

industries for the purpose of economic growth in emerging countries. On the other hand, China has been more successful, with a significant and well-functioning military aircraft industry in — among other locations — Chengdu, the capital of Sichuan province. Eriksson discusses in detail the development of Chengdu's aircraft industry in Chapter 8, with a focus on the origins and characteristics of foreign technology transfers into Chengdu.

How to evaluate this book then? Each contribution adopts a singular perspective on a facet of industrial development, such as: ICT and growth; home effects in agglomeration and local networking; post-crisis regional growth paths; and foreign knowledge transfer in industry branch development. There is little connection and coherence across the contributions from the cluster perspective; in fact, despite its title, more than half of the chapters do not explicitly deal with cluster dynamics. One chapter refers to clusters only on the margin by discussing the concept in the conclusion, while three chapters take an industry or regional perspective without reference to the cluster concept. Second, the few commonalities between the chapters are not very explicit, and not adequately addressed in a general introduction. Apart from contributing the two chapters on the aircraft industry, the editor has limited himself to providing a two-page summary of the contributions to the book. With such an introduction absent, the individual chapters lack a framework in cluster theory and current insights into industrial cluster development in Asia. Finally, a significant weakness of the book is its lack of an overarching exposition on how it contributes to advancing our understanding of the dynamics of industrial clusters and development in Asia. It remains rather unclear if the book has accomplished its stated ambition in the preface. Thus, this book will most probably disappoint those who expect — on the basis of its stated ambition — an update on cluster development and the role of clustering in industrial dynamics. In this respect the title of the book is rather misleading.

Having said this, *Clusters and Economic Growth in Asia* should be taken as a collection

of individual articles on the diverse aspects of Asian industrial development. While not all of these aspects are new, the individual chapters are a good read, and provide useful insights into either national, regional or branch industrial development paths. Additionally, some chapters suggest future avenues on how to enhance the quality of industrial development through clustering. Those interested in the conditions for technological industrial upgrading (for regional resilience) and technology or innovation-driven industrial development in East and Southeast Asia — as well as the effectiveness of alternative strategies directed towards such development — will find many useful lessons in this book. Framing the contributions in this way would have been more relevant than invoking the concept of clusters, and would also leave the reader with less of a puzzle.

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Energy Market Integration in East Asia: Deepening Understanding and Moving Forward. Edited by Yanrui Wu, Fukunari Kimura and Xunpeng Shi. Abingdon: Routledge, 2014. Pp. xiii + 197.

This edited volume is a flagship study on energy market integration in East Asia. Conducted by the Economic Research Institute for ASEAN and East Asia (ERIA), it summarizes the progress of regional energy market integration over the past decade. While the volume focuses on Southeast Asia, where the results of regional integration are most evident, it also sheds light on the region's links with Northeast Asia and South Asia. The result is an engaging academic product and a highly policy-relevant work, not least because of its ERIA sponsorship and insight.

Energy market integration in East Asia is a timely and important subject because energy demand is expected to grow rapidly in this region, where both decaying and emerging energy exporters co-exist. This includes the anticipated greater utilization of unconventional fossil fuels and renewable energy resources. At the same time, some sub-regions of East Asia are witnessing greater economic integration led by industry, combined with renewed political guidance from institutions such as ASEAN, the Trilateral Cooperation Secretariat and the East Asia Summit (EAS).

Against this policy setting, this volume presents quantitative evidence and qualitative assessments to offer four points on the merits of regional energy market integration. First, energy market integration can improve energy security by bridging the production, consumption and unequal distribution of energy resources. Second, it can boost national economies and narrow development gaps by improving infrastructural connectivity. Third, energy market integration can reduce carbon dioxide emissions by facilitating the development of less carbon-intensive energy systems — including the diffusion of energy efficiency solutions, and the expansion of trade in natural gas and renewably-produced electricity. Finally, energy markets can function as the cross-sectoral spearhead of regional integration for which political demand exists, but remains hindered by historical tensions, border disputes, distrust among the major powers and weak regional institutions.

The theoretical framework of the volume postulates that energy market integration presupposes: trade liberalization; investment liberalization; a regional energy infrastructure; domestic energy market liberalization; and energy pricing reform (including the removal of subsidies for fossil fuels commonly found in this region). This structure is useful because it comprises empirically operationalizable criteria and, therefore, enables the editors to evaluate the progress of regional integration and identify areas that require further work. The biggest constraints

prevail in the liberalization of domestic markets and the harmonization of standards for trade and infrastructural connectivity. The liberalization of domestic markets in some countries — such as in Australia, Japan, India and Singapore — discourages investments in countries with non-liberalized domestic markets. Price subsidies create similar problems and are deeply rooted in countries like Indonesia, Malaysia and Vietnam.

