

Ponna Wignaraja and Akmal Hussain. *The Challenge in South Asia: Development, Democracy and Regional Cooperation.* New Delhi: Sage Publications. 1989. 324 pp. Hardback. Price: Rs 250.00.

The challenge presents a rather interesting analysis of the development process in South Asia. It argues that conventional development strategies have failed to alleviate poverty in South Asia. It suggests that the poverty problem can be resolved only through the participatory development approach.

The book covers a large number of issues including sustainable development, poverty, aid-dependence, politics, military intervention, religion, women and development, and regional co-operation. Indeed, the analysis is not limited to just economic perspectives; the book also contains sociological, political, and anthropological analysis of the issues. The broad coverage and varied approaches to the development process make it interesting even when the analysis is superficial, the empirical evidence is outdated, and the proposed solution of the given problem is quite conjectural.

Without explicitly stating so, it is assumed that the performance of the South Asian economies in terms of per capita incomes has been more than satisfactory and the poverty problem is just a distribution problem. This is to ignore the fact that the per capita incomes in South Asia have grown at a rate of only 1.5 percent as compared with the nearly 8 percent in Korea and China. Still, the participatory development approach for the alleviation of poverty in the region is strongly advocated.

Besides the opening statement and an overview, the fifteen chapters of the book have been grouped into two parts, viz., development undermined, and regime dynamics and regional co-operation.

Ponna Wignaraja attempts to develop 'a new praxis for sustainable development in South Asia' in Chapter 1. He argues that the specialisation by the developing countries in mining and plantation in the colonial period has continued even in the post-colonial period. These remain the leading export sectors and the gains from growth flow to the owners of capital, both local and foreign. Moreover, the absence of institutions at the macro level has been identified as another major factor hampering the development process.

While there is little doubt that the developing countries continue to suffer from deterioration on account of the terms of trade, the fact remains that manufactured goods form a rather large proportion of the exports and the G. D. P. in most South Asian countries. Moreover, no effort has been made to put the development experience of South Asia in the perspective of the Southeast Asian Countries' success. The policy packages, including structural changes in investment and employment, alongwith some social welfare measures, have been summarily reject-

ed as a prescription for South Asian development; and, instead, the development of indigenous technology has been proposed. No doubt, the development of indigenous technology will go a long way in the resolution of unemployment problems and in maximising output through an efficient utilisation of the resources. However, the technology can hardly be developed by 'de-professionalised intellectuals and experts', as has been suggested by the author.

Wignaraja also points out, quite correctly, that as long as the basic economic and social institutions are controlled by the rich and powerful, special programmes targeting the poor would hardly help the poor. Accordingly, he proposes the participatory self-reliant development through properly motivated change-agents. The change agents can be quite instrumental in realizing the objective, but how these agents would be made sufficiently motivated seems to have escaped the author's attention.

Chapter 2, "Catalyzing Alternative Development: Value, the Knowledge System, Power", by D. L. Sheth, also makes the case for the participatory development approach and highlights the difficulties of pursuing it. The chapter points out that unless there is a macro theory of transformative political action – based on the values and practice of democracy and having a synthesizing potentials for integrating perspectives and actions of various issue-based movements in a larger framework of transformation – it cannot be taken seriously as an alternative to the mainstream development theory and practice. He also points out that the current global thinking on alternative development falls short of developing any such framework.

No less interesting, and intriguing, analysis has been presented by Shiva, in Chapter 3, as it relates to the inter-relationships between development and ecological issues. While correctly pointing out that ecological problems arise from inappropriate development strategies, and from the uses of science and technology, the examples of the inappropriate technology cited are quite naïve. For example, it is suggested that the high-yielding seed varieties increase rice production but reduce the straw and, as such, there is no increase in the total bio-mass. One wonders if the objective of development is increasing the bio-mass or the higher level of consumption for human beings without environmental degradation.

Chapters 4, 5, 6 and 7 relate to the growth and poverty in India, Sri Lanka, Bangladesh, and Pakistan. Professor Sundaram examines the trends in poverty in India. He discounts the empirical evidence which shows a decline in the income inequalities and poverty in India. He suggests that the declines have been overstated both because the inflation rate for the poor has been higher and because there has been massive migration from the rural areas, where the inequality is lower, to the urban areas, where it is higher. Whether the inflation rates did vary so significantly across the income groups so that the trends have been reversed, the author hardly presents any evidence for such a conclusion. Similarly, the movement from the

rural to the urban areas would not necessarily increase income inequalities just because some persons with lower incomes are making a transition to higher incomes through migration. Similarly, while comparing the poverty levels over time, the author makes an adjustment for the poor and good crop years but, oddly enough, uses the rainfall levels instead of the agricultural productivity as an indicator of the goodness of the crop.

Lakshman presents a fascinating analysis of Sri Lankan economy, focusing on the Structural Adjustment Programme of the donors. He concludes that the programme has led to an increase in income inequities, poverty, and unemployment. He also points out that there has been a shortfall in the growth of output and exports. In addition, the programme has not been fully implemented and many a policy may not have been pursued with much conviction. Therefore, so far as the impact of the structural adjustment programme on growth is concerned, the evidence is far from conclusive.

