

other basic foodstuffs. In order to resolve these difficulties, the Laotian communist regime was forced to liberalize its economic policy by the mid-1980s, by reducing agricultural taxes, increasing wages and salaries of officials and workers, and allowing free trade and the operation of market forces. This led to increasing rice and foodstuff production. Luther notices that the liberalization measures implemented by the Laotian communist regime were based on the advice of the Soviet Government. According to Luther, a Soviet Planning Commission visited Vientiane in February 1979. Its advice was "to slow down the drastic rural policy in order to stop the exodus of refugees and to broaden the mass support". The Soviet Commission promised to provide Laos with assistance of US\$40 million including military aid.

The evaluation of development policies in post-war Laos in Part Three includes statistics on external trade and the budget of Laos. In Luther's assertion, "the new economic policy of opening up the country and the deliberate liberalization of agricultural policies have shown some promising results since the turning point in 1979". Moreover, Luther notes increasing state revenue and a decreasing budget deficit in Laos.

In his conclusion, Luther points out that, by linking the Laotian economy to those of the Soviet Union, Vietnam and the other socialist countries, the Laotian communist leaders have brought Laos under their domination and transformed the country into a mere supplier of crude raw materials, thus reducing the chances of setting up an appropriate industrial and mining sector.

In spite of several difficulties, such as inaccessibility of Laotian official documents, Luther has tried to provide an objective analysis in his paper. Should he have access to Laotian sources in the future, he could surely present an excellent study. Even so, this study contains much of interest and gives us a good view of the evolution of Laos after the take-over of power by Laotian communists.

We cannot but agree with Luther when he asserts "From this perspective the gentle road to

socialism in Laos appears to be both long and winding". The Lao communist regime has failed in attaining its main economic targets prescribed by its successive plans.

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Aspects of ASEAN. Edited by Werner Pfennig and Mark M.B. Suh. Schriftenreihe Internationales Asienforum, Vol. 2. Munich, Cologne: Weltforum Verlag, and London, 1984. Pp. 395.

"Written by Asian and European specialists from different fields and with diverse views, this book offers an indepth [sic] and comprehensive examination of co-operation among ASEAN countries. Detailed investigation of social, economic, political and security questions is provided, accompanied by an inquiry how to deal with ASEAN as a topic for research and an assessment of that Association's performance. Emphasis is also put on ASEAN's relations with Japan and the EEC. Numerous tables and a selection of documents make the volume a valuable work of reference." This is the blurb on the back cover of the book under review. We have long become used to excessive claims on the packaging of consumer items, and, unfortunately it is becoming increasingly necessary to exercise caution when purchasing books. In the case of scholarly works, however, this should not be necessary.

The papers collected in this volume have indeed been written by "Asian and European specialists from different fields and with diverse views". Since nowadays all studies seem to be done "in depth", we cannot quarrel with the book's claim on this score either. But the claim of being "comprehensive" in the sense of all-inclusive is less difficult to refute. The approaches range from the philosophical through historical, sociological, and political to economic analysis, with the odd Marxist paper thrown in for

good measure. But surely there are aspects of ASEAN — legal, cultural, administrative to name a few — that a work would have to include to warrant the distinction of being “comprehensive”.

ASEAN's genesis and early development is correctly seen as a response to political development and security needs in the Southeast Asian region in the sixties, and the papers by Mark Suh, Estrella Solidum, and Thakur Phanit provide competent descriptions of this development. One merely wonders why Suh's abbreviations differ from those commonly used in ASEAN.

