

## Book Review

**Towards Regional Integration in South Asia: Promoting Trade Facilitation and Connectivity,**Md. Mamin Ullah<sup>1</sup>***Abstract***

*The growth of regional integration is now a major feature of international politics. It is not a new phenomenon; however, the regional trading block is still a dream for 1.7 billion South Asian people. Despite its shared history, culture, and geography, South Asia is one of the least integrated regions in the world (World Bank, 2017). Intra-regional trade accounts for only 5 per cent of total trade in SAARC in against of 25 per cent in ASEAN. Intra-regional investment, in addition, is smaller than 1 per cent of the overall investment. Nonetheless, this region is considered the most critical strategic location for global trade. The book under review addresses a number of issues that are critical to deepening regional cooperation and integration in South Asia along with a special focus on trade facilitation and connectivity. Given the backdrops in regional cooperation and integrations in South Asia, the need for a comprehensive book reviewing the current trends and challenges of regional integration is obvious. This book has fulfilled this need to a large extent. The book has identified the major barriers towards regional integration in South Asia in addition to providing concrete proposals to overcome these barriers based on statistical evidence and generated knowledge. This book is, therefore, a welcome guide for researchers, academics, and policymakers. Accordingly, the book deserves the rights for critical review.*

**Keywords:** Regional Integration, Connectivity, Trade

**Introduction**

Professor Mustafizur Rahman is a renowned economist in Bangladesh with special expertise in development policy and international trade. He is now the distinguished fellow of Centre for Policy Dialogue (CPD) which is one of the leading civil society think tanks in Bangladesh. Prior to joining CPD, Professor Rahman taught at Dhaka University. He was a visiting Post-Doctoral Fellow at Oxford University and Warwick University, UK and a Senior Fulbright Fellow at Yale University, USA. In addition to academic excellence and PhD in Development Economics, he has tremendous publishing records in national and international journals. He also wrote and edited a notable number of books and book chapters including *Regional Integration in South Asia: Essays in Honour of Dr. M. Rahmatullah* (co-editor with

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Dr. Prabir De), *Bangladesh: Perspectives on Deepening Cross-Border Links* (published by Asian Development Bank Institute), *Cross-Border Transport Infrastructure* (with Khondaker Golam Moazzem), *Non-tariff Barriers in South Asia: Nature and Modalities to Address the Attendant Issues* (published by Commonwealth Secretariat), *Connecting South Asia and Southeast Asia: A Bangladesh Country Study*, *Development of the Private Sector in South Asia: Addressing the Challenges for Building Competitiveness* (presented at Sixth South Asia Economic Summit), *Macroeconomic Management in the Face of Global Challenges*, and so on. There are four authors of this research-based book who are/were the research associates at CPD having sound academic and publishing backgrounds. Thus, the authors' outstanding backgrounds and the editor's expertise in relative fields have increased the credibility of this book.

## Review

This book was critically reviewed in six logical sections: bibliographic information, thesis statement, authors' and editor's credentials, content analysis, critical evaluation, and conclusion. The basic criteria for reviewing this book included title justification, book structure, language, relevance and consistency in the discussion, evidence, implications, and comparative evaluation with other relevant books.

This book is divided into three chapters addressing different dimensions of regional integration in South Asia. The first chapter presents a detailed picture of the current state of trade and transport facilities which are critically relevant to regional connectivity and cooperation among the countries in South Asia. Rahman, Akhter, and Saif showed calibre in identifying the bottlenecks faced by intra-regional traders in South Asia. At the beginning of Chapter 1, authors justified the need for unique trading frameworks and transport facilities based on a thorough review of existing literature. As per the evidence presented in this chapter, the major barriers towards trade facilitation in this region are complex documentation, difficulties in moving goods across borders, lack of standardisation, inadequate human resources, and weak harmonisation of customs practices. Sultana and Asrat (2014) stressed that poor port and transport infrastructure mainly lead to poor regional integration in South Asia. Rahamatullah (2012), for example, argued that transport connectivity is supposed to bring significant benefits for regional cooperation in South Asia. Rasul (2009) further emphasised the need for adequate transport facilities and infrastructure for promoting regional connectivity among the SAARC countries. The findings of this chapter are thus supported by the research evidence to a large extent.

**In chapter 1**, authors placed a greater emphasis on Bangladesh perspective. The trade direction and trade flows in Bangladesh with other regional countries were presented with tables and figures in succinct forms. The authors revealed that:

Bangladesh's exports are mainly concentrated in the European Union (EU) and the North American regions that account for more than 70 per cent of the total export of Bangladesh. (p. 9)

The main trade routes and corridors of Bangladesh were presented along with a short note on logistics performance index (table 1.8, p. 20). The authors showed calibre in presenting the

outcomes of the SASEC road connectivity project with a critical evaluation (diagram 1.1, p. 34). The chapter is concluded with a review of the major projects for customs automation and modernisation in Bangladesh. Several suggestions for improving regional cooperation are also outlined.

**Chapter 2** focuses on the most opt-complained issues of non-tariff barriers in the form of SPS-TBT. According to the authors of this chapter, these non-tariff barriers limit the potentialities of Bangladesh-India bilateral trade. The existing list of tests and testing agencies for tradable products were presented based on a comprehensive survey (table 2.3, p. 76). One of the critical findings of this study is as follows.