The operational strength of this theoretical structure is not, however, fully utilized in the volume. No systematically collected data is presented for each EAS country, unlike in some other reports on this subject. Additionally, the volume would have benefitted from a deeper engagement with the substantial literature on regional integration theory. Likewise, the numerous existing studies on the constraints of formal and informal institutions on East Asian integration would have been useful for deepening the volume's analysis of the problems of harmonization and historical distrust, which many of its authors refer to.

The framework could also have been better integrated into the chapters that follow the editors' summary (p. v) of the progress of regional energy market integration. Nevertheless, there are several highly interesting analyses in the compilation. One of them is Philip Andrews-Speed's regional public goods approach (Chapter 2). He examines the provision of regional public goods in the context of the European Union and concludes that similar aims are best pursued at the sub-regional level in East Asia, and that East Asian states should focus on developing services. These services should support energy market integration and comprise: early warning systems; technological research and development; best practices; emergency stock construction; sea-lane security; cleaning up after pollution events; data analysis; and capacity building.

In Chapter 4, Yu Sheng and Xunpeng Shi demonstrate that the least developed countries of the region would benefit most from participating in regional energy market integration. This

would reduce the time they need for catching up economically with other countries by fifty to seventy-five years on average. According to Jianping Zhang and Daojiong Zha (Chapter 5), energy market integration between China and ASEAN should focus on electricity trade, power plant construction and the operation of plants and grids. This would require trade facilitation, infrastructure development and large-scale finance. However, Tilak K. Doshi and Neil Sebastian D'Souza (Chapter 6) argue that Asia does not need regional integration to tackle the "Asian premium" — an extra charge that Asian countries allegedly pay for their Middle Eastern oil imports. Their investigation revealed that the premium did not actually exist during 2007 to 2009.

Using a computable general equilibrium model, Satoshi Kojima and Anindya Bhattacharya (Chapter 7) argue that the removal of energy subsidies could reduce energy demand and output. Despite this, the net economic effect would be positive, as resources can be reallocated to other sectors. In his analysis of gas market integration (Chapter 8), Yanrui Wu finds deep regional differences in gas usage, trade and reform of institutional structures — all of which impede regional integration. Using simulations of competitive gas markets, Youngho Chang and Yanfei Li (Chapter 9) add that, in the future, more of Asia's gas supply should come from regional sources such as Myanmar and Russia, in order to reduce transport costs. Asia's new pipeline and LNG natural gas infrastructure, which is set to become operational by 2020, would produce welfare gains and diversify supplies.

Although the chapters of this volume — authored mostly by economists — could better engage with literature from other related disciplines, it contains remarkable insights that others will benefit from, especially with respect to its framework and rich findings.

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***The State and the Advocate: Case Studies on Development Policy in Asia.* By Teresita Cruz-del Rosario. London and New York: Routledge, 2014. Pp. xix, 294.**

Teresita Cruz-del Rosario scrupulously analyses development policy from the perspective of "the state and the advocate" via seven interesting case studies across Asia. She defines the "advocate" as "non-state actors, coalitions of actors and advocates who seek to influence public policy" (pp. 5–6). Rosario argues that the developmental role of the state remains central in public policy formulation and implementation, while "in an age of expanded citizen participation and access to technology, policy-making has likewise moved beyond the confines of the state alone" (p. 5). The theme of the book, therefore, is about the state and the advocate facilitating developmental policy. Her comprehensive case studies include both positive and negative examples: hydropower development in Laos; agrarian reform and the commercial log ban in the Philippines; Chinese developmental aid in Asia; economic cooperation in the Greater Mekong Subregion (GMS); social insurance for foreign domestic workers in Sri Lanka; and Myanmar's well-known economic transformation. Rosario portrays the complexity of development policy coalitions in Asia, touching on the fundamental issues of the developmental state, policy coalition and regionalism for Asian countries — mechanisms aimed at providing inclusive development.

Assessing state capability in Asia is a complex task because of the debate about the merits and demerits of authoritarian power. While a strong state is capable of both promoting and impeding development, a weak state might find it difficult to effectively implement development policies, and might also be manipulated by internal or external political forces. Thus, good governance requires both good policies and effective implementation. Conflicting examples of developmental states in Asia — authoritarian, democratic and hybrid