

Exports and the Competitiveness Agenda: Policies to Support the Private Sector

José Guilherme Reis and
Thomas Farole

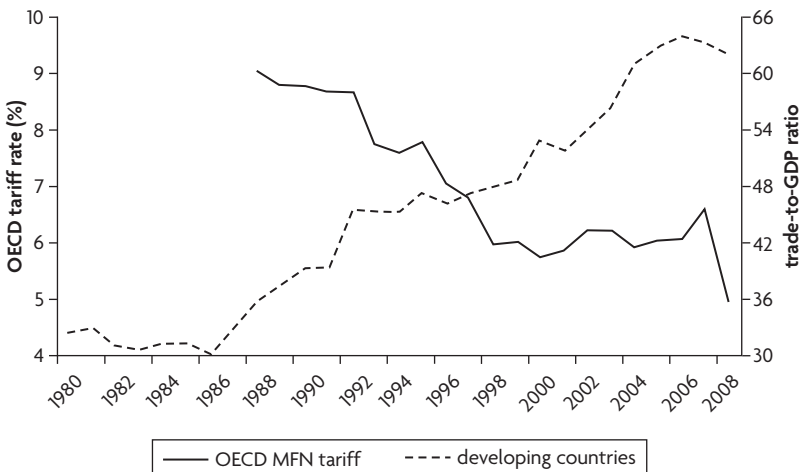
Since most developing countries abandoned wholesale import substitution models in the 1980s in favor of export-led growth, the pace of global trade integration has been nothing short of extraordinary. Indeed, trade has arguably been the most important driver of global growth, convergence, and poverty alleviation over the past quarter century. During 1983–2008, global trade grew 85 percent faster than gross domestic product (GDP). Developing countries in particular have benefited—annual exports from low- and middle-income countries grew 14 percent annually since 1990 compared to only 8 percent for high-income countries. China and East Asia’s rise is intrinsically linked to their export-led growth policies, which contributed to a rapid economic diversification and a shift in trade from commodities to manufactured products. The share of manufactured products in total exports of low- and middle-income countries rose dramatically from only 15 percent in 1970 to 57 percent by 2008, a level approaching the share in high-income countries (72 percent).

This rapid period of export growth from developing countries has been enabled by two critical structural changes in global trade: (a) the vertical and spatial fragmentation of manufacturing into highly integrated global production networks, and (b) the rise of services trade.

Both of these in turn were made possible by major technological revolutions supported by multilateral trade policy reforms and broad liberalizations in domestic trade and investment environments in both developed and developing countries. Average tariffs in high-income countries declined dramatically since the 1960s. In the United States, for example, average most favored nation (MFN) applied tariffs more than halved to reach around 10 percent by 1990 (figure 4.1); they have since more than halved again. Yet the major response from developing countries only took off from the late 1980s. At this point, major technological advances, particularly in transport (containerized shipping) and communications technologies, dramatically lowered the cost of shipping intermediate goods and of managing complex production networks. The highly integrated network of trade in East Asia, anchored in China, has enabled the benefits of trade to spill over, supporting growth rates approaching double digits in many countries in the region over the past decade.

A second major area of growth potential for developing countries that has been made possible by rapidly expanding trade is in the area of services. Many of the same trends driving the offshoring of manufacturing

Figure 4.1 Relationship between Market Access and Trade Growth from Developing Countries



Source: Authors' calculations.

Note: OECD = Organisation for Economic Co-operation and Development.

have contributed to the globalization of services. Specifically, this includes dramatic changes in the so-called 3Ts—technology, transportability, and tradability—of many services activities, which allow powerful forces of comparative advantage to play out. In South Asia, for example, the services sector accounted for more than 50 percent of the growth in regional GDP between 1980–85 and 2000–07 (Ghani 2010). And while significant barriers remain in the trade policy environment, growth in services trade has benefited from substantial liberalization in many markets, particularly on investment openness (Gootiz and Matoo 2009).

