Literature review

Scott (2009)

In this study, findings are important for anyone who wants to understand the evolution of the GATT and the role developing countries played in it, and the difficulties between the rich and poor nations that continue to characterise negotiations in the World Trade Organisation.

Liang (1993)

The general conclusion of this paper is that import substitution as industrialization strategy remain viable and may be of great importance for less developed countries that want to catch up economically with industrialized countries.


The study indicates that the first break came through industrial policies of the government with a focus on the heavy industries during the initial phases, while the other break came during 1984-85, which could be attributed to changes in policies from a restrictive one in the mid 60’s and 70’s, to a liberalised one in this sector in the 80’s.

Mehta et al (2001)

In this book monograph is an attempt to inform the layperson about the process of globalisation and its impact on the Indian people in a simple question-answer format. It is first in the series of monograph/booklet, covering various issues on economic liberalisation in the context of India. Its aim is to build up a constituency for economic reforms and unlock vital resources for generating better employment opportunities and getting people out of poverty.
Tantri (2011)

In this paper, along with an analysis of the issue of efficiency of SEZs within the framework of stochastic production frontier technique, we have tried to address the questions raised above. Although the efficiency scores of these enclaves have improved over the years, it is far below the threshold level as identified in the literature, thus, indicating a larger scope for improvement in import substitution for organization.

Mazumdar (1999)

In this paper most important topic in the controversies about alternative strategies of demand expansion has been the alternatives of import substitution and export expansion. Closely related to this discussion has been the role of the State in policies affecting the creation of new employment.

Singh (2009)

In this paper gives transition from import substitution to export promotion has been widely studied, The paper considers the extent to which the strategy remains viable for the future, the challenges still faced, and what other strategies might be required. It concludes with possible lessons for other countries and their future development.

Wadhva. (2009)

The paper India must make moves at micro level to stimulate productivity aimed at raising both Total Factor Productivity (TFP) and at raising the productivity of labour through appropriate training and education.

Krueger et al (1980)
This paper tells about import substitution in Pakistan. If Pakistan manages to bring the increase of wages under control and to restore adequate incentives for manufactured exports, their expansion could contribute significantly to the growth of employment opportunities in Pakistan.

Zhu (2006)

In this paper tells strategy of institutions in both Taiwan and China, which has played a key role in supporting ISI, in particular, the government, the bank sector, public enterprises, and their relationship


This paper draws on extant literature to explain key aspects of the Sub-Saharan African model as a distortion of the good East Asian model. The paper focuses on the elements of the protectionism that featured in both models, the nature of industrial policy, and stresses the role of labour intensive manufacturing as a viable ‘entry route’ into export-based industrialization and technological.

Dickson (1997)

The main findings of this paper include that the PBM model has a sound, logical and intuitively appealing derivation, but that feasibility of estimation is a significant problem with the model.


This paper suggest that, while there is no clear evidence of undervaluation, China’s real effective exchange rate was on the low side in the lead-up to and during the crisis.
**Popov (2009)**

Transition economies have used different paths for their economies development paper explain what works one country it can not work on other country. Also while implementing economic policies one has to look into missing elements. While looking into missing element your core policies should not get hamper.

**Brid et al (2005)**

The article also presents some implications of economic policy that are essential for formulating a new development agenda in Mexico by which the country can finally succeed in its Endeavour to attain high and sustained economic growth.

**Kwon (2009)**

This paper examines whether import substitution can be applied at the regional level. It further explores whether a region may consider import substitution as the sole means of achieving resolution for regional economic development given the contemporary global outsourcing economy.

**Irwin (2002)**

The positive correlation between import tariffs and economic growth across countries in the late nineteenth century suggests that tariffs may have played a causal role in promoting growth. This paper seeks to determine if high tariffs stimulated growth by shifting resources out of agriculture manufacturing.

This paper examines the import-substitution policy and the effect and impact of trade liberalization. Import-substitution policy creates biases in the incentive structure and lowers the growth of potential exports in the long run.