Hashemi identifies two constraints on the development process of Bangladesh: the resource constraint and the socio-economic constraint. It has been argued that in the absence of a large quantum of aid, the Bangladesh economy may have collapsed. At the same time, he argues that aid has intensified the crisis. The author ends on a dismal note: 'Bangladesh is sitting on a powder keg. Its ramifications for economic development and nation-building are grim'. This unfortunate situation stems from a low growth coupled with an inequitable distribution system in Bangladesh. Better utilization of aid and higher marginal savings rates may take Bangladesh out of the vicious circle.

Akmal Hussain terms the Pakistani economy fragile because agricultural growth is not based on an institutional technical change but rather on a dependence on good harvests, foreign exchange earnings from remittances instead of exports of manufactured goods, and a large amounts of loans. While there is an element of truth in all three factors enumerated by Hussain, he seems to exaggerate the issue. How would he explain the sharp increase in cotton production in the recent years; and the fact that three-fourths of Pakistani exports consist of manufactured goods? Is the aid-dependence measured by a ratio of the net to the gross aid flows, or by relating it to the GDP or investment?

Hussain also provides evidence of income inequality and poverty and the mechanism through which these have been generated in Pakistan. The evidence, however, has dated and the most recent literature has been completely ignored.

In his analysis of the crisis of state power in Pakistan, in Chapter 8, Hussain argues that the armed forces which were supposed to guard the country's frontiers have, over time, become a coercive instrument. The changes in the structure of the army and the bureaucracy in Pakistan are extensively analysed in this chapter, and a detailed account is given of the Pakistan Movement.

Also discussed in the same chapter is the process of economic growth. However, the main focus is on the Structural Adjustment Programme, which is examined in terms of import liberalization, withdrawal of subsidies, and devaluation. Unfortunately, the author has confused various issues. How would import liberalization and devaluation hamper the exports of import-intensive goods? As a matter of fact, these would encourage such exports both because of the increased availability of such inputs and because fewer tax withdrawals would be required. Similarly, to suggest that import liberalization would mean a specialization in agriculture is also an unwarranted conclusion. Moreover, it is simply untrue to suggest that resource allocation in accordance with comparative advantage constitutes an abandonment of National Economic Planning.

Chapter 9 provides the historical perspective for the increase in Tamil militancy, and the attempts made by the Sri Lankan government to mitigate the threat. Sivantham finds it quite surprising that Sri Lanka is fighting a separatist movement without even caring to indicate the advantages of living together. As Tamils are fighting for a separate identity, he wonders how the refusal of the Sri Lankan government to recognize their identity would help in the resolution of the problem. Unfortunately, the problem is not confined to just Sri Lanka. All other South Asian countries are pursuing the same policy, possibly with the same consequences.

Chapter 11, contributed by Ahmed, relates to Islam, ethnicity, and leadership in Pakistan. This anthropological study divides Muslims into four categories: traditional fundamentalists, westernized modernists, affectees of colonialism, and the secular ones. He traces Muslim history in India and classifies Aurangzeb and Zia-ul-Haq together and considers Dara-Shikoh, Z. A. Bhutto and the poet Ghalib as kindred spirits. In the knowledge that the characteristics of the said individuals have been so different, one wonders how Ahmed can bracket them together in the same category. Even more importantly, what does he gain in terms of the analysis and the conclusions so that any policy changes can be evolved on the basis of such a categorization.

Gowrie Ponniah traces the golden age of womanhood in pre-Vedic India. How the Aryans deprived women of their education and status in subsequent periods has been extensively analysed in Chapter 12. It is forcefully argued here that there exists an alternative image of femaleness that women can identify with – in order to empower themselves and destroy the oppressive social structures leading to their subjugation.

Ashis Nandy, in Chapter 13, argues that the unrestrained Indian state has not only ceased to be a source of creative interventions in society, but has also ceased to be the subject of public scrutiny. He observes that the state has set up a galaxy of dummy opponents.

Pran Chopra and Q. K. Ahmed explore the possibilities of co-operation under

SAARC. Chopra explores the question of asymmetry arising from the predominance of India in the region. He underlines the fact that unless the fears, whether real or perceived, of the smaller nations are removed, there would not be any meaningful regional co-operation. Chopra points to the benefits of co-operation in various fields, particularly the benefits accruing to the smaller nations.

Ahmad examines the SAARC Summits held at Dhaka, Bangalore, and Kathmandu and concludes that the SAARC has taken significant strides in identifying the areas of collaborative effort. However, whether the SAARC would be successful in resolving the problems identified, he does not even conjecture about it. He does point to the need for finding solutions through intellectual processes anchored to and necessitated by the dynamics and realities pertaining to the region; and also that the SAARC must learn from the experience of the other regions.

Although a book like this covers a rather broad canvas, some of the issues remain country-specific and no parallels are offered across all South Asian countries. More up-to-date information, and a deeper look, would have significantly enriched the analysis offered.

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