At the heart of the developments in both global production networks and services offshoring has been the rapid and innovative private sector response to exogenous change; trade liberalization and technological advances facilitated organizational and managerial innovations by multinational corporations (MNCs), initially from high-income countries, that seized the opportunity to take advantage of locational sources of comparative advantage at each stage of the production chain. This would not have been possible, however, without an equally strong supply response from the private sector in developing countries. Indeed, the reforms in Asia (by China, India, Vietnam, and others) to establish a more competitive environment for the private sector were crucial to facilitating the conditions that allowed these integrated trade networks to develop.

The Crisis and the End of an Era

The global economic crisis came crashing into the middle of this long-running export-led growth party during 2008 and 2009. As the financial crisis drained liquidity from the market and risk was dramatically recalibrated, the financial shock quickly affected demand and then reverberated rapidly through these now closely integrated global supply chains. Between the last quarter of 2007 and the second quarter of 2009, global trade contracted by 36 percent (see Haddad and Hoekman, in chapter 3 of this volume). Governments around the world moved relatively rapidly to head off the crisis, flooding the markets with liquidity, supporting trade finance, and investing in massive stimulus packages to boost demand. And although for a period there was a fear that creeping protectionism might undermine the recovery, governments for the most part managed to forego the temptation to engage in populist trade wars

on a large-scale basis; however, since employment recovery is likely to lag significantly behind trade and output recovery, at least in high-income economies, the risk of protectionism may remain on the agenda for some time (Gregory and others 2010).

The open, integrated economies of East Asia, which benefited most from export-led growth and global production networks, were among the first to emerge from the crisis and appear to be moving quickly back to robust growth. As the recovery strengthens in 2010, however, the longer-term impacts of the crisis on the policy environment around trade and growth are becoming more apparent. Indeed, the crisis has led to some serious rethinking of some of the conventional wisdom around the growth agenda—the most important result of which is the likelihood that governments will play a much more activist role in the coming years. This is due to three principle reasons.

First, the crisis has shaken faith in markets and discredited *laissez-faire* approaches that rely simply on trade policy liberalization. Instead, governments and local markets have been “rediscovered.” In this sense, the demand for activist government is likely to go well beyond financial markets and regulation and will impact the policy environment in which trade and industrial strategies are designed.

Second, the crisis highlighted the critical importance of *diversification* (of sectors, products, and trading partners) in reducing the risks of growth volatility. The recent era of globalization contributed to substantial specialization of many economies. While this was predicted by trade theory, what was perhaps unexpected was the degree of vertical specialization that emerged through task-based trade in global production networks. As the next era emerges, diversification will be at the top of the policy agenda in most developing countries. This will create further demand for government activism.

Finally, despite the dramatic rise of East Asia and India in recent years, their success in export-led growth may be more the exception than the rule in developing countries. Many developing countries have failed to benefit from the opportunities afforded by liberalized trade over the past quarter century. Even with the benefits of preferential market access, few exporters from low-income countries are in a position to compete in international markets due to poor productivity, high trade costs, and the inability to benefit from internal and external scale economies. Indeed,

the realization of this gap has contributed to the emergence of the “aid for trade” agenda in recent years. This approach aims to go beyond the simple focus on eliminating policy barriers imposed on goods as they cross borders (for example, tariffs, quantitative restrictions, and foreign exchange controls) and engage with the more complex set of competitiveness challenges that restrict the supply response from the private sector.

The Coming Era of Government Activism: Old Industrial Policy or a New Competitiveness Agenda?

The demand for a more activist approach raises the risk of going back to old-style industrial policy that is associated with the import-substitution era. One risk here is that the heavy hand of government—in picking winners, in managing unrealistic exchange rates, and in attempting to derive demand through import substitution—will distort the market and undermine private sector competitiveness in the long term.¹ As shown in Rodríguez-Clare (2005), even in the presence of externalities and clustering, distorting prices policies such as import tariffs, export subsidies, and other tax breaks and fiscal incentives are likely to reduce welfare. Further, such demand for protection—which would inevitably emerge through traditional industrial policies—could eventually undermine the gains made in trade liberalization over recent decades.