**Bruton (1969):**

The present paper seeks to put into general view the major findings of the first twenty-five research memoranda (RM hereafter) of the Williams College research project on the import substitution approach to economic development.

**Shikida (2005)**

The paper shows market liberalization – or economic freedom – increased with globalization, but unevenly so, thus presenting policy makers with a new reality.

**Chen et al (1993)**

This is an interesting and stimulating paper. In this paper, Tain-Jy Chen and Chi-ming Hou attempt to determine whether Taiwan’s tariff and nontariff trade policy can be better described by an interest group model or a national interest model.

**Rozenwurcel (2006)**

After the Great Depression and throughout the rest of the twentieth century, Latin American countries basically approached economic development following two successive and quite opposed strategies. The first one was import substitution industrialization. The second was the so-called Washington Consensus approach.

This paper is a survey of some key variables with an international dimension and implications for growth and development policies in selected Pacific island countries. Results from a simple growth accounting exercise show that factor accumulation is the most dominant growth factor and that the contribution of total factor productivity is negligible.

Nafziger (2006)

The paper compares perspectives on the meaning of development in the late 1970s and early 1980s to the contemporary period, with a focus on the works of Dudley Seers and Amartya Sen. Both men were critical of the development literature of their times.

Thoburn (2009)

This paper shows open approach has been combined with successful domestic agricultural growth and a strong, continued role for state-owned enterprises while encouraging growth of the private sector. Following an ‘East Asian’ model, Vietnam has opened its domestic market only slowly while encouraging export growth.

Lee (2009)

The paper argues that without capability-building, devaluation or standard trade liberalization alone cannot bring sustained catch-up as these often result in short-run, albeit temporary, export booms. The study analyses how Korea utilized various access modes to learning and knowledge to enhance its technological capabilities, and concludes with a discussion of the transferability of the Korean lessons to other countries.

Audretsch et al (2009)
In this paper we present a two region product life cycle model of global specialization and trade. In it we analyze the impact of three major shocks to the gradually globalizing and integrating world economy and show that these shocks have caused a transition in the global specialization pattern.


The paper proceeds as section reviews the starting point of Japan’s economic development after the Second World War, and section three discusses the economic elements, including macroeconomic stability, human capital development, and economic infrastructure, issues that are common in today’s LDCs

Baldwin. (2011)

Today, industrializes join supply chains and grow rapidly because offshore production brings elements that took Korea and Taiwan decades to develop domestically. These changes have not been fully reflected in “high development theory” – a lacuna that may lead to misinterpretation of data and inattention to important policy questions.

Falcke (1999)

Under the impulse globalization and world trade liberalization many countries scrapped efforts of import substitution and emphasis export-led development strategies. This paper examine the the origin, size, nature and how can they get benefit out of it.

Were et al (2002)
This paper broadly examines the factors that have influenced Kenya’s export volumes by disaggregating total exports of goods and services into three categories: traditional agricultural exports (tea and coffee) and ‘other exports of goods and services.

**Jordaan et al (2007)**

In this paper, New Economic Geography models and estimate the statistical effects of second nature advantages to shed some light into the industrial transformation of Mexico. Changes in regional industry shares and wages during trade liberalization show that the border states have gained at the expense of the old manufacturing belt in Mexico City.

**Camilo (2005)**

This paper shows in order to confront the external shocks caused by the oil crisis and the external debt crisis of the early 1980s. Since then, the region seems to have begun a new phase, different from the previous ones, caused by the imminent consolidation of market opening. This paper shows possibility reduce such shocks by use import substitution.

**Yang (1993)**

Ya-hwei Yang presented in this paper a very useful analysis of the effectiveness of the strategic industrial preferential policy of Taiwan. Such an evaluation of government policies is definitely needed to ensure their efficacy.

**Carvalho, Haddad. (1980)**
Brazil has had both import substitution and export promotion phases in its trade regime. Although the import substitution policy was successful in increasing industrial output, employment did not grow accordingly.