



***The Handbook of Service Industries.* Edited by John R. Bryson and Peter W. Daniels**

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Edited by John R. Bryson and Peter W. Daniels.
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Even though services now account for upwards of 80 percent of all employment in advanced economies, they are a category that is poorly understood by the academic community. They have been characterized as being intangible (a massage?), nonstorable (educational DVDs?), nontransportable (TV signals?), and therefore nontradable (online gambling?). They have also been portrayed as parasitic consumers of the value created in the truly productive primary and secondary sectors.

The perception that services do not contribute to the “real” economy has undoubtedly contributed to the ongoing marginalization of the sector in the work of economic geographers. A review of several recent textbooks in the field shows a continued bias in favor of the manufacturing sector particularly in studies of transnational corporations, even though the bulk of foreign direct investment is in service activities. Producer services get significant attention, but mainly because of their role in facilitating primary and secondary production. Token chapters on services typically focus on retailing, through which the goods produced in the manufacturing sector are distributed to consumers. Yet in the United Kingdom in 2006, half of the household expenditures (excluding housing, fuel, water, pensions, and life insurance) were devoted to the purchase of services, more than half of which were for recreational and leisure activities.

Even this account does not capture the importance of leisure as a household consumption activity, since only a small fraction of leisure spending is devoted to using the Internet, watching television, and listening to music (activities that dominate leisure-time use in the United Kingdom and other advanced economies). These major information-based consumption activities have been largely ignored by economic geographers, who still see information technology (IT) largely as a means of linking producers or as an important source of manufactured products in its own right. There is still limited recognition that the “informational economy” embraces consumption as well as production.

Indeed, the perception of leisure activities as a form of consumption is itself questionable. A key function of such activities is to maintain or restore human labor power: they therefore add value by enhancing human productivity. The same can be said of personal services, such as education and medical care: they add value in the sphere of human reproduction. Similarly, many activities that are regarded as services, such as cooking, cleaning, maintenance, and repair, actually add value to material goods and properly belong in the secondary economic sector. Even transportation and distribution create value by moving goods and people to locations of higher demand. We therefore need to abandon the arbitrary way in which services are classified in official statistics and move to an alternative taxonomy that is based on the different ways in which they contribute to the creation of value, so as to gain a better appreciation of the key role that most services play in the functioning of economic systems.

Although many of its chapters are written by nongeographers, this book reflects many of the biases just identified. Apart from a “stray” chapter on innovation in the Japanese 7-Eleven convenience store chain, the book’s focus is almost entirely on producer services, thereby excluding the bulk of global service activity, contrary to the comprehensive scope suggested by the book’s title. Even within this limited remit, the main focus is on skilled, high-end, business services: little attention is given to the armies of routine office workers who underpin the producer services sector.

The portrayal of the volume as a “handbook” is also odd; apart from providing only partial coverage of the field, there is no obvious logic to topics that are addressed or in the way chapters are grouped into sections. Furthermore, the contributions are highly variable in format and style and in the extent to which they are descriptive or theoretical; there is much overlap between many of them, a problem that is paralleled by an inordinate amount of repetition within the chapters.

The first section (“Conceptual Perspectives”) includes two useful contributions by Sven Illeris and Pascal Petit on the nature, definition, and economic role of services. In a wide-ranging literature review, Illeris ends up wondering, given that the great bulk of employment in advanced economies is now in services and that the boundaries between services and manufacturing are becoming increasingly blurred, whether the term *services* has any real use as an economic category. Petit devotes attention to the so-called productivity paradox, whereby the gains in efficiency that are attributed to the adoption of new IT by firms and organizations are not reflected in national accounts. This paradox, he suspects, may be due to systematic underestimation of the real output in services deriving from problems with accurately measuring the output of many service activities.

372

It is not possible to summarize the rather disparate contributions which make up the remainder of the volume, but a number of interlinked and familiar themes emerge from many of them. The key theme is globalization, facilitated by new information and communication technologies, deregulation, and major new developments in logistics, mediated through transnational firms and spatially organized through the emerging system of world cities. There is a particularly penetrating and superbly written piece by T. A. Hutton that ties together the various processes driving the evolution of the complex and dynamic urban system that has grown up in recent decades in the Asia-Pacific region.

Another key theme is networking, partly mediated via new IT, but also by the face-to-face contacts that remain crucial at all spatial scales, from the localized contacts of British small and medium enterprises to regional economic clusters to the complex sets of networks that link cities across the globe in various ways and to various extents, as insightfully recounted by Saskia Sassen. The complementary roles of IT and face-to-face contacts are neatly brought together in Barney Warf’s examination of core and periphery structures in the functioning of the globalized service economy, with the latter contacts central to the internal functioning of the complexes of business services and corporate headquarters in the core global cities while IT allows routine back-office and call-center functions to be decentralized to peripheral regions. The gendered dimensions of this dichotomy are mirrored in many other areas of service work, and Linda McDowell provides a broad-ranging review of the changing gender relations that are wrought by the growth and restructuring of services, showing in particular how the interpersonal nature of much service work has led to its sexualization, with different implications for male and female workers.

In sum, this book, as with most edited compilations, offers a mixture of contributions of varying quality, the relevance of which will vary, depending on the interests of individual readers. The 54-page bibliography will be a useful resource for practitioners in the field, although chapter-specific bibliographies may have facilitated those who seek material on specific themes.

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