On the other hand, greater active government commitment to growth policy also opens up the possibility of countries adopting a more comprehensive, competitiveness-based approach to exports and growth. As Klinger (2010) points out, firm productivity is determined in large part by public inputs to firm production and the good functioning of the markets in which they operate. Thus, government can play a valuable role—indeed, its role is critical—in overcoming market failures, particularly with regard to information externalities and to collective action and coordination challenges. If acting effectively, government can create the conditions that allow the private sector to respond to market opportunities. While there is still a debate on the role of government intervention and about the nature and usefulness of industrial policy, there is a consensus today that the identification of a set of microeconomic interventions from governments, without distorting relative prices, can lead

to significant improvements in coordination among actors and private sector development. As discussed in Rodríguez-Clare (2005), Harrison and Rodríguez-Clare (2009), and Klinger (2010), these interventions can include both policies to induce discovery, as per Hausmann and Rodrik (2002), and policies to promote the benefits of agglomeration (inspired by the seminal work from Porter [1990]). The mix of these two sets of policies should vary across countries according to their stage of development (Rodríguez-Clare 2005).²

The “enlightened path” above would result in a deepening of the competitiveness agenda and a strengthening of government’s role in supporting the private sector by unlocking the constraints that discourage private sector innovation, investments, and export diversification, while also facilitating the adjustment capacity of the economy. What might this path look like? Much of it would be familiar; for example, it would recognize the fundamental role of human capital, sound macroeconomic foundations, and basic institutions—like property rights, the rule of law, and effective regulation—as the basis for long-term competitiveness. But it would carry on beyond these basic foundations to address the *microeconomic environment*, which shapes individual firms’ capacities and incentives on a daily basis, by also addressing market and information failures, providing public goods, and improving coordination and the diffusion of knowledge and best practices. The competitiveness policy framework might be described as being based on the following three pillars:

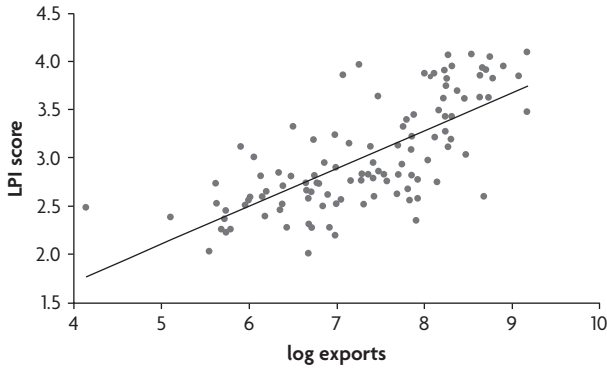
- *Aligning macro-incentives*: For example, removing economic biases arising from tariff and nontariff barriers, real exchange rate misalignment, and distortive tax regime; ensuring overall fiscal health of the economy, efficient labor market operation, product and factor market conditions, property rights protection, effective regulation, and ease of firm entry and exit.
- *Reducing trade-related costs*: For example, improving backbone services and inputs such as energy, telecommunications, finance, and other services inputs; improving capacity and coordination of government agencies at the border, international transit arrangements, regional and multilateral agreements, and policy reforms that ensure more competitive markets for services (international transport, logistics, and others) that facilitate trade transactions.

- *Proactive policies for overcoming government and market failures:* For example, promoting technology creation and adaptation, developing product standards and certifications, providing trade finance, supporting industry clusters, facilitating special economic zones and other spatial developments, and ensuring coordination of economic actors and links and spillovers to the local economy.

Many of the issues on the agenda within this broad framework of competitiveness are not new; indeed, governments have always played an important role in addressing some of these. However, with the growing postcrisis emphasis on more proactive policies, several issues are likely to emerge as priorities within the competitiveness agenda. These are discussed briefly in the coming sections and include *targeting transport and trade facilitation to reduce the cost of bringing goods to market; retooling export promotion to support improved export survival; using special economic zones and clusters to facilitate externalities; and strengthening competition policy and institutions to support adjustment.*

Targeting Transport and Trade Facilitation to Reduce the Costs of Bringing Goods to Market

Labor costs and productivity are critical determinants of competitiveness, but these stop at the factory or farm gate. For exporters in many developing countries, comparative advantage is eroded step-by-step across the miles between production and markets. Distance alone will, in many sectors, determine the potential to compete in international markets. But more controllable factors, such as transport and communications infrastructure, border-related processes, and local logistics markets, will play a critical role in shaping exporters' competitiveness through their impact on cost, time, and supply chain reliability. Data from the World Bank's *Logistics Performance Index 2010* (Arvis and others 2010) show a clear relationship between logistics performance and exports (see figure 4.2). Empirical literature tracing the effect of transport and trade facilitation constraints on trade flows, while limited by the difficulties of properly measuring these barriers (Pagés 2010), shows unequivocal impacts of time and costs on developing country exports and, particularly, perishable agricultural products

Figure 4.2 Relationship between Logistics Performance and Exports

Sources: Arvis and others 2010; United Nations Commodity Trade Statistics database (UN Comtrade) (US\$ exports, 2008).

