

“The Software Industry in Emerging Markets” by Simon Commander
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Reviewed by Erran Carmel

In the Spring of 2003, Simon Commander, a professor at London Business School, gathered together several gifted observers of the global software industry at a workshop in London. Commander wanted to examine the largest and most influential of the new software nations: India, China, Israel, and Brazil. The papers from this workshop became a book, that finally appeared in 2005. We are all richer for this contribution.

Together with Commander’s introductory chapter, this book is at the highest caliber of scholarly country studies about global software. The chapters are chock full of excellent statistics, tables, maps, and lists. Better yet, the analysis of the data is excellent. And the writing is strong. This would also be a fine textbook in a seminar on high-tech in emerging markets.

Commander’s introduction chapter is a strong synthesis of the others and asks all the right questions about policy, replicability, and causality. His concluding insights about the software industry include: “the software industry has been generally characterized by its striking openness: openness to ideas, trade, and labour flows.” Coming from one who has studied many other industries outside of high-tech, this insight has special credibility.

I particularly liked Saxenian and Quan’s chapter on China. This is AnnaLee Saxenian who made her mark by showing empirically the contribution of immigrants to Silicon Valley and is the guru on “brain circulation.” At the time, in 2003, this chapter on China was nothing short of a brilliant piece of both field research and analytical force. I had read numerous pieces that attempt to give us a sense of China’s emerging software industry. None come close to the depth and intelligence of this chapter. The tidal waves of articles about China have only now begun making the observations that Saxenian made in 2003.

The Israel chapter is richly documented and full of small cases, of 250-500 words each, covering a cross section of companies. These cases include several of the leading Israeli companies, such as Check Point, Comverse, and Mercury Interactive; and some other interesting ones: Panorama (launched by a woman), Orad and Vi-zrt (creating, between them, the virtual studio segment), Business Layers (born to go global) and several more.