Another point that could be better covered is the governance mechanism. Governance mechanisms needed for the engagement differ on the nature of activity outsourced. Even the nature of engagement along the temporal dimension, like long or short time, depends on many parameters. Which type of engagement suits which type of activity and partners could be have been covered more. Similarly, among the practitioners, the attrition that is happening with outsourcing vendors is a serious cause of concern. The whole plan can go hay wire due to high attrition happening with the engaged partner. It is true that the flexibility offered by the arrangement may help the user organization along the time to market dimension. But, the same may get adversely affected due to instability along any of the other dimensions.

The book, on the whole, covers various facets of offshoring. It covers the necessity to go along the way. It provides a framework and advises the practitioners on the necessity of due diligence. It also tries to dispel some of the myths associated with the process. In some areas, it may appear that depth apparently is traded for breadth of coverage and the structuring of the book along arrangement of topics lines can also be improved. Though there are other concerns that could have been better addressed, overall, the book introduces the readers to services outsourcing as it is happening and provides information on many surrounding issues.

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Growth Theory – Solow and his Modern Exponents by Dipankar Dasgupta. 2005. New Delhi: Oxford University Press, Price: Rs.545.

This is a book on recent contributions to the theory of economic growth. By "recent" one means the post nineteen eighties literature on the subject contrasting that with the growth economics of the nineteen fifties and sixties. The latter is now "old growth theory", the former "new growth theory". There has been such a deluge of publications on "new growth theory" that to simply sort things out and put them in one coherent framework would be a daunting exercise to attempt. The author has done an admirable job in this respect.

Growth theory is a demanding subject, not an accessible one. At the same time, the rewards to investing time and energy in the discipline are considerable. The subject has allured – in fact, mesmerised — some of the best minds in the profession. As one distinguished member of the tribe, Nobel Laureate Robert Lucas, puts it: “The consequences for human welfare involved in [the] questions… are simply staggering: Once one starts to think about them, it is hard to think about anything else.”

The real-life issues surrounding economic growth are varied and messy. The scenario is so utterly complex that only by simplifying to a highly idealised setting can we hope to reach any conclusions. Even then, the framework cannot be simplified beyond a point and the technical apparatus necessary for analysis is not elementary. Therefore, a prerequisite for understanding what has been written in this area is an advanced level of analytical preparedness, especially, in regard to techniques of dynamic optimization. Dasgupta’s book not only presents the economics of growth models but also develops the necessary mathematical methods in a careful, clear and systematic manner. This will be very useful for students and serious scholars.

The book is in six chapters. The first two chapters are devoted to groundwork and constitute about one fourth of the book. This part covers in detail the common framework of analysis and the mathematical methods of dynamic optimization. The remaining chapters apply the basic framework and the basic methods to some of the more important questions in growth economics. The applications shed light on what is regarded as the driving force of modern economic development: deliberate technological progress. Concern with understanding and explaining technological progress and marketable knowledge is the distinguishing hallmark of new growth theory.

The reason why old growth theory reached a dead-end was that it didn’t explain growth experience all that well. In the immediate post-war period, the preoccupation was with accumulation of capital goods. The war had led to large scale destruction of capital goods, especially in Europe and Japan, and the emphasis in old growth theory was on physical capital accumulation and saving. However, the theoretical models that were used concluded that capital-driven growth did not hold out much hope for the long-run. There seemed to be no way to escape the inexorable setting in of diminishing returns to capital imposed by the desire to outstrip population growth. So, the prediction was that in mature economies, growth in per capita consumption would peter out. The problem with this conclusion was that the data were not in agreement; so, it was the theory that had to be junked. New growth theory had to explain how, in practice, diminishing returns to capital were kept at bay despite the increase in capital per head.