Note: LPI = Logistics Performance Index.

(Djankov, Freund, and Pham 2006) and on the composition of trade (Li and Wilson 2009).

Taking up the competitiveness agenda, governments will play an increasingly active role in trying to overcome transport, trade facilitation, and logistics constraints. This will start by putting in place the hard and soft infrastructure to facilitate goods movement. But it will also involve more active efforts to identify and develop transport corridors, to improve coordination across border clearance agencies (both internally and in concert with trading partners), to strengthen competition in local logistics markets, and to work with the private sector to overcome coordination failures in export logistics and facilitate greater scale and predictability.

In addition, given that many developing countries' exports of services are a key element of their trade diversification strategy, an expanded trade facilitation agenda must also contemplate telecommunication and connectivity, because maintaining and upgrading both the quantity and the quality of communication infrastructure is crucial for ensuring the possibility of engaging in trade in services.

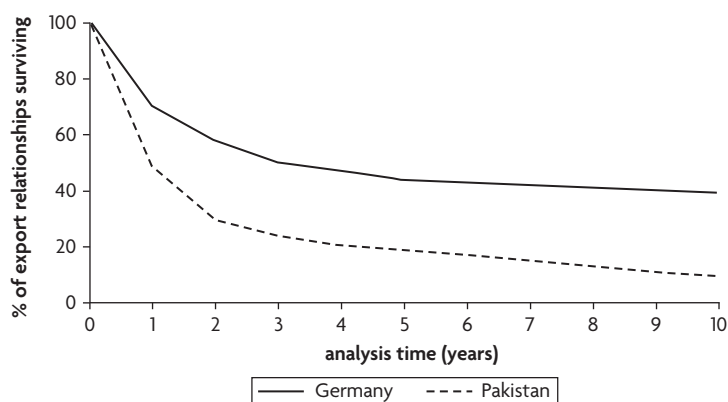
Retooling Export Promotion to Support Improved Export Survival

Government support for export promotion is based on the significant information externalities and coordination failures that affect the private

sector with respect to export markets. Export promotion agencies (EPAs) have a long history in both high-income and developing economies. Although EPAs have often been criticized, recent research (Lederman, Olarreaga, and Payton 2009) shows they have generally had a positive impact on export performance in developing countries. Yet, in light of the changing trade dynamics discussed in this chapter and the increasingly risky and competitive conditions in export markets, there is likely to be a need for EPAs to shift from their traditional focus on finding new export market opportunities to supporting new and existing exporters to increase survival rates in export markets, particularly during the first few years after beginning to export. Indeed, as illustrated in figure 4.3, survival rates in developing countries can be dramatically lower than in high-income countries as a result of many additional barriers to competitiveness they face (Brenton, Pierola, and von Uexkull 2009).

Addressing the agenda of export sustainability will require governments to address a much wider set of issues that have an impact on export competitiveness. Some of these will be particularly relevant for certain sectors that offer high opportunities for developing-country exporters. For example, competing in high-value (usually perishable) agricultural exports may require support to ensure standards and certification requirements are met on an industrywide level to facilitate market access for new exporters. In the services sector, which suffers from

Figure 4.3 Ten-Year Survival Rate of Export Relationships: Pakistan and Germany



Source: Calculated based on data from UN Comtrade (sourced via World Integrated Trade Solution, World Bank).

notorious information asymmetries, collective action on licensing and accreditation may be necessary to enable competitiveness. Across virtually all sectors, access to trade finance (see box 4.1) is critical to enable exporters to enter and sustain participation in international markets. All of this is likely to imply significant institutional changes in the approach of EPAs, in particular, taking on a greater coordination role and working more closely with other public and private sector actors.

