

between the producer and the market. The FTCs are the main point of contact between China and the world market, whereas Chinese enterprises are to a large extent insulated from world price developments and have only limited contact with foreign buyers and suppliers. Therefore, the "air-lock" creates inefficiencies of exporting and is to blame for the lack of information and for the lack of competition from imports. These problems are aggravated by inefficiencies of China's administratively controlled foreign exchange system and by the Chinese currency's overvalued exchange rate. The critical points made are demonstrated convincingly by means of economic analysis and by some case studies. Recommendations follow from these assessments. Eliminating the exclusive right of FTCs to engage in foreign trade, decentralizing trade decision-making to enterprises and linking domestic to international prices will remove the "air-lock-inefficiencies" and will help exchange rate policies to become a more effective means of export promotion and of balance of payments policy.

After the main message has been presented, the study discusses the problems of how to support these reform strategies by macro-economic management of stable aggregate demand and of a stable level of prices (Chapter III) and how to design an optimal sequencing of domestic and international economic reforms (Chapter IV). A discussion of monetary and fiscal policies has been dealt with in more depth in the Bank's recent 1988 report "China — Finance and Investment". This companion volume to the report on China's external trade also provides a more detailed discussion of domestic economic reform measures and their phasing and sequencing.

The World Bank volume is a useful source of information for anyone who is looking for insights into the structural details of the Chinese foreign trade system. Although it looks specifically at the situation in 1986, the analysis helps to evaluate the dynamics of trade reforms after 1986 (increase in the number of enterprises with

direct foreign trading rights) and their set-backs (trend toward re-centralization).

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***One Partnership in Development: UNDP and Singapore.* By Chow Kit Boey, Chew Moh Leen, and Elisabeth Su. Singapore: UNAS, 1989. Pp. 147.**

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The work of the United Nations Association of Singapore (UNAS) is based upon the principles, activities, and potential of the United Nations. One rationale for its work is that Singapore was one of the first beneficiaries of the Expanded Programme of Technical Assistance (EPTA) and the Special Fund of the United Nations Development Programme, UNDP. The book assesses the effects of UNDP involvement in Singapore on the development of the country.

The short introduction gives a brief outline of the situation of Singapore and the work of UNDP. Based on this account a second main chapter examines the UNDP projects in Singapore in the fields of industry, education, government, transport and communications, and agriculture. The third and last chapter attempts to answer different questions on the relationship between Singapore and the UNDP.

Industry is a key sector in the economy of Singapore and so this review will concentrate on the UNDP-Singapore industrial projects. The UNAS industrial projects started with a U.N. Industrial Survey mission and in June 1961 a "Proposed Industrialization Programme for the State of Singapore" was submitted. The statements of many persons involved in the development of the industrial sector in Singapore give

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the reader an insight into the significance of UNDP assistance. The following sections provide information on the main institutions carrying out industrial projects, such as the Singapore Institute of Standards and Industrial Research (SISIR), the National Productivity Board (NPB), and the Export Credit Insurance Corporation of Singapore (ECICS). The other above-mentioned sectors of UNDP Singapore projects are examined in a similar way.

On the basis of the various projects the three authors answer the main questions concerning the role of UNDP in the overall development of Singapore:

— “Could Singapore have done without UNDP?”

The answer is a clear “No”: the U.N. personnel service is available at comparatively low costs and the many different UNDP agencies offer the world’s widest range of expertise under one umbrella, which is why UNDP projects in Singapore have covered practically all economic sectors.

— “What are some major problems encountered in the partnership and how have they, or how could they have been resolved?”

The most frequently mentioned problem in this context is the suitability of the experts regarding either their cultural attitude to the host country or their practical experience. “Generally, the U.N. regular experts are not the best.” Several attempts have been made to overcome this problem, for example a short-term assignment of an expert, who will return for a longer time if he proves suitable. Another serious problem arose especially at the outset of the UNDP Singapore partnership: there were instances where no counterparts were assigned to work with the experts and hence no technology transfer took place.

In other cases the experts mainly had to deal with administrative matters. Aspects of fellowships, planning, and implementation of projects as well as institution-building are also discussed in this chapter.

— “What are some general views on the partnership?”

To Singapore this partnership brings benefits in the form of expertise in special areas, and the UNDP experts profit from the experience gained.

The book — partly illustrated with pictures — provides a fairly detailed description of the various UNDP-Singapore projects.

Having read the main part of the book the reader will be able to form his own opinion of how useful and beneficial the partnership has been, provided he has sufficient information at his disposal on Singapore’s overall activities to improve the conditions of the country. This comparison needs to be made in order to evaluate the benefits of UNDP assistance to Singapore’s economic and social development. This could have been dealt with in the last chapter discussing the role of UNDP in Singapore, which is in any case too short.

Nonetheless, the book presents a systematic compilation of the UNDP-Singapore projects and perhaps this experience can be replicated in other countries — provided they push forward a policy similar to that of the Government of Singapore and provided the general conditions are as conducive as they were in this ASEAN country.

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