

The International Bank for Reconstruction and Development/The World Bank. 2002. Global Economic Prospects and the Developing Countries. The World Bank. Washington, D.C. xxiii + 253 pp. Paper. Price: Unknown

This book is a World Bank report and most of the work drew from resources of the World Bank operations regions and the Vice President's office of Development Economics. It consists of six chapters which are well written, researched and argued. The chapters are:

- 1) Prospects for Developing Countries: Coping with a Global Slowdown by Hans Timmer
- 2) Market Access and the World's Poor by Aristomene Varoudakis
- 3) Trade in Services: Using Openness to Grow by Aaditya Matto
- 4) Transport Services: Reducing Barriers to Trade by Carsten Fink
- 5) Intellectual Property: Balancing Incentives with Competitive Access by Keith Maskus
- 6) Envisioning Alternative Futures: Reshaping Global Trade Architecture by Dominique van der Mensbrugge and Richard Newfarmer.

Essentially, this report supports the re-organization of the practices governing world trade in order to enhance development and reduce poverty around the world. It must be recognized that the world communities are intrinsically linked at many levels and that as a global community, the heritage of any part of the world belongs to the whole world and should be celebrated as such.

This report that is under review covers four areas of policy. In the first area, there is the notion that the World Trade Organization is used as a "launch pad" for trade negotiations meant to reduce the barrier in global trade. Many countries have felt the need to protect their economy by putting restrictions on imported goods. Commodities from developing countries are not easily imported by industrialized countries because of tariffs imposed by governments. These restrictions even impact migrant workers who provide invaluable workforce that supports the economies of industrialized nations. For example the workforce from Mexico and the Caribbean Islands who come to the United States to provide the seasonal assistance on the farms of Southern California, Texas and Virginia help the economy of the United States to continue to thrive.

Collective action on a global scale in order to enhance trade outside of the parameters advanced by the World Trade Organization is the second area of concern of this report. There is no question that access to market is a necessary first step in trade but it is also important for avenues of new trade to be explored by countries. Hence, the necessity for multilateral trade agreements to be sought after by countries. In such an endeavor development assistance would

be geared towards providing the necessary infrastructure, an effort to standardize practice that would prompt the best results and an investment climate that would advance a “win-win” situation for the concerned parties. Global cooperation is a necessary key to the success of globalization efforts in trade.

Industrialized nation must have trade policies which favor and promote development across the board. This is the third concern of this report. In this section the report emphasizes the necessity for high-income nations to provide an environment which encourages the developing countries to succeed in their efforts to trade their commodities in the world market. Such conditions include duty-free and quota free access to high-income countries’ markets. These incentives are indispensable in the modern global market/economy in order for developing countries to succeed. Care must be exercised by industrialized countries not to flood the developing countries markets with cheap goods. Certainly, if countries are rewarded for trading in the world markets, this would be an incentive for participation in world trade. A concept referred to in the report as “aid for trade.”

There are many hurdles for developing countries to overcome in world trade but the fourth issue the report focuses upon is the need for “enacting new trade reform in developing countries. This section is certainly riveted with arguments for the necessity for developing countries to improve their competitiveness. Reforms in government policies, which promote domestic investment by citizens of developing countries, would assist the investment climate and as such dividend would be seen in the productivity and incomes of the citizens. This could be achieved by having the right policies in place.

All and all, this report is very well organized and written. It is revealing, compelling and convincing. The report contains data, information, tables, graphs, and figures which could be useful to researchers, scholars and educators. It is highly recommended as a text for development studies, and for libraries.

Valentine James
Southern University
Baton Rouge, Louisiana