors examine the varied roles of rent-seeking in economic development and whether they have been responsible for slow growth or otherwise. They contend the need to radically extend the rent-seeking framework, to incorporate the insights from political science, institutional economics and political economy – in short an interdisciplinary approach – to be able to account for the seemingly anomalous role played by rent-seeking in various Asian countries. A major strength of the book is it's grounding in historical and societal contexts of Thailand, Malaysia, the Philippines, Indonesia, South Korea, India and Pakistan, as analyses were written by country experts.

In Chapters 1 and 2, Khan provides a critique of the economic definition of rents and extends it to analyze different types of rents that exist in the real world. Rents refer to "excess income" or "an income higher than the minimum." (p.21) It plays a "critical role in the normal operations of market economies and a potentially substantial role in the processes of economic development."(p.12) Rent-seeking, the process of preserving or destroying rents can be growth promoting or growth retarding, depending on circumstances. Thus, one has to be able to distinguish between types of rents in order to differentiate whether they lead to economic development or failure.

While conventional economic analysis of rent-seeking concentrates on the input side of the process, Khan proposes the need to focus on the differences in outcomes of rent-seeking. The magnitude of rent-seeking expenditures and the types of rights created depend on the distribution of

power within patron-client networks. Thus, the overall effect of rent-seeking is not solely based on rent-seeking cost but also on the efficiency and growth implications of the rents that are created or maintained. Khan's dynamic model incorporates both the input cost and output side of rent-seeking, providing a promising means of analyzing the effects of rent seeking and a way of explaining the seemingly contradictory coexistence of rent-seeking and high growth.

Chapters 3 and 4 look at the experience of Thailand. Richard Doner and Ansil Ramsay argue that Thailand is characterized by "competitive clientelism," where a patron can allow entry into a sector for his clients but not stop the clients of other patrons in entering the same market segment. Citing the case of the textile industry, competitive clientelism led to the entry of many players in the industry, leading to a high degree of competition and thus, improvement in the efficiency and performance of the sector. On the other hand, Michael Rock argues for the need to go beyond "competitive clientelism" as there are evidences that suggest the state in Thailand is capable of more coherent industrial policies than the rent-seeking analyses assert.

In Chapter 5, Paul Hutchcroft discusses the case of the Philippines, which is considered "always out of step in the developments in the region." Corruption and rent-seeking in the Philippines have generally produced outcomes which obstruct economic development. Hutchcroft argues that corruption is less predictable and thus more damaging in the Philippines. Compared to Thailand's "competitive clientelism' or to Malaysia's "centralized clientelism," the Philippines is characterized by "monopoly clientelism," where patrons could effectively exclude entry of others and are under no pressure to invest or improve production. Such is the case because powerful patrons are located outside formal bureaucratic structures and have independent power bases. It was this "politics of privilege that is obstructive to development" that the Ramos administration's reform agenda sought to dismantle but with very limited success.

In Chapter 6, Andrew MacIntyre explores fiscal policy in pre-crisis Indonesia and argues that rent-seeking has been rife in the off-budget segment of fiscal policy. Ironically however, Indonesia's highly centralized political framework led to coordinated rent allocation and producing satisfactory economic outcomes.

Chapter 7 and 8 focuses on Malaysia where the central tension on rent creation and distribution is tied to the state's goal of redistributing wealth to ethnic Malays and the attempt to modernize the economy. Jomo and Gomez provide a historical background explaining the roots of highly political and purposive nature of rent creation and transfers. The ascendancy of ethnic politics in Malaysia allowed the centralization of clientelism and in a way, led to less costly rent-seeking. They argue that while there were positive effects of redistribution, the net effect was to reduce the rate of investments of ethnic Chinese and growing rent-seeking by ethnic Malay political intermediaries. The final essay by Jomo and Chin Kok Fay concur with this conclusion in their examination of the financial sector. Financial rents, like rents in other sectors, were primarily harnessed for the inter-ethnic redistributive agenda of the state, paying little attention to enhancing development performance.

The essays on the experiences of countries in Southeast Asia point to a mixed record. Rent-seeking describes a wide range of processes, which are sometimes critical for growth and at other times severely growth-retarding. There is neither simple correlation between the extent of rent-seeking and long run economic performance nor the intensity of rent-seeking and a country's vulnerability to the financial crisis. The book provides an alternative model of analyzing rent-seeking and its relationship with economic growth. While the authors have focused on the different aspects of rent-seeking outcomes in relation to power relations and corruption, they have not uniformly utilized the integrative framework that Khan develops in the first two chapters. This gives the various essays in the collection a quality of unevenness but nevertheless provide an exceptional source

of theoretical and conceptual lenses for further study of countries in the region.