John Wong and Aline Wong switch the analysis to a more critical view and examine whether the “equity performance” tends to match the undisputed economic performance in ASEAN. GNP growth is, according to the authors, not the appropriate focus. The question raised is whether the ASEAN countries have effectively eliminated poverty and reduced income inequality in the process of economic growth. Unfortunately, the authors immediately dispense with the concept of poverty and concentrate entirely on income inequalities. Poverty is a much more difficult, elusive concept, especially beyond the level of physical needs, and it is understandable that the Wongs shy away from it. But it is difficult to agree with the authors using income equality “as a proxy for assessing the general social development in ASEAN”. Inequality is not necessarily correlated to poverty and there are trade-offs between poverty reduction and greater income equality. Fast economic development is not possible without initially increasing inequality, and the experience of many countries, particularly in Southeast Asia, has shown that this inequality does not necessarily preclude a reduction of poverty (in terms of reducing the number of people below a specified poverty line).

A similar criticism can be made with regard to the paper by Peter Limquenco on “Contradictions of development in ASEAN”. The purpose of this article is to “look at the current process of capitalist industrialization taking place in the ASEAN from the perspective that development of productive forces and class struggle are the

prime movers of society”. After overcoming the initial impulse to skip this paper, it turns out to be surprisingly readable for the most part, if one makes allowances for some Marxist jargon and a liberal sprinkling of the various “contradictions” used as a tool for analysis. Like the Wongs, Limquenco unfortunately does not sufficiently distinguish income inequality from poverty. According to him, figures for Sweden show that “even for a developed welfare state, where class struggle has forced certain social changes, the lower class is still no better off than in Bangladesh or Sri Lanka with regard to the share in the national pie”. This is followed by a reference to the consequences in human suffering as a result of the “deterioration in income”. If Limquenco had used more recent publications than the third Malaysia Plan, he would have found that in all ASEAN countries, with the exception of the Philippines, poverty has been substantially decreased in the sense of reducing the number of people below given poverty lines. That this has been accompanied by increases in economic inequality is not disputed. But, to concentrate only on the level of inequality misses the essential point.

The two economic papers by Klaus Reiter and Friedrich von Kirchbach both lean heavily on their respective doctoral dissertations. Unfortunately, Reiter's paper suffers from incompetent translation from the original German. Von Kirchbach's piece is welcome as a condensed version of his massive work reviewed in this journal recently (see *ASEAN Economic Bulletin* 1, no. 1). It puts the whole controversial issue of direct foreign investments by transnational corporations on a sound analytical footing, by comparing the effects of such investments with those of their possible alternatives.

The final three papers look at ASEAN's external relations with Japan and the EEC. To deserve the distinction of being “comprehensive”, the work should surely have included an examination of ASEAN's relation with the United States.

This leaves us with Werner Pfennig's introductory paper entitled “ASEAN — How to

Approach the Subject?" This is a rather philosophical paper written in the good, old German tradition and places undue emphasis on conceptual and definitional niceties. There are some useful insights contained in this paper, but they are bought at the cost of ploughing through complex German syntax made even more indigestible by too literal translation into English. The author raises more questions than he answers, but he feels that, "hopefully, pensive questions reluctantly asked are more helpful than misleading answers speedily presented". The main outcome of Pfennig's analysis is that ASEAN does not deserve the title "integration", the highest rung of a ladder leading from consultation *via* co-ordination, co-operation, and accommodation to integration. According to Pfennig, "in the first half of the 1980's ASEAN appears to oscillate between co-ordination and co-operation".

The packaging of the book promises "numerous tables and a selection of documents". While the tables are certainly numerous, there is unfortunately some overlap, for example, of information from the *World Development Report*

1982 provided in both the Wongs' and Limqueco's paper. As for documents, the volume reviewed does not contain any at all.

To substantiate its claim of being "a valuable work of reference", the book would have to be more thoroughly edited, with cross referencing between various papers, a reduction of unnecessary overlapping, a common bibliography, a list of abbreviations a standardization of terminology, and an index. To be sure, this would have been a massive editorial task, but as it is, the work of drawing the various aspects of ASEAN together into a coherent whole is left to the reader. An introduction to the volume beyond mere acknowledgments, but less ambitious than Pfennig's essay, would have been in order.

Nevertheless, the publishers and editors should be commended for their brave attempt to publish a work on a distant region in a language not their own. The result is another volume on the bookshelf of compilations on ASEAN.

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