Using Special Economic Zones and Clusters to Facilitate Externalities

Because task-based trade and investment patterns have become ingrained in the global production system and the sources of competition are highly globalized, developing countries are likely to face significant challenges in

Box 4.1 Financing Trade in a Postcrisis World

By providing liquidity and security to facilitate the movement of goods and services, trade finance lies at the heart of the global trading system. Indeed, as AUBOIN (2009) notes, trade finance—upon which some 80 to 90 percent of world trade relies—has become ever more critical as global supply chains have increasingly integrated in recent years. During the recent global crisis, the availability of trade finance was seen to have been substantially reduced, particularly for small and medium enterprises and in developing countries. This acted as a further constraint to trade and became yet another source of contagion that reverberated down supply chains to exacerbate and prolong the crisis.

Although governments and multilateral institutions responded aggressively to stave off the trade finance “gap”—involving the provision of up to US\$250 billion in support—evidence from past crises indicates that trade finance may continue to be a problem. For example, in a study of the Asian financial crisis, Love, Preve, and Sarria-Allende (2007) find that the total amount of credit provided collapses in the aftermath of a crisis and continues to contract for several years. This is because credit is generally a complement rather than an alternative to bank credit. When firms are constrained in their access to bank credit, they tend to reduce the amount of trade credit they extend in the supply chain; when they are flush with bank credit, they extend more trade credit.

This highlights the potential vulnerability of trade finance in a postcrisis world. If banks continue to limit lending (exacerbated by regulatory requirements like Basel II), the integrated nature of global production networks means these credit constraints are likely to amplify across supply chains. Proactive responses by governments to promote not only the provision of trade finance, but also wider credit facilities, particularly for small and medium enterprises, will be critical to supporting the competitiveness of the export sector.

Source: Authors.

developing new sources of competitiveness and upgrading their position in value chains. Addressing the challenge of upgrading in developing countries will require facilitating better links between foreign direct investment (the source of potential spillovers) and the domestic private sector. This will require a greater emphasis on human capital upgrading (in terms of both core education and vocational training). Beyond that, however, there is an important role for governments to facilitate spillovers by promoting collaboration between local producers and foreign buyers and overcoming gaps in coordination among the local private sector and institutions. In this regard, governments are likely to put greater emphasis on spatial industrial policies in the years ahead.

One such policy instrument that has been used in many developing countries is special economic zones (SEZs), most commonly export processing zones (EPZs). Traditionally, these have focused primarily on attracting foreign direct investment by establishing a more competitive investment environment than would be available in the domestic market. Such SEZs played a valuable role in catalyzing industrialization and trade integration, particularly in East Asia. However, the traditional EPZ model that has been implemented in most countries³—reliant on low wages, trade preferences, and substantial fiscal incentives—paid too little attention to facilitating dynamic links with the local private sector. As such, this model is unlikely to be effective as a tool for growth and development in the new era. Indeed, for many developing countries, it is more likely to facilitate lock-in to a “low road” development path. A more innovative approach to using spatial industrial policy will be part of the new agenda of supporting industrial upgrading in developing countries. This will involve the use of more flexible, integrated zones that combine cluster-based development models with a host of policies designed to facilitate links between foreign investors and the local private sector. This will ensure that the high-quality investment environment on offer in SEZs is also available to the local private sector and will facilitate knowledge and technology spillovers.

As a complement to these spatial policies, governments will increasingly aim to support the development of public-private institutions that promote public goods (for example, training, joint research, certification, and market information) linked directly to local clusters. Indeed, such development of local “institutional thickness” (Amin and Thrift 1994),

involving cooperation and knowledge sharing among government agencies, universities, training institutions, and business organizations establishes a governance framework that is perhaps ideally suited to the new competitiveness agenda.

