

MANUEL R. AGOSIN, DAVID E. BLOOM, GEORGES CHAPELIER AND JAGDISH SAIGAL (eds). *Solving the Riddle of Globalization and Development*. Oxon: Routledge, 2007. Pp. 300. ISBN: 978-0-415-77031-6 (hardback).

Solving the Riddles of Globalization and Development was the result of the joint Programme on Globalization, Liberalization and Sustainable Human Development organized by the **United Nations Conference on Trade and Development** and the United Nations Development Program which concluded in 2005. The book represents a blend of conceptual thinking, empirical analysis and country case studies with a vast geographic focus, and it explores the complexity of the development process, and interactions between policy interventions in different areas. The contributors draw insights predominantly from economics, and they include academics as well as development practitioners and policy analysts.

This book makes a timely appearance when the world appears to be divided into the proponents and opponents of globalization. Both the benefits and downsides of globalization are supported as well by numerous case studies as by scholarly contributions. For me the benefits of globalization are located particularly in the recently filled gaps in global communication whereas the downsides include inequality, which critics have argued has been accentuated both within and between countries (Firebaugh 2003; Wade 2004). Others maintain that these claims are patently incorrect, and argue that globalization has dissolved national borders and prompted economic integration, lifting millions out of poverty and closing the inequality gap (Dollar and Kraay 2002). In India many of the downsides of globalization have occurred in the name of development as many marginal groups have seen their land forcibly taken by the government. Examples of these instances include the Nano Project struggle at Singur, West Bengal, Special Economic Zones in Andhra Pradesh, as well as Dams and Projects in Andhra Pradesh and Gujarat.

The book is divided into two parts, with the first part offering conceptual and analytical explanations for such terms as trade, investment, human and social development, Foreign Direct Investment, growth, health, global poverty; and the second concentrating on the national and regional perspectives on globalization, liberalization and human development. Chapter 1 examines the analytical framework of globalization and development, and Chapter 2 highlights the need to trigger virtuous development spirals, where investments enable people to use liberalization policies to promote economic growth. Chapter 3 looks at the role of international trade and finance as a means for integrating into the global economy, focusing particularly on the crucial role of policy in enhancing the potential of these areas to promote human and social development. Chapter 4 scrutinizes the conditions under which Foreign Direct Investment (FDI) can promote economic growth and lead to human and social development arguing for a systematic approach to analysing the relationship between FDI on the one hand, and growth and human and social development on the other.

Chapter 5 focuses on health and the contribution of health improvements, as measured by increased life expectancy to poverty reduction, and it explores the relationship between health and wealth campaigns. Chapter 6 sets out to provide an informative overview of the key economic aspects relevant to the four Central American countries' growth, and to identify those economic components on which policy makers should concentrate their energies. In Chapter 7 the authors argue that human development is not an end but a

means of economic development: whereas health, education, and institutional strength positively influence income, inequality and insecurity have negative effects. Social and economic factors reinforce each other and generate positive feedback.

Chapter 8 looks at the development of Africa in terms of the three spheres framework. It outlines obstacles to progress, and suggests areas where intervention has the most potential to promote virtuous development spirals. The authors argue that investments in education and health are crucial to sustainable growth in the region. Chapter 9 provides a broad summary of Asian development in terms of liberalization, economic growth and human and social development framework. In her chapter, Gita Sen makes an effort to argue that the processes of economic globalization have significantly transformed labour markets in Asia, with particular reference to the role of women in these processes. The book's final chapter presents brief snapshots of the extent and effects of reform in each of the discussed countries.

The countries studied for this book highlight the dangers of a policy that focuses primarily on globalization. The recent tendency of many countries to prioritize the development framework has unfortunately left many people worse off than they were before their economies were opened up. Liberalization, as East Asia's economies showed and as India and China's success is currently re-emphasizing, is clearly desirable for undeveloped, isolated economies that need access to global markets in order to upgrade production and market their exports. But if liberalization is undertaken in the absence of strong human capital and productive workforces, countries are more likely to suffer than thrive (p. 292).

The central thesis of the book is that human development is not only the fundamental end of the development process, but an essential means to development as well. Editors stress that more research is clearly needed, but the analysis presented in the book goes some way towards showing that the framework can usefully be applied, and that policy coordination is needed at every stage. In the final analysis, the studies in the volume highlight the importance of integrating human and social development considerations into strategies for national and regional economic development. Due to my positive outlook on the consequences of globalization and the benefits of development I have no hesitation in stating that *Solving the Riddles of Globalization and Development* is a welcome addition to the available literature on globalization. The book forms an essential reference both for development practitioners and academicians of all disciplines across the globe.

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