

challenge to policy research. How a sober, analytical look into the short and medium term requirements (internal and external) for such "visions" may contribute to sound economic policy making, is far from easy to answer.

A final, perhaps sceptical word. It is my impression that the *raison d'être* of the book is based on the success of East Asian economies. It would seem sensible to ask whether this success is due to good advice from competent economists. Still, the presumption is a little suspect. This book shows a preponderant influence from U.S. academia on the education of the researchers in Asia (indeed, Japan, let alone Europe, do not seem to figure at all in this respect); perhaps as a result, U.S. think-tanks and institutes have been deeply involved in economic policy research in the region. No doubt, the United States is an excellent source country for economic policy research, much less Japan, one would be inclined to say, and Europe perhaps somewhere in between. Oddly enough, successful economic policy making in these three OECD core areas might well be inversely related to perceived quality of domestic economic policy research.

For those interested in East Asia, and, more broadly, in successful economic policy reforms, this well-written and authoritative book is worth having.

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Improving Quality of Life in Rural Areas in Asia and the Pacific: Policies and Programmes.
Tokyo: Asian Productivity Organization, 1991.

This book, which contains the proceedings of the Study Meeting on Improvement of Quality of Life in Rural Areas organized by the Asian Productivity Organization (APO) in Seoul, South Korea in April 1990, makes a useful addition to the already

rich collection of literature on rural development in the Asia-Pacific region. The main focus of the book is to analyse, by way of country illustrations and experience, as well as expert and resource papers, the issue of quality of life in the rural sector. Indeed, this issue is pertinent and appropriate, given the fact that one of the major issues prevailing in the rural sector in many Asia-Pacific countries is the relatively low standard of living, and concomitantly, quality of life.

The approach of the book is straightforward yet effective. It begins by elucidating the experience of the individual countries participating in the Meeting in terms of their prevailing quality of life, general and specific approaches and programmes aimed at enhancing it, and major constraints and problems facing these efforts. Next, it presents a series of resource papers based on either case studies or theoretical expositions of rural quality of life. A synthesis of the two parts of the book provides one with a good grasp of the nature and issues of living standards and quality of life among the rural poor in Asia-Pacific countries.

The country papers almost invariably paint a similar picture of the quality of life in the rural economy, except for the more industrialized economies of East Asia. The quality of life among the rural populace is far behind that of the urban and metropolitan population. There is much deprivation in both relative and absolute terms. It is estimated that between 350 million and 600 million people in the Asian rural sector are poor, with a considerable proportion of them living in abject poverty.

The incidence of rural poverty is markedly high where agriculture constitutes the dominant activity of the rural sector. The low land, labour and capital productivity in agriculture has negated attempts made hitherto to farm output and incomes. This, coupled with the multitude of socio-cultural and structural constraints facing the agricultural sector, have stifled many of the efforts and programmes aimed at enhancing agricultural and rural income and standard of living. Strategies including rural industrialization and rural urbanization implemented so far have also not been fully

effective in improving the quality of life in the rural sector as these have generally failed to generate pervasive spill-over and linkage effects.

The problems associated with the improvement of rural living conditions have also been well spelled out in the country papers. These include low agricultural efficiency and productivity, structural and social infrastructure constraints, limited employment opportunities, inadequate nutrition and health support programmes as well as insufficient agro services. One other problem underlying the low rural quality of life in Asia-Pacific is probably the lack of pragmatic population policies. This has resulted in a rapid growth of population in the rural areas which is well beyond the capability of the agricultural sector to support it.

The country papers also dwell on the types of policies and strategies hitherto undertaken to surmount the problem of low quality of life in their rural areas. Some of the common policies include enhancing agricultural productivity and efficiency, generation of off- and non-farm employment opportunities, inculcating the concept of sustainable development, implementing agrarian and land reform policies and providing basic social infrastructure and agricultural support services.

All of these discussions contribute to a greater understanding and appreciation of the nature and extent of the issues, problems and constraints facing the livelihood and living standards of the rural population in Asia-Pacific countries. One major criticism of these country papers is that they lack any treatment and consideration of yardsticks or indicators that can, and should, be used to gauge the standard of living and quality of life of the rural people.