Strengthening Competition Policy and Institutions to Support Adjustment

Central to the aims of the trade policies discussed in this chapter is facilitating and managing the dynamic process of economic adjustment that is inherent in capturing the benefits of trade. This requires redeploying resources (capital, labor, institutions) to higher-value activities. The ability of economies to adapt to a changing environment depends on their degree of flexibility, not only at the more conventional macroeconomic level, but also at the microeconomic level. The foundations of long-run adjustment are, of course, human capital and innovation.⁴ But beyond this agenda (and, indeed, intrinsically linked to it), governments will increasingly focus—as part of their trade and industrial policy—on competition and other policies to promote firm entry and exit and on building and sustaining of dense networks of high-quality and flexible economic institutions.

An effective competition regime is a vital complement to trade liberalization in promoting economic efficiency, development, and growth. Indeed, anticompetitive market distortions inside borders may be partially responsible for the fact that a significant part of the trade liberalization gains of the 1990s did not flow to consumers (Singham 2007). Yet competition, while generally acknowledged as an important element of the growth agenda, has been frequently relegated to a kind of second- or third-priority level. And industrial policies that engage in building “national champions” are frequently at odds with competition policy, which contributes to their long-run welfare deficits. Competition policy plays a critical role in facilitating entry and exit (in both product and factor markets), which Aghion and Howitt (2006) show to be the primary channel through which economic adjustment processes occur in a Schumpeterian growth paradigm.⁵

Finally, delivering on the competitiveness agenda will rely on the existence of effective institutions, including those of the state, the private

sector, and civil society. Acemoglu, Johnson, and Robinson (2005) argue that institutions—the “rules of the game” in a society (North 1991)—are the fundamental, “deep determinants” of economic growth and development differences across countries, since they ultimately shape incentives for innovation and entrepreneurship and set the main constraints for societies to adapt. Indeed, the fundamental role of institutions in a society—to facilitate cooperation and collective action among individual (economic) agents—is to address the market and coordination failures that are the basis for the “new” competitiveness agenda discussed in this chapter. But institutions are endogenous, and so can also act as barriers to adjustment by blocking reform (Aghion, Alesina, and Trebbi 2002; Acemoglu and Robinson 2006). And weak institutions may have a negative influence on the provision of public goods and on the development and delivery of policies aimed at improving skills or innovation capacity or other potential sources of growth. Therefore, building networks of dense, flexible, and reform-minded institutions that bring together the public and private sectors will be one of the primary challenges in the long-term agenda of competitiveness.

Notes

1. Noland and Pack (2003) survey a series of studies showing that, contrary to popular belief, industrial policy in East Asia was not successful in supporting high-growth sectors. The sectors that received the most support in terms of subsidies, tax breaks, and protection were not the ones that later showed the highest growth in Japan; the Republic of Korea; and Taiwan, China. This provides further support for valid skepticism regarding policies that attempt to “pick winners.”
2. Imbs and Wacziarg (2003) show that growth is first associated with export diversification and later with increasing concentration.
3. Many of the successful East Asian countries, most notably the Republic of Korea and Malaysia, actually implemented much more dynamic SEZ models, with an explicit focus on facilitating spillovers.
4. See Glaeser (2003, 2008) for an ample discussion of the role of human capital in the recovery and adaptation of cities to external shocks and, in particular, how it helped Boston reinvent itself.
5. According to the Schumpeterian growth paradigm, innovation is driven by entrepreneurial investments that are themselves motivated by the prospect of monopoly rents. In addition, new technologies drive out old technologies (the process of creative destruction).

