

contracts) and considerably expanded their role in the tertiary sector (tourism, advertisement, banking etc.).

Even though the book makes no claim to completeness two aspects which have not at all, or only hesitantly, been addressed in the volume should nevertheless be mentioned. One is the structural change that is under way in the manufacturing sector of industrialized countries with an increasing trend towards automatization of production, thus threatening the low wage comparative advantage of ASEAN countries. It would definitely have enhanced the prognostic value of the reader if some remarks had been made on which strategies are being developed by ASEAN economic planners in order to counter this trend. Secondly, only scattered remarks have been made on the relationship between authoritarian forms of government and their development potentials. As the ASEAN countries are to varying degrees ruled by authoritarian, or at least semi-authoritarian, forms of government, a more systematic elaboration of this question could have brought valuable theoretical insights into the long debated relationship between political and economic development.

To sum up: by covering most relevant issues concerning ASEAN and its member countries, its problem-orientedness and the generally high level of analysis, the reader is a fine enrichment to ASEAN research. The book offers an in-depth and comprehensive examination of cooperation among ASEAN countries. Numerous tables and a selection of documents make the volume a valuable reference work.

Jürgen Rüländ

KILIAN SIHOTANG: Private ausländische Direktinvestitionen in Indonesien: 1870 bis 1980. Rahmenbedingungen, Struktur und Entwicklungseffekte. (Bochumer Materialien zur Entwicklungsforschung und Entwicklungspolitik, 26). Stuttgart: Edition Erdmann in K. Thienemanns Verlag, 1983. 415 pages, DM 59.- (with English summary)

The major conclusion Kilian Sihotang draws from his analysis of private foreign direct investment (FDI) and its effects on development in Indonesia is this: "In general terms the policy of attracting direct private foreign investment has paid off." (p.375) But rather than just repeating the by now well-known arguments of the highly ambiguous and controversial evaluation of FDI both in theoretical disputes and political debates, Kilian Sihotang's view is based on a strictly empirical basis. To this end, the author carefully examines the implications of changing (political and economic) conditions for and structural changes of FDI in Indonesia over a period of 110 years (1870 to 1980).

The author's distinction of three historical phases within this period results in a clear-cut structure of the book. Focusing on the era of the initially slow emergence and then steady expansion of FDI under Indonesia's colonial domination by the Netherlands, chapter one outlines the extent and structure of FDI between 1870 and 1940 before dealing mainly with the consequences thereof for the economic development of the country. Though not denying positive effects such as an enormous growth of exports (2000 %) and of the gross national product or increasing public revenues from tariffs and taxation, the study sees a negative overall performance of FDI during that period due to a larger number of pitfalls (e.g. few linkage effects, adverse distributional effects, no transfer of technical and managerial skills) which led to almost no improvement in the living conditions of the local population.

Chapter two of the study describes the role of FDI during the first years after Indonesian independence (1950-65). The steady decline of FDI to a level far below that of the colonial era which caused domestic production and per capita income to fall as well as increasing balance of payments problems, must be seen - as is shown by Kiliang Sihotang - as the response to a highly ambivalent attitude towards investors from abroad, with a clear trend from a cautiously positive view of FDI in the period of the "liberal democracy" (1950-58) to a more restrictive position in the succeeding period of the "guided democracy" (1958-65).

Covering nearly half of the study, chapter three contains a detailed description and analysis of the consequences arising from a complete re-orientation of the economic course under the Soeharto government after 1966. After sketching the major features of the then deliberately market-orientated policy, a wide range of measures taken to promote FDI is laid out in considerable detail, including comprehensive guarantees for private property, transfer rights (e.g. profits) and various fiscal concessions (e.g. contemporary tax and tariff redemptions). In addition, the list comprises specific stipulations either aimed at furthering cooperation with domestic investors (e.g. joint ventures, esp. in the mining and oil producing sectors) or at limiting FDI activities on the whole (e.g. banking, insurance, trade).

Against this background, the structure of FDI generated between 1967 and 1980 is analysed in terms of the amount of capital invested, types of business and sources of finance, sectoral and regional distribution and the countries of origin of capital.

The following assessment of FDI's role in economic development since 1967 turns out to be more difficult. For instance, attempts to measure the contribution or net effects of FDI on domestic capital investment, domestic production or the balance of payments bring to light severe deficiencies of the national statistics (highly incomplete data, no differentiation of home and foreign investment etc.). Here the reader must put up with occasionally rough, though well-founded, estimates or the analysis of selected (yet key-) sectors in one case and the neglect of indirect or multiplier effects in the other - a fact, however, which the author can hardly be made

responsible for. On the contrary, thanks to his access to internal sources, a wide range of data lacking in comparable studies is presented and carefully examined so as to allow some balanced conclusions. Stating positively an increasing diversification - both of sizes of business and in sectoral terms -, advantageous balance of payments effects or the immense contribution to the state revenues (70 %) caused by FDI, Kilian Sihotang comments critically on the so far very limited employment effects (both in quality and quantity) and on the still unsolved problem of deliberately linking the promotion of indigenous entrepreneurial skills with the attraction of foreign capital.

Despite a sometimes lengthy discussion of either self-explanatory or less relevant figures set out in 45 tables and other (rare) redundancies Kilian Sihotang's study is nevertheless all in all a convincing evidence of the necessity of a case study approach in order to evaluate the pros and cons of FDI in the Third World.

Jürgen Reinhardt

BACHTIAR ALY: *Geschichte und Gegenwart der Kommunikationssysteme in Indonesien. Eine Untersuchung zur publizistischen Entwicklung.* (Europäische Hochschulschriften: Reihe 3, Geschichte und ihre Hilfswissenschaften, Bd.220). Frankfurt/M., Bern, Nancy, New York: Peter Lang Verlag, 1984. 687 pages, sFr.98.-

Nowadays mass communication is an indispensable part of the social organization of all states. This is particularly true of the insular state of Indonesia with more than 160 million inhabitants. For this reason alone Ali's study deserves our attention, its being the first monograph in the German language on the modern mass media in Indonesia.

The study deals with the four media of the press, radio, television and film. Apart from some introductory remarks on the Wayang-shadow show (pp.47-53), the author does not treat traditional decentral systems of communication.

He first gives a brief survey of the development of the press from the first Dutch pamphlets c. 1600 till the end of the colonial period (pp.131-160). There is no attempt to give a complete overview, but especially for the period between 1900-1942 there is an interesting discussion of the relationship between press and government, based on state intervention and regulations (pp.156-178).

The 1920s and 30s are characterized inter alia by violent public attacks from the increasingly strong nationalist movement against the Dutch colonial system. Instead of analyzing the role of the press in the political process the