of trade or exit from the market. For both studies, much is left to be said about the generalizability of findings to other Asian economies as their sectoral composition, position in the GVC, and mobility of factors differ substantially from that of China.

Subsequent chapters return to the implications of external shocks to GVCs. In Chapter 7, Andrei Levchenko and Jing Zhang look at how current account rebalancing in Asia through the elimination trade surplus increases wages, employment, and welfare and causes exchange rate appreciation. The converse is found for economies with a trade deficit. The study moves beyond the traditional two-country model to a multi-country model that better mirrors the relationship between Asian economies. However, there is no explicit mention or any theoretical association with GVCs per se. In Chapter 8, Menzie Chinn examines how GVCs in Asia lead to the synchronization of business cycles and preference for the Chinese yuan over the U.S. dollar as an anchor for monetary and exchange rate policy.

Chapter 9 by Hubert Escaith and Chapter 10 by Richard Baldwin and Rikard Forslid serve to conclude the book by providing a broad overview of issues relating to GVCs, the former looking into measurement of value chains, approaches to studying the problem and its limitations, and the latter considering the evolution of GVCs in Asia.

Asia and Global Production Networks will appeal to readers across disciplines, including international business, international political economy, economic geography and development studies, though the technicalities can be daunting for readers who are new to the field.

Readers will find the book wanting if they expect it to delve into the heart of global production networks (GPNs). Contrary to what the title suggests, the book discusses GVCs at length as opposed to GPNs. Both are conceptually distinct analytical frameworks used to understand the fragmentation of production across international borders. Instead of a linear production process where value is added in sequential stages, the GPN framework looks at the complex and interconnected web of production, distribution and consumption. A shift from one framework to another would entail the critical evaluation and re-examination of many underlying assumptions that will inevitably alter the findings expounded in the various chapters. Additionally, the disparate chapters, most of which were commissioned and written for different projects within the Asian Development Bank (ADB), lack coherence and a common argument to integrate them into a collection that can better advance the scholarship on GVCs.

The strengths of the edited volume are aplenty, particularly on the methodological front where the contributors explore different approaches and models to better measure and investigate the implications of GVCs. The focus on Asia also provides a unique perspective into a region that is witness to the rapid growth of GVCs, where the accelerated participation and expansion of GVCs will surely alter the trajectory of the Asian and global economy.

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***Global Production Networks: Theorizing Economic Development in an Interconnected World.* By Neil M. Coe and Henry Wai-Chung Yeung.** Oxford: Oxford University Press, 2015. Pp. 288.

Over the past few decades, the structure of the global economy vis-à-vis production has morphed spatially — into one replete with dispersed networks and a plethora of actors, localities, and relationships transcending state boundaries. The components of this contemporary economic structure, termed Global Production Networks (GPNs) by its authors Coe and Yeung, are the entities-of-interest in this book. Given the absence of a book-length treatment of GPNs by the extant literature, the value-add offered by Coe and Yeung in terms of delineating unified causal explanations for the rise and persistence of GPNs is timely and noteworthy. Across its six chapters, the book is cognizant of complementary approaches, and seeks to inform subsequent empirical exploration by attempting conceptual development of the GPN framework.

Chapter 1 sets the stage for the rest of the book by: perusing the changes in production and increased interconnectivity; reviewing the emergence of the GPN framework (termed GPN 1.0) alongside its antecedents and competing theories such as global commodity/value chains (GCCs/GVCs); and presenting "GPN 2.0" which accords "greater analytical precision and explanatory power in theory of GPNs" (p. 21). Coe and Yeung, drawing on their extensive engagement with the competing GCC/GVC approaches, detail the advantages of GPN analysis as an approach that: (a) accounts for the role of extra-firm institutions such as government agencies and trade unions; (b) is multiscalar in nature; (c) moves beyond analytical limitations of a linear chain concept in production; and (d) considers the governance characteristics of GPNs. This succinct introduction serves as a coherent roadmap that presents a critical, but objective, narrative to orientate readers to prior GPN research. In addition, it is a compelling backdrop for readers to consider GPN 2.0, which is developed in depth in the subsequent three chapters.

Coe and Yeung proceed to profile the actors involved in GPNs as well as the characteristics of these networks in Chapter 2. This is a key strength of the book, where the role of actors ex-firms such as the state, international organizations, and intermediaries are acknowledged and scrutinized for their impact on overall firm activity. Considering network configurations and power relations gives credence to a more nuanced understanding of production in the global economy. The chapter ends by explicating territoriality in GPNs across local, regional, national, and global scales. Given how prior scholarship has mostly focused on the economic drivers of network-building and persistence, this chapter is a critical step in advancing analyses of production engaging non-economic causal elements; although the ability of the authors to integrate reality with their *explanans* is also at the expense of theoretical parsimony.

