

Apart from such minor issues, I found the volume very informative and comprehensive, especially as a companion piece to World Bank studies on the same adjustment "episodes".

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Technology and Culture in a European Context.
By J. Orstrom Moller. Copenhagen: Handelshojskolens Forlag, 1991. Pp. 60.

The author is a graduate in economics from the University of Copenhagen and currently permanent Undersecretary of State for Foreign Economics Affairs in the Royal Danish Ministry of Foreign Affairs.

His essay is a very European assessment of the changes in the economy, society and culture currently taking place in Europe, which is followed by an optimistic conclusion on the future of the old continent. The greater part of the book contains an analysis on the changing fabric of the forming information society in contrast to the sunseting industrial society.

The author draws the following picture of the future information age. The new epoch will give birth to new sociological groups each composed of individuals with the same lifestyles, leisure activities and educational background, but not necessarily with similar jobs or pay. These groups will count for more than the formerly industrially defined classes. The latter, such as the unions, as well as their underlying ideologies will ultimately disappear. More than the productive apparatus, the employed technology and the quality of human capital will be relevant for the competitiveness of firms and whole economies.

Consequently, the establishment of the information society will require many changes in the European economies and societies: the old industrial sectors will have to shrink and will be marked by concentration. However, new industries, especially in the tertiary sector, will grow

vigorously. The traditional balance of power and burden sharing between business, the unions and the public sector of the old nation state will no longer be a sustainable basis for the future. For instance, the social security system will have to be adapted to the changing needs of the new society, as the long-established definition of the generation treaty and the formerly clear cut separation of work and leisure can no longer be maintained.

Mr Moller does not stop with describing the upcoming challenge to the social fabric in Europe; he also focuses on the political and economic geography of the year 2000. In his view the old European nation state, which once fitted the old industrial structure, will wither away under the pressure of economic internationalization and cultural decentralization. Both the technological and cultural change of the new information society and the internationalization of the world economy make the old nation state appear too small as the basis for industrial enterprises. In Europe more and more issues will be transferred to supra-national bodies and multilaterally handled by the European Community (EC). But the nation state will lose sovereignty not only to the EC but also to its regions. The big European nation states, such as Germany, France, Italy and the United Kingdom, which are composed of different people, languages, religions and customs, will cease to provide the suitable cultural framework for its inhabitants. The regions will demand more cultural and also economic autonomy. Information technology will supply the tools for a growing independence from the capitals. In the end the big enterprises will offer a culture and a corps d'esprit in competition with the regions for the identity of their staff.

The European Community will also face new challenges: the EC will have to undergo a set of institutional reforms and simultaneously expand its membership. Subsequently the unified Europe must also be careful enough to properly consider its ethnic minorities.

This dichotomy, growing economic internationalization and multilateralization in the face of cultural decentralization, may be amalgamated

to a new model which has the potential to become the forerunner of the culture and civilization leading the world into the next century. This is Mr Moller's main thesis.

In this excellently written essay, the author presents a rosy scenario for Europe's path towards the year 2000. Such optimistic views are not uncommon in Europe today, and are increasingly replacing the prevailing Europessimism of the early 1980s. They show, contrary to popular opinion in the Asia-Pacific region, that Europe is willing to carry out the structural change needed for the coming information age. When discussing the future, however, a writer is faced with a dilemma: if he is too specific, he can be proved wrong by subsequent details, which differ from the original forecast. If he sticks to generalities, however, the statement will be too vague to have any relevance. In this dilemma, Mr Moller steers a middle course. He is specific enough to make real forecasts on Europe's future, and indeed he expresses ideas which have the potential to develop into something like a European consensus.

However, considering the details, the careful reader will sometimes miss empirical evidence and analytical depth. Instead, a tendency to dogmatic reasoning and superficial arguing might be observed. This can be shown by three examples. Mr Moller predicts that an increasing trend of concentration in Europe's industrial structure will take place, eventually squeezing out Europe's small and medium sized enterprises. Considering that such concentration trends have often been erroneously forecast in the past, because the vitality of small and medium businesses has not been duly considered, this assessment should be taken with a grain of salt. Granted the formation of a single European market by 1993 will lead to a concentration process in some sectors. In some industries, even less concentration might be conceivable.

The author's view that economic theory is not adequate for a discussion of the economic problems in the coming information age will be challenged by the economic profession. Theoretical pattern like the theory of property rights, the evaluations of risk and uncertainty and even pure

economic theory might well form a basic framework for economic analysis not only in the industrial society, but in the information society as well.

When the author compares the developmental potential of Europe with the United States, Japan and East Asia, the reader from the Asia-Pacific region might detect a symptomatic Eurocentric understanding of the process of Asia-Pacific cooperation. Mr Moller is sceptical of East Asia's potential because of the lack of a real, maybe EC-like integration process. However, the outward looking development process, the central role of market forces and the private sector, the rapidity of structural change and economic growth are common features of most Asian economies and do constitute the necessary ingredients for a *de facto* integration of the Pacific region. Whether this development is sustainable in the long run and is able to form an alternative model is of course debatable, but a thorough discussion of this would have been helpful.

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Indonesia: Sustainable Development of Forests, Lands, and Water. A World Bank Country Study. Washington, D.C., 1990. Pp. xi, 190.

This book, written by a team of World Bank staff, is a country study of Indonesia. Like other developing countries, Indonesia faces a number of environmental problems. The authors focus on four of the most important: deforestation, land degradation, water shortages, and water pollution. The book contains six chapters but the heart of this book is its executive summary. The executive summary not only discusses Indonesia's most important environmental problems but outlines the steps that should be taken to improve forest, land and water management. The authors conclude,

... the major theme in this report is that many resource conflicts can be resolved by increasing