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Apple in China: The Capture of the World's Greatest Company, Patrick McGee, UK: Simon & Schuster, 2025, pp. 448, £25, 978-1398534360

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“Apple in China” examines Apple’s production, which during the 2000s converged in China. Drawn from McGee’s two decades of reporting for the Financial Times in China, and over 200 interviews, it provocatively argues that Apple has played an oversized role in transforming consumer electronics production in China and with this, shifted the expectations for the Chinese state about innovative production. More broadly, the book implies further conceptual considerations are needed related to notions of learning, upgrading and industrial development.

In previous books about Apple, the firm's ethos has been said to be best represented by the late CEO Steve Jobs, who unceasingly drove innovations to consumers. In this book, the focus moves away from Jobs and product design taking place in Cupertino, California. Rather, it centres Tim Cook, the CEO since Jobs’ death in 2011, and production taking place in South China. With a background in operations, Cook has transitioned Apple to become a truly global consumer electronics firm. While production is less headline-grabbing, it has been no less important to Apple’s continued success. With its ability to control production, we see Apple “...routinely boasting more than 80% of industry profits” (p. 267).

Production for Apple is highly demanding. It requires the incorporation of cutting-edge prototypes developed in California, often highly bespoke, into mass production at scale. Alongside this, Apple make unrelenting demand for best-of-class quality control and at a low cost. These near-impossible demands led to variable production strategies during the 2000s. Apple tried different options, eventually settling into outsourced relationships with Taiwanese suppliers, who rely on Chinese mainland labour, starting from the production of the iPod. More recently, the growth of large Chinese suppliers

has been rapid, at the expense of Taiwanese firms. Overall, the move to China has been a gradual shift, “...nobody at Apple had really architected a move to China; but in one opportunity after another, Apple operations were lured into the country” (p.149).

As exemplified by the wily figure of Terry Gou, the CEO of Foxconn, who regularly appears in the book, suppliers in Taiwan and China have been happy to accept contracts hugely skewed against their interests. Why do they agree to this? Certainly, having the ability to draw on low-cost labour within China is one part of the story, supported by Chinese state subsidies to ramp up production. But this is not the complete story. The only way that Apple’s unique demands for innovative, low-cost and large-scale production can work is through expanded lead firm-supplier relationships. During this period, “...Apple was not outsourcing as the word was commonly understood. Instead, it was sending its top product designers and manufacturing design engineers from California and embedding them into suppliers’ facilities for weeks or months at a time” (p. 172). This contrasts with other firms, “...whereas smartphone rivals like Samsung could source a bunch of off-the-shelf components together and make a handset, Apple’s strategy required it to become ever more wedded to the industrial clusters forming around its production” (p.176). In fascinating accounts, we see Apple operations staff spending months working with suppliers as new products are developed, working 24/7 with production managers to transfer knowledge. This often includes Apple installing leading Apple-owned machines in its suppliers.

With its vast scale, McGee argues that this increasingly symbiotic relationship with suppliers has been significant in terms of spurring innovation. Apple is “...the world’s biggest corporate investor in China, a mass enabler of indigenous innovation” (p. 277). It has facilitated broad-based industrial skills in areas such as production control, operations and quality control. These dynamics have also resulted in rapid spillover of knowledge across Chinese consumer electronics production, “...Cook’s team grew to understand that the innovations it came up with would be mimicked in China, usually within a year. This was simply the cost of doing business there”. Most notably, the emergence of globally competitive Chinese smartphone firms in the mid-2010s is argued to be closely linked to knowledge spillover from Apple.

Later chapters of the book discuss the fraught relationship between Apple and the Chinese state. McGee argues that Apple played an important role in refining state visions for how it supports industrial development. Apple has avoided the standard demands of China, such as requiring joint ventures, because it has been able to persuade key policy actors that its operational investments and symbiotic production are “...a superior form of technological transfer than the joint venture model” (p. 273). Interestingly, McGee also alludes to similar, later patterns of production linked to Tesla in China - a firm with many parallels to Apple and with reportedly similar impacts on the domestic electric car industry.

Although not substantially engaging with theories of industrial production, the rare depth of detail and insights on the Apple case have implications for global value chains (GVC) and industrial policy. While concepts such as “captured” GVC governance have long implied the possibility of greater interactions between lead firms and suppliers, they have featured less in consumer electronics GVC and have rarely covered the complex calculus and reverse dependencies implied in the Apple case. The discussion of the Chinese state's shift away from mainstream industrial policy prescriptions in this case suggest revisiting how innovative technology transfer is best undertaken, and indeed if these patterns will survive current US-China tensions.

Some minor critiques can still be made. Most notably, with its focus on Apple accounts, the book underplays somewhat the voices of suppliers and workers in China. It would be useful to hear similar in-depth accounts from these actors about the Apple relationship, which may modulate the more grandiose statements, and put more priority on other aspects of domestic innovation (e.g. Dou 2025). Notwithstanding this, “Apple in China” is a landmark book for grounding our understanding of global production that centres on innovative products, and more broadly on industrial development linked to innovation.

References

Dou, E. (2025) *House of Huawei: The Secret History of China's Most Powerful Company*. Penguin, New York.