In the second book, an offshoot of the author's dissertation, Michael Ross grapples with the question why resource abundance has led to the breakdown of institutions in the Philippines, Malaysia and Indonesia, the top three countries that dominate the world market for tropical timber. Providing a focused case study of how these countries have managed their abundant forest resources, Ross attempts to explain why windfall revenues, instead of creating positive impacts on the economy, have instead been dissipated, while forestry institutions were destroyed. Thus, while the authors in the first book challenge the widely-held belief that the result of rent-seeking is always negative to the economy, Ross's cases deals with a foregone conclusion – the negative effects of timber rents, and hence, his analytical task to retrace how such came about.

Drawing from new institutional economics, theory of patron-client relations and rent-seeking, the author offers "rent-seizing" as explanation to institutional breakdown. While two categories of explanations exist in the literature on the issue of natural resource as a curse, (cognitive-windfalls induce laziness or euphoria among policy-makers, and societal- interest groups, political clients and rent-seekers demand a share in the windfall from the state), Ross suggests a third explanation, which he calls "rent-seizing". He argues that resource windfalls lead to policy failures because "state actors compete with each other to gain the right to allocate rents held by state institutions. Focusing on the supply-side of rent-provision, Ross argues that state officials are also in competition to acquire the right to allocate rent. During rent-seizing, state institutions are endogenous, and if, and when they obstruct the rent-seeking process, they are dismantled by the state actors along with the policies that are seen as constraints. Thus, while conventional rent- seeking theory look at the demand side of rent-seeking – what is called "rent creation" (when firms seek rents created by the state, by bribing politicians and bureaucrats) and "rent extraction"

(when politicians and bureaucrats seek rents held by firms, by threatening firms with costly regulations), Ross's analysis is squarely on the supply side of the process. He contends that combining rent-seeking (demand side) and rent-seizing (supply side) in the analysis would provide a more complete picture of how windfalls lead to policy failures. He discusses how rent-seizing is more "pernicious and harder to mitigate" than rent-seeking because it occurs wholly within the state, and it directly impacts on the capacity of state institutions.

The book contains 8 chapters. The first two chapters introduce the general problem, putting it into the broader theoretical realm of natural resource booms and the observation that oftentimes, developing countries fail to positively cope with these revenues. Chapter 3 provides the theoretical arguments of the book. Chapters 4-7 discuss the experiences of the Philippines, Sabah and Sarawak in Malaysia and Indonesia. Chapter 8 concludes that the selected cases support the hypotheses of the book, that rent-seizing (supply of rent) going hand in hand with rent-seeking (demand for rent) have been disastrous to the forests and forestry institutions of the three countries.

In this empirically focused work, Ross has called attention to an aspect of the rent-seeking process that is not normally analyzed by conventional rent-seeking theories – the supply side of rents. The earlier works of economists on the topic was concerned with the negative growth and welfare effect of rents. Furthermore, these earlier work were committed to the idea of free markets and limiting state intervention. While Ross's research findings does not debunk the notion that rent-seeking has negative effects on the economy, as what Khan and Jomo's contribution did, his interest and explanation rest on the mechanism of how state actors use the power vested in them to distribute rents and in the process, destroy state institutions.

However, there are claims in the argument that need to be looked further into.

First, Ross argues that the rise of timber prices in the world market create positive incentives for politicians to rent-seize, and destroy existing institutions which where functioning before the boom. It seems that the author has mistaken the presence of laws and bureaucratic agencies as proof of their institutional capacity to protect forest resources. His argument that these were later destroyed begs the question because one cannot assume that the existence of institutions is tantamount to their functioning. In particular, the experience of the Philippines is telling, where formal institutions and good laws are in place but their credibility, effectivity and enforceability are lacking. Thus, in this case, one cannot talk about "destruction of institutions" unless one is first able to show that institutions were functioning and not merely point to their existence before hand.

Secondly, Ross uses the "ability to limit the pace at which a windfall is disbursed" (p.15) as indicator of how well forestry institutions perform. Again in the case of the Philippines, the Department of Environment and Natural Resources (DENR) issue timber licenses. However, the collection of taxes and its subsequent disbursement are functions of other government departments (Bureau of Internal Revenue and Department of Budget and Management), institutions that deal with how the resource windfall are collected and spent. These institutions however are not covered in Ross' analysis of institutions.

Overall, these two books attempted to provide fresh theoretical insights into the usefulness of rents and rent-seeking, with the first book doing it more successfully than the second. These studies warrant broad readership, especially among people interested in the historically and empirically grounded analysis of countries in Southeast Asia. ❖

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