Most of the respondents felt that the majority of the institutions that deal with SPS-related measures are not efficient and adequately equipped (p. 78).

The authors proposed a framework for an SPS agreement between Bangladesh and India with a comprehensive graphical presentation (diagram 2.2, p. 88). The chapter is concluded with concrete policy recommendations for improving bilateral trade between Bangladesh and India. Despite a consistent analysis of SPS agreement, the contents of this chapter do not match with the scope of the title of the book. Much of the discussion remained at bilateral level i.e., Bangladesh and India. Moreover, a significant number of earlier studies (e.g., Bhuyan, 2008; Raihan, 2011; De et al., 2012) covered these issues to a large extent. Nonetheless, the proposed framework for a comprehensive SPS agreement is undoubtedly useful for policymakers.

**Chapter 3** is contributed by Rahman, Siddique, and Saha that provides an in-depth examination of the various MVA proposals in the SAARC based on the review of relevant secondary materials. An overview of the current state of cross-border transport movement is presented with evidence (p. 119). The theoretical framework presented for CBTA/MVA analysis is praiseworthy (diagram 3.1, p. 112). The authors illustrated the components of an ideal cross-border road transport agreement incorporating the main elements of existing MVAs. The importance of adequate transport logistics for regional cooperation is articulated at the beginning of the chapter as follows.

Good connectivity reduces the cost of doing business and raises competitive strengths of trading partners within regions and sub-regions, and enabling them to operate on the basis of competitive comparative advantages (p. 103).

The relationship between transport link and trade facilitation was repeatedly emphasised in the chapter. This was probably done due to the importance of good transport connectivity from Bangladesh perspective. The research evidence suggests the arguments of the authors. Wilson et al. (2004), for example, found that improvement in port efficiency may lead to the highest export promotion effect (37 per cent) for Bangladesh from all South Asian countries. The chapter is concluded with policy recommendations for better operational modalities for implementing cross-border road transport movement. Despite a significant number of studies are available in transport connectivity (e.g., Rahmatullah, 2009; De & Bhattacharyya, 2007; Teravaninthorn & Raballand, 2009), this chapter has put forward concrete suggestions for promoting MVA in South Asia based on a thorough review of global best practices. The authors observed that:

Whilst at policy level many regional cooperation initiatives have been put in place in SAARC, much remains to be done at the implementation level (p. v).

The number of books and monographs of regional integrations has been increasing since the early 2000s. Maurice and Alan (2003) examined regionalism from the perspective of developing countries and concluded the book with a comprehensive account of existing economic theory. Ncube et al. (2015) reviewed the current trends and challenges of regional integration in Africa. Czerewacz-Filipowicz and Konopelko (2016) critically evaluated the regional integration processes in the Commonwealth Independent States. Mikic and Bruno (2016) explored the regional integration of ASEAN countries along with a proposed model. Kim (2013) offered the most vivid account of regional integration in Europe and Asia.

Like Africa, America, and Europe, there are a significant number of books dealt with regional integration in South Asia including *Regional Integration in South Asia: Trends, Challenges and Prospects* (Razzaque & Basnett, 2014); *Regional Integration and Economic Development in South Asia* (Rahman et al., 2012); *Regional Integration in South Asia: Essays in Honour of Dr. M. Rahmatullah* (De & Rahman, 2015); *Does South Asia Exist?: Prospects for Regional Integration* (Dossani et al., 2010); and *Regionalism and Regional Security in South Asia: The Role of SAARC* (Ahmed, 2014). Despite these abundant books of regional integration, Rahman's book of regional integration is unique at addressing the backdrops of regional integration in South Asia and providing the concrete policy recommendations for overcoming the existing challenges towards better regional cooperation and connectivity.

### **Overall Observation**

The authors' stated objectives set in the book are adequate and matched with the discussions to a large extent. They have tried to examine the different dimensions of South Asian regional integration with evidence and they largely accomplished their stated purpose. The concepts are clearly defined with necessary illustrations. The language is clear and lucid. The ideas are solidly grounded with convincing policy options. The book is well structured to some extent and the chapters are logically presented. The print type and size are appropriate and legible with an attractive binding. The illustrations and diagrams are properly placed to aid in the understanding of the text. The discussions of the book are supported with adequate references. A list of tables, figures, charts, maps, and diagrams is presented at the beginning of the book along with a list of acronyms. The book is ended with a list of appendices containing vital information for readers and researchers.

### **Concluding Remarks**

Although this book is an important contribution to the field of regional integration, some backdrops are clearly observed. The title of the book does not match with the contents to a large extent. Although the title implies for regional integration in South Asia, most of the discussions remained at Bangladesh-India case. The title and scope of the book are thus inappropriate and ambiguous. The referencing style is confusing. Although this is a research-based book, it should include a list of indices at the end of the book. Despite these

minor limitations, the book is supposed to add value to the existing field of research.

## Conclusion

This book presents the ins and outs of regional integration in South Asia with reliable information and expertise. In a thorough analysis of the trade facilitation and dynamics of regionalism, the book explored the less addressed areas of implementation and operationalisation of policies and initiatives, which the authors argue should be exploited to the maximum extent. Indeed, the book offers a more comprehensive, lucid and judicious account concerning regional integration in South Asia with an emphasis on trade facilitation and transport connectivity. Accordingly, the book has achieved its goals to a large extent. Designed as a practical guide for policymakers, this book will also be of interest to academics, researchers, and experts.

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