

accompany greater liberalization to overcome prevailing inefficiencies in capital markets.

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***Handbook on Trade and Development. Edited by Oliver Morrissey, Ricardo A. Lopez and Kishor Sharma.*** Cheltenham, UK: Edward Elgar, 2015. Pp. 467.

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The Handbook, comprised of twenty-three chapters, outlines the linkages between trade and economic performance for developing countries. A central theme advanced in this volume is that not all developing economies are able to realize the benefits of trade, particularly countries in sub-Saharan Africa (SSA). To expand on this theme, the volume features three separate sections comprising five chapters each on SSA (Part II); Latin America (Part III); and East Asia (Part IV). This framework captures the nuances in the complex relationships between trade and development within the context of region and country case studies.

Beyond the introductory chapter, which provides a roadmap of the contents of the volume by the editors, the book is divided into four parts. The thematic analysis, based on major trade-related issues relevant to the developing world, is expounded in Part I. It consists of seven chapters and sets the background for the remaining three sections (Parts II, III and IV). It details the fledgling theoretical and empirical literature on trade costs and facilitation (Chapters 3 and 4) and offers a vibrant discourse on conceptual approaches, methodological differences and empirical findings on the above-mentioned topics. More importantly, Part I also defines a new and related research agenda. For example, Ferro, Wilson and McConaghy recommend further analytical

research on trade facilitation and aid-for-trade effects at the firm-level in Chapter 4 (p. 83), while Cirera and Cooke (Chapter 5) advocate policy research on the effectiveness of reciprocal trade preferences in the South-South context (p. 105). Worth mentioning here is that avenues of further inquiry are not confined to Part I, but are also evident in the chapters of the subsequent sections examining the different regions. The innovative and forward-looking ideas set forth in the various chapters will encourage researchers to continue to seek answers in a way more profound than even before, and refine the current state of the academic research in this area.

The chapters in Parts II, III and IV debate on distinctive topics across regions and countries to offer an updated and balanced view of the trade-development nexus. These include agglomeration, informal cross-border trade, regional trade and commodity prices for the SSA. The chapters on Latin America cover export diversification, exchange rate volatility, imported technology and foreign direct investment (FDI). The chapters on East Asia include global production sharing (and vertical specialization), external shocks and the links between trade and FDI, environment and labour. The experiences and emerging findings from the region- and country-based chapters provide some new insights that are not borne out by stylized facts on trade-development linkages. These include: the disincentive for firms to agglomerate in SSA (Chapter 9); the opposite reaction of export behaviour to commodity price increases in SSA (Chapter 12); the insensitivity of component trade to changes in relative prices (Chapter 19); and the lack of export growth in Indonesia despite currency depreciation (Chapter 21). The chapters in Parts II to IV therefore allow the reader to rethink outcomes to be explained with new or a combination of approaches, for example the paradox of the fragile foundation of informal cross-border trade in SSA that instead benefits income and employment (Chapter 10).

Chapters 14, 20 and 23, more specifically, address the roles and experiences of main regional participants in international commerce: Brazil in Latin America and China in East Asia.

These chapters are significant in that they remind the reader that alongside the gains — such as productivity, FDI and technological performance (p. 20) — from international trade, are the challenges arising from higher levels of integration. While the former are largely known and widely accepted from the literature, the latter can only be understood within a country context. In the case of Brazil, Garzia and Lopez (Chapter 14) point out that addressing rising transportation costs is crucial for firms to move forward and build their competitiveness. Likewise, Zhang and Zhang (Chapter 20) elaborate on the limits of Chinese firms' comparative advantage in processing trade to derive further competitive gains, apart from other emerging domestic problems, such as the rising labour costs and low environmental standards, following the export-oriented FDI drive of China.

Finally, while some contributors have taken on classic issues in the field, such as exchange rate volatility, export diversification along the extensive and intensive margins, and imported technology, they have provided robust findings on export activity using micro data at the firm- and plant level. Kandilov and Leblebicioglu (Chapter 16) specify the exchange rate volatility effect on plant-level exporting decision in the case of Colombia. Similarly, Fernandes and Lopez (Chapter 17) have extended their sector-analysis using plant-level data to provide more reliable results on the effects of imported technology for export behaviour of Chilean plants. Both studies are very much aligned with the reality that it is firms that engage in commerce, and the current progression in the literature from how countries trade to how firms trade.

It has become only too evident that the linkages between trade and development are not straightforward. In that aspect, this volume has provided compelling evidence that it is not trade *per se* that is important, but the context within which trade occurs, at the region, country and firm level. This volume also genuinely breaks some new ground, which is useful for readers to rethink and reshape their outlook on this subject. The quality and intellectual rigour that characterizes the entire volume can therefore hardly be over-

rated. As a final point, the Handbook, a product of many expert contributions, will serve as a valuable guide for academics, researchers and students of development economics.

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***The Local Impact of Globalization in South and Southeast Asia. Edited by Bart Lambregts, Niels Beerepoot and Robert C. Kloosterman.*** London and New York: Routledge, 2016. Pp. 219.

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The book under review touches an unexplored area: the impact of multinational service industries on local systems — society, culture, innovation, labour, class, industrial systems, etc. Researchers and policymakers, especially those in the developmental space, will benefit greatly from the book. The book uses simple qualitative research methods and descriptive statistical analysis, which makes it accessible to everyone.

The hardbound book is divided into four broad parts under which three or four chapters are clubbed. These are: the broader framework of globalization of the services sector and how it manifests in India and Philippines; how it is different in smaller contexts like Hong Kong and Bangkok; the changes in labour and industrial organizations; and the rise of the new middle class due to the emerging service economy. Besides covering India (Mumbai) and the Philippines (Manila), the book also covers: China and its cities in the Pearl River Delta; Hong Kong; and Bangkok.

The book clearly delineates what it wants to achieve in the first chapter, to analyse: the local impact of services offshoring in South and Southeast Asia in terms of opportunities; how the relationships between multinational industrial systems and local players are played out in

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