The theoretical framework of GPNs is then systematically reinforced in Chapter 3, where Coe and Yeung identify the cost-capability ratio, market characteristics, and financial discipline as three key dynamic forces. These forces, alongside different forms of risk, are posited to "compel firms … to develop active strategies in order to thrive" (p. 113). While this narrative is well supported by a multiplicity of country and firm examples, the forces explicated seem to be firmly motivated by solely for-profit motives. While adequate in the context of pure economic analysis, this chapter could have benefitted more from a more inclusive account of non-economic forces. For instance, government-linked or state-owned enterprises, or industries with national security implications may not manifest the aforesaid trinity of dynamics. Nonetheless, the strategies typologized in Chapter 4 as intra-firm coordination, inter-firm control, inter-firm partnership, extra-firm bargaining, are robustly outlined and exemplified; illustrating persuasively how different actors adopt a combination of strategies to cope with differing dynamics and risk environments.

In the penultimate chapter of the book, Coe and Yeung go on the offensive by leveraging on the theoretical conceptualization of organizations, dynamics, and strategies in Chapters 2 to 4 to explain patterns of unequal development within the world economy. In so doing, a litmus test is formulated using GPNs as the focal drivers, and ascertaining their developmental implications. The arguments advanced in this chapter are well structured and lucid; and are caveated well with the authors proposing that GPN theory can only explain patterns of "*economic* growth and decline within the contemporary global economy" (p. 195). In line with the overarching aims of the book, Chapter 6 concludes by fleshing out the key advantages, politics, and practice of using the GPN framework to understand global economic change, and as an analytical tool for development policymakers.

While the overall narrative is highly convincing and well structured in terms of research design, theoretical lucidity, and building a solid case for GPNs alongside its explanatory capabilities regarding economic development, there are areas of concern vis-à-vis the support of the argumentation. The development of the GPN theory seems to place a premium on multiple case studies; much room is devoted to presenting positive results from select industries (such as electronics and logistics) hailing from a limited number of regions. While this is a good *barometer* for the veracity of the GPN theory, more could have been done in terms of engaging broader scale datasets of large-n quantitative data and analysis in tandem with the in-depth country or industry examples.

The above notwithstanding, Coe and Yeung have done an excellent job in illuminating a fundamental puzzle involving the evolution of production in the world economy, even as they develop a coherent theory of GPNs. This sets the stage for future research to further critique and validate the theoretical underpinnings of world economic production, and to delve into empirical studies.

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***The Future of Asian Finance.* Edited by Ratna Sahay, Jerald Schiff, Cheng Hoon Lim, Chikahisa Sumi and James P. Walsh.** Washington, D.C.: International Monetary Fund, 2015. Pp. 310.

In a single reference volume, *The Future of Asian Finance* compiles the results of the research and policy seminars conducted by the International Monetary Fund (IMF) under its "Future of Asia's Finance" project from 2013 to 2015. This edited book is comprehensive both in terms of the scope of issues covered — ranging from banking, capital markets, demographic shifts, regional financial centres, regional integration, the evolving global regulatory environment, etc. — as well as the depth of original research analysis of these issues. The IMF's global perspective affords a certain objectivity in pointing out current weaknesses in Asian financial markets and institutions versus the significant tasks in financing growth in the region.

"Part I: The Structure of Finance in Asia" highlights many similarities shared by Asia's financial sectors. The book is replete with regional and cross-country quantitative "factoids" which adds to its value as a handy reference work. While Asian countries have led the global economy in terms of growth, many countries face challenges from shifting demographics, weaker external demand for exports, and major infrastructure bottlenecks. The editors take the view that given the tasks of more efficient mobilization of savings, financing investments in human and physical capital, and deepening capital markets, financial sectors in Asian countries will have an important role in facilitating the economic transformation of Asia and become themselves engines for growth.

The study observes that Asia as a whole "has a large financial sector" comparable to other regions, and "considerably larger than their peers outside Asia" (p. 10). However, the evolution of Asian financial sectors must address existing realities and vulnerabilities if they are to continue to support financing the requirements of growth. Banks dominate the financial sectors in emerging Asia. They have generally been well capitalized and relied on traditional deposit taking and loan origination rather than trading and investment banking (Chapter 2). This contributed to the resilience of the Asian financial sectors during the Global Financial Crisis (other factors that enhanced resiliency were the policy measures compelled by the Asian financial crisis to strengthen the regulatory and supervisory framework for corporate governance, penalties for unsafe and