

economy of government intervention in the ASEAN countries' export drive, policy responses to internal and external developments are used to explain the region's evolving pattern of trade in and the production of manufactures. Data is presented in a schematic form to allow intra-ASEAN comparison. But one sympathizes with the authors, for comparison is no easy task since these countries differ markedly in their level of development, population size, land area, and internal political environment. Generalized conclusions are even more hazardous. The *laissez-faire* policies that may have been successfully implemented in a country such as Singapore may not be politically feasible or acceptable in the other ASEAN countries. As a result, some conclusions are necessarily vague.

The problem is exacerbated by the introduction of a multiplicity of complex concepts and issues. For example, earlier chapters demonstrate that ASEAN's comparative advantage lies in resource-based and resource-intensive manufactures and show the growing importance of resource-based industries in all the ASEAN countries (see pages 60, 62, 185, 220, and 226), with the possible exception of Singapore. However, the Singapore experience and some "disturbing signs that Malaysia may opt for heavy industrialization somewhat prematurely" (p. 60) seem to have led the authors to conclude that in all ASEAN countries there is "transformation of the industrial sector from production of resource-based processing activities ... towards a more sophisticated industrial structure ..." (p. 230). This conclusion is somewhat misleading as there are equally strong arguments for the alternative contention that the ASEAN countries are gradually evolving a new pattern of manufactures dictated by resource endowment.

Nevertheless, the authors have taken great pains to examine each of the ASEAN countries individually in their comparative analysis. This constitutes the equivalent of five independent laboratory tests. It is therefore difficult to quarrel with other conclusions — for example, that

infant industries seldom grow up and that protective measures tend to encourage the establishment of small, uneconomic plants. They have also very persuasively put forth the argument that intervention which enhances the operation of market forces is preferable to that which impedes. Their insights into how import substitution policies of an earlier phase impeded export-oriented industrialization policies provide an important contribution to our understanding of the process of industrial development in this region.

Finally, the chapter on government regulations is not only illuminating but also very refreshing. Instead of confining themselves to the orthodox theories on the economics of regulation, new justifications reflecting the political reality of the region are utilized. In short, the book is a valuable addition to any library specializing in the economic development of Southeast Asia.

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***A Course through Life: Memoirs of an Australian Economist.* By H.W. Arndt.** History of Development Studies 1. Canberra: National Centre for Development Studies, The Australian National University, 1985. Pp. ix, 117.

With this volume the National Centre for Development Studies has kicked off a series on the history of development. Economic development itself is a concept that evolved particularly in the post-war era, and the author, Heinz Arndt, can claim to be part of that evolution. Concepts develop in the minds of men and are very much influenced both by experience and by the professional contacts with colleagues and peers. Arndt's memoirs are a fascinating testimony to that process.

Although Arndt's course through life is billed as the memoirs of an Australian economist, he in

fact started out as neither Australian nor an economist. Of German extraction, he studied political science in the United Kingdom. At Oxford he wrote a thesis on conservative political thought in nineteenth-century England and worked for some time at the London School of Economics, albeit with little contact with the economists there.

As luck would have it, Arndt applied for and got a research assistantship in economics at Chatham House — the Royal Institute of International Affairs — under Rosenstein-Rodan, who subsequently recommended him to J.R. Hicks for an assistant lectureship at Manchester University. When the war ended, Arndt received an offer of a senior lectureship at Sydney University, for which he had casually applied. In 1951 he moved to Canberra University College, which later became part of the Australian National University. A chance meeting with Gunnar Myrdal in 1953 — incidentally during a stop-over in Singapore — set Arndt on the track of development economics, and in 1963 he became Head of the Department of Economics in the Research School of Pacific Studies at ANU, where he stayed until his retirement recently.

Not that retirement means an end to Arndt's activity in economics. Apart from stints as fellow and consultant in various international organizations — including, incidentally, the ASEAN Economic Research Unit of the Institute of Southeast Asian Studies in 1981 — Heinz Arndt is now the editor of the newly-founded *Journal of Asian Economic Literature*.

Arndt is perhaps best known in the ASEAN region for Australian academic work on Indonesia and for the *Bulletin of Indonesian Economic Studies* which he started in 1964 and edited until recently. The surveys of recent developments alone in each issue are generally worth the money, and Arndt throws light on the personal input and discipline required each time to write them. Here is a revealing extract: "The early surveys usually took the better part of a month to produce. With practice, I got this down to three and, for the last few of my seventeen

surveys, to two weeks. I would aim to arrive in Jakarta on a Friday and use the first evening to phone friends—phoning in Jakarta became easier as the years went by—to make appointments for Monday and Tuesday. On Saturday morning I would collect all the available recent statistics and use the weekend to identify the more important trends and compose tables to illustrate them. Having reached some tentative conclusions, I would try them out on my friends in the course of ten to fifteen interviews, Monday to Wednesday, revising my ideas in the course of often lively discussions, picking up new ones, sorting out arguments *pro* and *con*, getting additional data. On Thursday afternoon, after another morning round-up to fill gaps, I was ready to write my "Summary" which also served as outline. Two 12-hour sessions on Friday and Saturday to write the draft, another on Sunday to retype it with a couple of carbon copies, and I was over the worst. On Monday morning I would give one copy, in exchange for three xerox copies, to each of three well-equipped friends, so that by the evening I had up to ten copies in various hands. On Tuesday and Wednesday of the second week I was free to deal with other project business, on Thursday I would collect comments on the draft, on Friday I would revise it, and on Saturday fly home to Canberra. It was a strenuous business, but also exhilarating, and not all work."

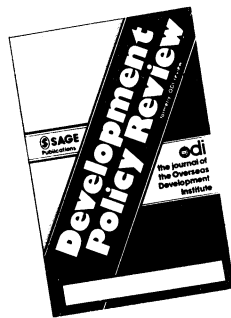
In the final chapter of this book, Arndt attempts a preliminary assessment of his course through life and asks whether, on balance, economic management of government or business has become better since the birth of the economics profession. The confusing proliferation not only of economic analysis and theory but also of economic advice is a somewhat depressing vantage point from which to look back on a lifetime spent as a professional economist. It echoes to some extent the view of David Henderson in his 1985 Reith lectures that government decisions on economic matters are more frequently than not made on the basis of what he calls "Do-it-yourself-economics (DIYE)" rather

than on the basis of professional economic advice. Arndt's doubts at the end of a long and distinguished career are sobering to those of the profession who now perceive themselves in the forefront of economic thinking and at the very centre of economic decision-making.

Yet Arndt closes on a conciliatory note. Having been able to contribute over the years to a better understanding of the nature of economic

problems and available policy options has made his "lifelong course in economics" worthwhile. Those who have the privilege of knowing and experiencing Heinz Arndt — either personally or through his prolific writings — will wholeheartedly agree.

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