Indeed, this criticism is well answered in part two of the book, which contains a set of resource or expert papers on the various dimensions of rural quality of life. In fact, two of the papers in part two deals at length with the alternative propositions and specifications of the Quality of Life (QOL) indicators. In his outline of social concerns, R.T.A. Irving has suggested a list of possible indicators which can be related to three clearly defined "level of concern", namely, concerns vital to life, concerns which have a knock-out effect

and target concerns. Notwithstanding the merit of these possible indicators, a scrutiny of the entire list shows that many of these cannot be appropriately or adequately measured empirically.

Kiran Phykuryal's paper also proposed an alternative list of indicators, much of which have been based on the work done earlier by the World Bank, ESCAP and OECD. Like the range of indicators proposed by Irving, the QOL indicators developed by these organizations also tend to be unmeasurable. However, the list of indicators in this case appears to be shorter and much simpler than those specified in Irving's paper.

However limited these indicators may be, they are extremely useful, if not for anything else, for stimulating both the debate on the necessity for designing them and on the continued search for more appropriate and measurable indices to measure QOL.

Several resource papers have focused on case studies of status and changing trends in rural quality of life. These are useful not only in providing an in-depth account of the quality of life experienced but also in leading to a more intense discussion of the solutions for these issues.

Jin-Hwan Park's paper on the historical perspective of the quality of life performance in Korean rural areas highlights the success story of the Saemaul Undong (New Village Movement) which began in the 1960s. The Saemaul movement was instrumental in not only transforming the rural scene, from one based on agrarian and artisanal activities, but also in raising the quality of life of the rural people through its rural industrialization programme on a wide front. One useful lesson which can be learned from the Saemaul Undong is that rural development had to be implemented in an integrated manner encompassing socio-economic, infrastructure and agri-support services, and has to be supplemented by the people's own contribution by way of mutual self-help, community projects and co-operation. In his paper, the author also warns of the possibility of new issues and problems emerging from a development strategy like the Saemaul Undong which needs to be addressed instantly if it is to be sustained.

Kiran Phykuryal's paper attempts to synthesize the various ideologies about rural quality of life. The initial part of the paper focuses on the observed conditions in rural areas in Asia-Pacific, with the main one being the relative deprivation of the rural population compared with the urban population. The subsequent part then examines the issues pertaining to the quality of life in the rural sector. These aside, the most significant remarks of Phykuryal's paper are those which advocate a greater role for non-governmental organizations (NGOs) and of women in their efforts to achieve a high quality of rural life.

The paper on the betterment of living in Japan by Chizuru Shimizu which is based on a case study of Gunma Prefecture, is also in the same vein as the previous one. Much of the enhanced quality of life experienced in the Prefecture since the development efforts of the early 1940s can be attributed to the industrialization of agriculture. This process was substantially facilitated by the creation of agricultural unions which became directly involved in the development projects and programmes. However, in contrast to the Saemaul movement, the development approach in the Gunma Prefecture placed a greater emphasis on consolidating the rural family and institutions, including rationalization of home life, population awareness building, consolidation of living environment and promotion of harmony between population and home life.

Several other pre-conditions for achieving a higher quality of life in the rural sector, and their policy implications, are mentioned in the papers by Jae-Ho Kim and Suki Kang, both from the Republic of Korea. The first paper accords credit to Saemaul Undong for its achievement in raising the living standards of the rural poor in Korea. It also reiterates the all-important role of social infrastructure and capital — education, health, and recreation — as well as off-farm employment opportunities, in providing the vehicle for transforming the agrarian structure into a commercial structure. However, in this paper, and also in Suki Kang's, some comments are also made of the negative spillover effects of the Saemaul Undong, such as the neglect of the rural infrastructure as

people become more affluent and begin to migrate to the peri-urban and urban areas, dilution of community spirits of co-operation and self-help as well as changing consumption habits leading to extravagance and reduction of thrift.

