

Hoda, A. and Gulati, A. 2008, *WTO Negotiations on Agriculture and Developing Countries*, John Hopkins University Press, Baltimore, ISBN 978-0-8018-8793-2, 294 pages, £18.50 PB.

Agriculture continues to be a significant source of livelihoods in many developing countries, especially the poorest segments of the population. In world trade, the Agreement on Agriculture remains the most contentious agenda for discussion. Developed countries are yet to find a suitable justification that would convince them to revise their policies in favour of complete elimination of farm subsidies. Developing countries, on the other hand, have to contend with a number of challenges regarding productive capacity, institutional arrangements and business potential, among others, both at domestic and international levels. Insights into unlocking hitches in world trade negotiations on agriculture are thus timely.

The book traces the evolution of trade negotiations from the establishment of GATT. These historical events are useful for teaching and general knowledge purposes, but may be less interesting for empirical research. A case study of how various articles in the agreement have far-reaching implications on a country's tradable and non-tradable commodities is provided for India. Any reader would support the choice of India, on the basis of its population and per capita income (that is characteristic of some developing countries). However, the assertion that developing countries are low-cost producers of farm products is far-fetched. On the contrary, supply-side constraints are real bottlenecks that often hinder the participation of most developing countries in export trade. For most developing countries, producing to meet domestic demand is the primary goal. Even if they manage to produce some surplus (in spite of the missing input markets), entering the international market becomes costly on the basis of quality requirements, if nothing else.

In chapters 3 and 4, the authors highlight how the implementation of the Agreement on Agriculture affected India's competitiveness in some commodities. The disaggregated analysis provided is quite useful for national policy-making and commodity-specific research within the country of study. However, from a theoretical point of view the authors ought to indicate the threshold period over which a commodity would be regarded as competitive if its Nominal Protection Coefficient (NPC) were to remain below unity. Putting a metric to the *long period* mentioned by the authors would help. In addition, rather than describing several commodities for a single country, a different approach would benefit the global audience. A more interesting comparison of effects and challenges in implementation of the Agreement on Agriculture would be derived from considering a few commodities from India, sub-Saharan Africa, southern Africa and Latin America.

A large part of the book (chapters 5, 6 and 7) documents the relative advantages of some developed countries in implementing various articles of the Agreement on Agriculture. This is relevant, but leaves too little opportunity to cover real implications of the agreement in the developing countries. In order to align the book title and contents, about 40% (nearly four chapters) might have been dedicated to presentation of case studies and experiences of developing countries in the Agreement on Agriculture.

Various options are suggested for domestic policy reforms in agriculture in developing countries. These include investment in research, extension, technology, rural infrastructure and institutional reforms. While these are crucial, it is important to recognise that at this stage in trade negotiations, promoting bilateral and

multilateral trade partnerships geared towards value-chain specialisation among developing nations could be a more sustainable option. For instance, one developing country could focus on production while another neighbouring nation that is relatively mineral-oil rich and technology-endowed could take up processing to boost their regional economies and bargaining power in global trade.

Some useful discussion is provided on the need for developing countries to balance their clamour for flexibility in special products range and more market access in developed nations. But the authors are silent on the relevant time frame. Enterprise competitiveness and relative food preferences are changing in developing countries, because of emerging urbanisation trends and rapid population growth. The implication is that developing countries should be allowed to change their special product coverage on an annual basis in tandem with national budgeting cycles and sectoral review processes, independent of the WTO conventions/meeting schedules. In addition, the way forward in the contestable issues of domestic support in developed country agriculture and export compensation ought to be less defensive and optimistic. A favourable approach would be to argue for trade-offs between the two measures. It seems realistic that considerable reduction in domestic support by developed nations is not expected to come soon. The advantage in maintaining the *status quo* is the assurance of a stable supply of staple food, especially when production is severely threatened by vagaries of nature in most developing countries. A worthy compensation that somehow balances this option is for developed countries to commit themselves to increasing the share of manufactured agricultural exports allowable from developing nations. In addition, provision of specialised technology for value addition on concessionary terms would be appropriate to uplift a large number of poorer developing countries to a competitive level.

The formatting style used is good, though there are minor difficulties encountered by the reader. For instance, a mix of lowercase and capital letters in the abbreviations is confusing. Moreover, the line spacing is congested and the reader strains to follow through the lines. The authors might have considered having more pages in total that are well-spaced with the same font size and type. However, the authors have provided a clear glossary of terminologies used and a comprehensive indexing style. The list of references is also exhaustive, but somewhat confusing with the various types of document mixed up without a clear distinction on the types of sources, e.g. books and journal articles.

In conclusion, the book is suitable for teaching a course on historical perspectives of world trade negotiations. It might also be a useful reference for tracing the chronology of WTO negotiations and outcomes at every stage. These could provide lessons for future negotiations.

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