

understanding of the history of national legal institutions helps shed light on wider issues of law and development, they confront the intriguing dichotomy of how Singapore has created a highly efficient legal system that is sometimes criticized as lacking justice while India's legal system is extremely inefficient, but is perceived as a better protector of individual rights.

Amongst the other chapters, scholars interested in the history of Japanese labour laws and the diminishing lifetime employment commitment of large employers will find Pejovic's "Japanese long-term employment: between social norms and economic rationale" particularly salient. Those concerned with foreign investment in Mongolia's mining sector will want to read Sumiya's "Law and development, FDI, and the Rule of Law in post-Soviet Central Asia: the case of Mongolia". Similarly, van Uystel's "China's antimonopoly law and recurrence to standards" will appeal to students of competition law.

In summary, there is much to recommend *Law and Development in Asia*. Its chapters tend to be well written and informative. The reader is left, however, with the sense of an attempt by the editors to find a theme among essays related to the general topic described in the book's title, but that do not collectively complement each other to enunciate a common narrative.

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***Infrastructure for Asian Connectivity*. Edited by Biswa Nath Bhattacharyay, Masahiro Kawai and Rajat M. Nag.** Cheltenham and Northampton: Edward Elgar Publishing, 2012. Pp. 498

Asia's economic growth holds much promise to lift its people out of poverty. However, this growth can only be sustained by the presence of quality infrastructure that can keep up with the pressures of economic and population growth. Acknowledging that trade forms a substantial part of the Asian growth story, such infrastructure must also enable connectivity between different parts of the region in a timely, dependable, and unified manner. Failing to achieve this, Asia's trade competitiveness may be compromised, and its growth stunted and less inclusive. This book lays out detailed arguments explaining the benefits of regional infrastructure networks, discusses the policies and institutions required to build these networks, and presents various ways of financing them.

Infrastructure for Asian Connectivity (IAC) is the more advanced companion to *Infrastructure for a Seamless Asia* (ISA), also a joint publication of the Asian Development Bank (ADB) and Asian Development Bank Institute (ADBI). Both volumes are outputs of ADB and ADBI's flagship study on Infrastructure and Regional Cooperation. Here "regional infrastructure" is defined as projects that span, impact, or require the coordination of multiple, neighbouring countries. The earlier ISA book, published in 2009, is presented in a more popular format and is reported to be "the most downloaded book on the ADBI website". The IAC book, reviewed here, is more technical in nature. Presenting selections from thirty background papers originally prepared for the study, it offers valuable insights for economists, policy-makers, and those deeply interested in infrastructure and regional development.

While general readers may find it easier to read the ISA book, intermediate and advanced readers will find value in the IAC book. First, it contains rich data and analysis on regional infrastructure projects throughout Asia, which provides a better

understanding of development activities currently taking place or being planned in the region. Second, it presents impact studies of regional transport infrastructure, generally and in select Asian regions, and gives advocates of infrastructure development the numbers to support their cause. Third, it discusses the “how-to” of regional infrastructure development, including principles of conducting evaluations, building cross-border infrastructure management institutions, and financing these regional infrastructure projects.

The first part of the book (Demand and Benefits of National and Regional Infrastructure Networks) is the infrastructure advocate’s toolbox, showcasing the vast size of Asia’s infrastructure investment needs (Chapter 2) and the estimated benefits of building regional infrastructure networks (Chapters 3 to 5). Asia’s overall infrastructure needs for 2020 were estimated using two methods: an econometric model based on country variables and an identification of actual infrastructure projects — 1,202 of them — that have formally entered the planning stage in various countries. The first “top-down” method predicts a total requirement of US\$8.2 trillion, while the latter “bottom-up” method identifies US\$320 billion of financial resources. Either way, the needs are tremendous.

However, the benefits are just as great. Using computable general equilibrium models and data from the Global Trade Analysis Project, the authors were able to identify in detail the positive impacts of regional infrastructure for the countries in general (Chapter 3), for poor communities living under US\$1 and US\$2 per day in the Greater Mekong Subregion (Chapter 4), and for specific household categories such as landless peasants, smallholder farmers, and highly educated urbanites in South Asia (Chapter 5).

The second part of the book (Policies and Institutions for Effective Infrastructure) is written in a more descriptive and qualitative style. Chapter 6 presents in policy-maker-friendly language the principles, criteria, and key steps of conducting ex-ante and ex-post evaluations of regional infrastructure projects. Two chapters discuss different things but come to the same conclusion:

Chapter 8 reviews environmental impacts of energy and transport sectors; Chapter 9 explains how the European Union (EU) has managed its regional infrastructure, drawing on more than fifty years of efforts in building cross-border institutions. In the end, both chapters conclude that institutions matter. Agreement on technical specifications, regulatory, legal, and institutional frameworks, as well as trust, commitment, and political support are key aspects which cannot afford to be overlooked.

