



The next chapter also employs tariff rate data but examines whether the importers of East Asian countries exhibit tariff evasion behavior. The question is addressed in **Chapter V**, titled, “Tariff Evasion in Machinery Production Networks: Evidence from East Asia.” This chapter shows that imports by low-income East Asian countries are more likely to evade tariffs. Moreover, we find that the tariff evasion in parts and components trade increases much more than that in final products with a one-percentage-point increase in the tariff rate.

The final chapter is **Chapter VI**, titled, “Does Asian fragmentation matter for the extensive margin of international trade in machinery production networks?” In this chapter, we investigate the extent and depth of participation in international production networks. Specially, we examine whether parts and components are more likely to export than final products in 2013 by using probit model. Our probit estimate shows a 14.3% higher probability of exporting parts and components than exporting final products in 2013. Furthermore, we investigate the characteristics of product–country pairs and find that parts and components have a higher probability of setting up new product–country pairs and a lower probability of losing product–country pairs, compared with final products.

In addition to the conclusion and finding for each empirical chapter, those chapters also provided the meaningful implications that present the solution, suggestion, and comments for policymakers.