References

- Acemoglu, D., S. Johnson, and J. A. Robinson. 2005. "Institutions as a Fundamental Cause of Long-Run Growth." In *The Handbook of Economic Growth*, ed. P. Aghion and S. Durlauf, 385–472. Amsterdam: North Holland.
- Acemoglu, D., and J. Robinson. 2006. "De Facto Political Power and Institutional Persistence." *American Economic Review* 96 (2): 325–30.
- Aghion, P., A. Alesina, and F. Trebbi. 2002. "Endogenous Political Institutions." CEPR Discussion Paper 3473, Centre for Economic Policy Research, London.
- Aghion, P., and P. Howitt. 2006. "Appropriate Growth: A Unifying Framework." *Journal of the European Economic Association* 4 (2–3): 269–314.
- Amin, A., and N. Thrift. 1994. *Globalization, Institutions and Regional Development in Europe*. Oxford, UK: Oxford University Press.
- Arvis, J. F., M. A. Mustra, L. Ojala, B. Shepherd, and D. Saslavsky. *Connecting to Compete: Logistics Performance Index 2010*. Washington, DC: World Bank.
- Auboin, M. 2009. *Boosting the Availability of Trade Finance in the Current Crisis: Background Analysis for a Substantial G20 Package*. London: Centre for Economic Policy Research.
- Brenton, P., M. Pierola, and E. von Uexkull. 2009. "The Life and Death of Trade Flows: Understanding the Survival Rates of Developing-Country Exporters." In *Breaking into Markets: Emerging Lessons for Export Diversification*, ed. R. Newfarmer, W. Shaw, and P. Walkenhorst, 127–44. Washington, DC: World Bank.
- Djankov, S., C. Freund, and C. Pham. 2006. *Trading on Time*. Washington, DC: World Bank.
- Ghani, E. 2010. *The Services Revolution in South Asia*. New Delhi: Oxford University Press.
- Glaeser, E. 2003. "Reinventing Boston: 1640–2003." Working Paper 10166, National Bureau of Economic Research, Cambridge, MA.
- . 2008. "The Economic Approach to Cities." Discussion Paper 2149, Harvard Institute of Economic Research, Cambridge, MA.
- Gootiz, B., and A. Matoo. 2009. "Services in Doha: What's on the Table?" Policy Research Working Paper 4903, World Bank, Washington, DC.
- Gregory, R., C. Henn, B. McDonald, and M. Saito. 2010. "Trade and the Crisis: Protect or Recover?" IMF Staff Position Note SPN/10/07, International Monetary Fund, Washington, DC.
- Harrison, A., and A. Rodríguez-Clare. 2009. "Trade, Foreign Investment, and Industrial Policy for Developing Countries." NBER Working Paper 15261, National Bureau of Economic Research, Cambridge, MA.
- Hausmann, R., and D. Rodrik. 2002. "Economic Development as Self-Discovery." CEPR Discussion Paper 3356, Centre for Economic Policy Research, London.
- Imbs, J., and R. Wacziarg. 2003. "Stages of Diversification." *American Economic Review* 93 (1): 63–86.

- Klinger, B. 2010. "(New) Export Competitiveness." Center for International Development, Harvard University, Cambridge, MA.
- Lederman, D., M. Olarreaga, and L. Payton. 2009. *Export Promotion Agencies Revisited*. Policy Research Working Paper 5125, World Bank, Washington, DC.
- Li, Y., and J. Wilson. 2009. *Trade Facilitation and Expanding the Benefits of Trade: Evidence from Firm Level Data*. Asia-Pacific Research and Training Network on Trade (ARTNeT), an initiative of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and the International Development Research Center (IDRC), Canada.
- Love, I., A. Preve, and V. Sarria-Allende. 2007. "Trade Credit and Bank Credit: Evidence from Recent Financial Crises." *Journal of Financial Economics* 83 (2): 453–69.
- Noland, M., and H. Pack. 2003. *Industrial Policy in an Era of Globalization*. Washington, DC: Institute for International Economics.
- North, D. C. 1991. "Institutions." *Journal of Economic Perspectives* 5 (1): 97–112.
- Pagés, C., ed. 2010. *The Age of Productivity: Transforming Economies from the Bottom Up*. New York: Palgrave MacMillan.
- Porter, M. 1990. *The Competitive Advantage of Nations*. New York: Free Press.
- Rodríguez-Clare, A. 2005. "Coordination Failures, Clusters, and Microeconomic Interventions." *Economía* 6 (1): 1–42.
- Rodrik, D. 2007. "Industrial Development: Some Stylized Facts and Policy Directions." In *Industrial Development for the 21st Century: Sustainable Development Perspectives*, Department of Economic and Social Affairs, 7–28. New York: United Nations.
- Romalis, J. 2007. "Market Access, Openness, and Growth." NBER Working Paper 13048, National Bureau of Economic Research, Cambridge, MA.
- Singham, S. 2007. *A General Theory of Trade and Competition: Trade Liberalization and Competitive Markets*. London: Cameron May.
- UN Comtrade (United Nations Commodity Trade Statistics Database). <http://comtrade.un.org/>.