The third and last part of the book (Addressing Infrastructure Financing Needs) presents a wide array of options that respond to Asia’s substantial needs for infrastructure financing. Based on a review of Europe’s experience in developing integrated financial markets, Chapter 10 provides financing options applicable and relevant to Asia. These include, for example, instruments such as bonds, sovereign wealth funds, public-private partnerships (PPP), and institutions such as multilateral development banks, and even proposed new ones such as the Reserve Bank of Asia. Finally Chapters 11 and 12 provide overviews of how foreign direct investment and PPPs were used to finance regional infrastructure projects throughout the world, specifically in the EU, and the lessons that can be learned from those experiences.

Overall, this is a dense and valuable book that packs a lot of information, quantitative and qualitative, related to building regional infrastructure in Asia. As an output of ADB and ADBI’s “flagship study”, the quantitative studies and the data collected are impressive. However, those who are not directly engaged in infrastructure development issues are less likely to find these numbers meaningful. Going on general knowledge alone, one would expect Asia-wide infrastructure development needs to be large and its benefits substantial. A fresher take on regional infrastructure is presented in Chapter 7, where the concept of “economic space” is offered as an alternative lens. As opposed to focusing on cross-border land transport, the writers suggest refocusing on the economic space that has been created between Asian cities, which may be more effectively connected by seaports and airports, and

greatly enhanced by improvements in the urban infrastructure of the region's core cities.

In the end, this book does not address deep analytical questions such as why some countries or subregions have better (or worse) infrastructure than others. Nor does it explore why some subregions are able to cooperate and others less so. These would be valuable issues to explore in ADB and ADBI's future publications, especially considering the editors' particular interest in the institutional aspects of regional infrastructure.

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Competitiveness Analysis and Development Strategies for 33 Indonesian Provinces. By **Tan Khee Giap, Mulya Amri, Linda Low, and Tan Kong Yam.** Singapore: World Scientific Publishing Company, 2013. Pp. 803.

This rare book weighs provincial competitiveness in Indonesia and makes a very important contribution to studies on economic decentralization. It is a resource for governments and policy-makers seeking to accelerate economic growth and poverty alleviation. The book achieves its aims by analysing various data sets and generating simulations based on a wide range of development indicators including macroeconomic stability, institutional strength, business and finance opportunities, and quality of life.

As the book contains abundant information on provincial competitiveness, this review is organized according to two broad and distinct, but related, methods employed in the book. I focus first on the current rankings of the provinces and later on the competitiveness simulation rankings.

The overall competitiveness ranking corroborates observations made in the broader literature on regional economic development, which posit that richer and more advanced regions tend to have greater competitive advantages. Jakarta tops

every ranking and the other provinces (located outside Java Island) that rank high on the overall competitiveness scale are those that are already well-known for their respective economic strengths, such as East Kalimantan (natural resources), Riau (manufacturing and foreign direct investment) and Bali (tourism).

However, the study also makes some unexpected discoveries. For instance, at number 23, Maluku ranks relatively high on the macroeconomic stability index while Aceh ranks last (33rd). Yet *both* provinces have been affected by social and political conflict. Moreover, two popular tourist destinations, Bali and Yogyakarta, oddly enough, rank lower than less developed provinces such as Papua, Lampung, and Maluku on the "Financial, Business and Manpower Conditions" index. Another interesting find is that West Java, home to manufacturing industries, is not highly competitive in the infrastructure development category. The province is ranked twelfth; lower than non-manufacturing provinces such as North Sulawesi and South Kalimantan.

The attempt at undertaking a Strength, Weakness, Opportunity, and Threat (SWOT) analysis of each province is interesting. It is, however, static and should be studied carefully. For example, although East Kalimantan appears to have a greater "opportunity" value over Riau, the analysis does not draw attention to the fact that the former's economic growth is predominantly driven by a uniform, natural resource industry. On the other hand, Riau receives a wide range of foreign direct investment and has a higher level of trade openness. As such it is important to consider that each of these provinces have *different* types of "opportunity" values.

The "*what-if* competitive simulation" forecasts that many provinces will climb ranks; only two provinces, East Nusa Tenggara and North Maluku will maintain unfavourable positions even after improvements in the categories in which they rank low. Yet, industry and trade development will depend on international cooperation and on the policies adopted by the central government rather than on the respective development plans of provincial governments.