A path-breaking empirical exercise by Nobel winner Robert Solow revealed that growth in the United States was not primarily imputable to growth in factors of production, in particular capital. On the contrary, fitting the data to the standard model of capital accumulation, growth was largely attributable to 'residual' factors, i.e. things which the model left unexplained. It was of course clear to everybody that what kept diminishing returns at bay was technological progress, but the problem was the absence of a decent *theory* of endogenous technical progress. In old growth theory, technology was wholly "given", and if there was technological advance then that was "caused" by unexplained factors outside the model. This, clearly, is unsatisfactory. So the question to ask is: How is technological progress "produced" as an economic activity in a market economy? Despite some important contributions, this question had to wait for some twenty years until Paul Romer and others came along. The second part of Dasgupta's book is an elegant exposition of the new research on endogenous technological progress and related topics.

The analysis is conducted with remarkable clarity and attention to detail. The book seems to be written with the diligent graduate student in mind, but it is ideal also for economists who wish to catch up with developments at the frontiers of the subject. The author has taken pains to motivate the reader in various ways. The introduction should help prepare the reader analytically and stimulate interest in the subject.

This reviewer has only found one or two broad issues to argue about. One question relates to the size of the population and its effect on consumption per head. This question is touched upon by the author on pp.6-7. The author calculates that even if India were to grow at 8% per annum for 25 years it would only attain a per capita GDP of $3000. That looks pretty unimpressive: "…even at a growth rate as high as 8%, India's performance would be somewhat unimpressive in terms of per capita *GDP* achievable over periods as long as 25-30 years. *One of the reasons underlying the problem is the size of the population.*" (Italics added). Why is size important?

In fact, in the prototypical model of growth, output per head depends on capital per head, period. The size of the population is not seen as influencing output per head. This follows from the assumption of "constant returns to scale", i.e. the production function is homogeneous of degree one. To bring in "overcrowding" would seem to require fixity of non-reproducible factors such as land, giving rise to decreasing returns to scale. But that means the important thing is population *density*, the ratio of population to land. But some of the fastest growing regions are also the most densely populated. In any case, to understand the constraints on growth, one can look at constituent parts of India and focus on "local" growth rates (e.g. of states or districts) and ask why these growth rates are not higher or why living standards in these localities are not higher. Indeed, carrying out the entire exercise in terms of the representative household would seem to imply that it does not matter how many households there are.

The book is nicely produced but not entirely free of typos. The exposition makes excellent use of diagrams and enhances readability.

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International Marketing by Rakesh Mohan Joshi, 2005. New Delhi: Oxford University Press. Pp. 750. Price: Rs. 325.

This book very rightly positions itself in the long prevailing gap in marketing research, necessitating a comprehensive textbook on international marketing in the Indian context. With the global international ventures initiated by many leading Indian organizations, marketing activities spreading outside of national boundaries become more challenging and crucial for success. Complementing this internationalization of marketing activities are more and more management institutions offering international marketing as a specialization subject and enabling management students to take up the challenges. Under such circumstances, there has been a persistent need for an insightful textbook on international marketing in the Indian context. Management students have so far been extrapolating the learning of developed countries' books to the Indian context. While, this has contributed a lot in terms of knowledge of the subject, the effectiveness of that knowledge has been compromised.

As a comprehensive text on international marketing, this book provides a detailed coverage and in-depth analysis of international markets specifically based on Indian and developing countries' perspectives with regard to their economic, political and legal environments. The approach of the book is quite different from that of a book based on developed countries in terms of financial resources, infrastructure, logistics, etc. At the same time, it also serves as a handy reference book for international marketing practitioners and entrepreneurs.

The structure of the book can be broadly classified into two sub-units: The conception and the implementation. The broad structure is quite similar to other well-known books on International Marketing. For example, Onkvissit and Shaw (2004) follows the same structure. The initial chapters of the book build a strong theoretical foundation for International Marketing by discussing the concept of international marketing through international trade theories (chapter 1), an overview of world trade (chapter 2), structure and functions of WTO (chapter 3), various international economic institutions and