Pairoj Suchinda's paper highlights the potential role of the so-called Basic Minimum Needs (BMN) approach towards improving the quality of life in the rural sector of Asia-Pacific. The BMN was successfully launched and implemented in rural Thailand. It stresses the need to provide rural people with the basic necessities of life, namely, food, clothing and shelter, as a way towards improving their living standard. The BMN is based on community approach, whereby local communities are encouraged to participate in the planning and implementation of the basic needs programmes. The major result of this approach is a significant reduction in malnutrition, and a general improvement in household living environment.

The last two resource papers by In-Keun Wang and Jae-Ho Kim, both from the Republic of Korea, critically examine the problems and constraints in relation to the improvement of quality of life. The latter paper also incorporates some policy recommendations. Some of the major issues identified by In-Keun Wang are the lack of success of population policies, especially in the area of family planning and birth control, ineffective rural marketing, inefficient local farmers' organizations and low linkages of rural industrial efforts. In the context of policy directions, Jae-Ho proposes the following: community development, establishment of food industries, intensified research and extension, land reform and "unbiased" public expenditure. He also advocates the democratization of rural policy decision making and expansion of rural welfare services.

Overall, this book furnishes a useful range of materials on the experience, issues, problems and prospects of enhancing the quality of life in the Asia-Pacific Region. It also provides readers with an appreciation of the challenges facing planners and policymakers in their efforts to overcome the quality of life problem. Yet another useful contribution of the book is its role in sustaining

the interest in the discussion and debate on rural development, which is of vital importance to Asia-Pacific countries.

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The Malaysian Economy: Pacific Connections.
By Mohamed Ariff. Australia: Oxford University Press, 1992. Pp. 288.

The main message of this short study on the Malaysian economy and its regional economic linkages by Mohamed Ariff, Professor of Analytical Economics at the University of Malaya, is that the Pacific influence on the Malaysian economy is strong and will get stronger as the economy gravitates away from the Atlantic region towards the Pacific. The main body of the book comprises four chapters. In the first three chapters, the author discusses the rapid transition of the Malaysian economy from one dependent on the export of primary commodities to one where manufactured exports have become critical. Malaysia's ability to achieve extremely high growth rates, reduce mass poverty and unemployment while at the same time maintaining an inflation rate which is usually below 5 per cent per annum, are explained with the help of many useful tables and charts. The two subsequent chapters further explain the chief ingredients of the rapid growth: trade and foreign direct investment. The chapter on trade discusses trade patterns, structure and performance and the problems encountered. In the latter category, the author specifically discusses the instability of export earnings, competitiveness and trade barriers. The chapter on investment links discusses the structure of direct foreign investment and the impact of direct foreign investment activities. The author's contention is that both trade and foreign investment, which are heavily interlinked, are affected by narrowness and growing regionalism, especially in Europe.

These sections on trade and investment do not discuss the role and future direction of primary commodity exports which gave Malaysia its original impetus to growth. Nor do they discuss domestic investment which even now is important and will be critical if Malaysia is to become more than one large assembly plant. None the less, the first three chapters are readable and useful summaries of the key economic developments in the 1980s in Malaysia, and the general audience who are the target for this book will not be disappointed. It is also fortunate that these chapters constitute the greater part of the book since the last part, moving into the Pacific century, is much less satisfactory. A major problem with this section is the author's loose use of the idea of co-operation among countries bordering on the Pacific ocean. The term Pacific is at various times used in conjunction with the words "basin", "era", "age", "century", "commodity", and "orbit" without much explanation of what the resulting phrases mean. Furthermore, while it can be argued that trade with other countries bordering on the Pacific may be higher than with countries which do not, on account of lower shipping rates, the reality is that the major influences on the Malaysian economy will continue to be Japan and the United States (which is also an Atlantic State!) rather than say Peru or Chile. It is more likely that availability of capital and technology and search for production bases or markets are what will drive trade and investment flows rather than geographical proximity.

The author's major conclusion is that the locus of activity is shifting from the Atlantic to the Pacific and that if Malaysia wishes to take advantage of this, it should encourage open trading systems. This is a sweeping statement which ignores or overlooks critical domestic policies which could be adopted to enable the country to realize the full potential of being part of a Pacific community. Malaysia needs to go beyond the present level of industrialization for which the promotion of small and intermediate industries which promote domestic inter-industrial linkages is important. Another policy issue is that of human capital development and the need to reorient