

the internal mechanics of public administration, its impact on society and the chances of any intervention.

The introductory remarks by the head of the Institute, Professor Oberndörfer, are also in keeping with the general caution of statements. He argues - again without reference to his co-authors - that research and advice in public administration, especially in Third World countries, is not only helpful but even necessary for development projects, particularly in the context of international co-operation. While it is evident from the case studies that more information and better understanding of Third World social and administrative systems could explain many past failures in development and help avoid further ones, the essential problem of how this could be brought about is not touched.

The whole volume is modestly intended to present some preliminary results of current research, thereby illustrating a broad variety of prevailing conditions. The necessary inference to the theoretical background seems to be left for a future publication. This reserve is not unjustified, as the case with the related discipline of economics demonstrates. Is it not true that many economic interventions, initiated with premature confidence in theoretical assumptions, have resulted in failures and even human disaster; Chile and Tanzania are just two examples. In contrast to so many interventions in economic and other fields, competent advice with regard to public administration (provided it was accepted despite its inherent scepticism and presuming it had any effect at all) did not increase, but rather decreased social inequality and injustice. In my view this is a very strong argument in favour of studying public administration. The whole book could be read as an illustration of this point.

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RAINER TETZLAFF: Die Weltbank: Machtinstrument der USA oder Hilfe für die Entwicklungsländer? Zur Geschichte und Struktur der modernen Weltgesellschaft. (Weltwirtschaft und internationale Beziehungen, Bd. 19). München/London: Weltforum-Verlag, 1980. 570 pages, DM 26.-.

Studies on the World Bank and other international development agencies can usually be classified in two categories. On the one hand empirical (Insider) compilations that describe in minute detail, frequently with a positive bias, the structure and functioning of these agencies, but without any theoretical perspective so that the facts so assiduously accumulated are of little general significance.

The second category contains theoretically pretentious analyses that generally classify their subject matter in a centre-periphery model or according to dependency theories but fail to bring empirical evidence for their hypotheses.

In his study of the World Bank Rainer Tetzlaff, the Hamburg political scientist succeeds in avoiding both pitfalls of conventional research. The overall impression is of a convincing synthesis of theoretical analysis and empirical case studies that really adds to our knowledge.

For his evaluation of the activities of the World Bank the author formulates two criteria, derived from theory debate, for international development aid: it must contribute to putting an end to exploitive power structures standing in the way of development (the political dimension) and promote the fulfillment of the basic needs of the rural and urban poor in the Third World countries (the socio-economical dimension).

In order to answer the question posed (also in the title) the author first traces the historical origins of the World Bank and its two subsidiaries, the International Development Association (IDA) and the International Finance Corporation (IFC), within the context of the international post-war power constellation.

In contrast to naive "conspiracy theorists" the author derives the power of the World Bank to define and intervene politically from the internal logic of the functioning of an international bank institution that, in somewhat simplified terms, transfers money on "educative" conditions from the wealthier, capitalist nations to the poorer ones.

The author presents detailed and discerning evidence for the political effects of this, in its own estimation, apolitical development agency, on the world poor: through its credit and austerity programmes the World Bank has

- had considerable influence on the formation of state economic, fiscal and social policy;
- encouraged and stabilised political regimes or "bourgeois" groups operating with strong repressive measures, while regimes with tendencies towards social reform have been indirectly penalised;
- intensified social polarisation processes tending to weaken still further groups not in a position to articulate themselves politically and marginalised socially underprivileged sections of the labour force.

However, and this speaks for the author's acute and balanced style of argument, "even if the 'Stabilising Programmes' imposed by the Bank and the Fund (the reference is to the IMF) generally are carried out to the detriment of the lower classes of society, it is by no means certain that the lower strata in countries like Zaire, Egypt, Zambia or Turkey would be better off in the long run if the IMF and the World Bank did not intervene politically and "cure" the economically run down regimes in the relentless way they do" (p. 252).

Equally discerning and of a high level, theoretically and politically, is the analysis of the new World Bank strategy towards the small farmers under the motto "War against rural poverty".

This Counter-Insurgency-Strategy ("Mc or Mao") of development aid, instituted by former US Defence Minister R. McNamara, is most illuminating in two ways: for the first time in the 25 year history of development aid it discovered the poor as a target group for assistance, and it is based on the

not very original realisation that the development of the labour force in predominantly agrarian societies must be concentrated primarily on rural areas. The notorious neglect of the rural poor by the ruling classes in countries of the Third World is neither a coincidence nor is it irrational. It is in the nature of things that stabilising rule entails relatively privileging the urban middle classes to the detriment of the rural poor. Agrarian reforms propagated by the World Bank thus could not help but come into conflict with the Third World state oligarchies and their vested interests and led to "alternative strategies" by the Bank (e.g. new land settlement and area development projects in subsistence regions).

A study of three new-style World Bank projects, the PIDER Rural Development Program in Mexico, the National Maize Program in Tanzania and the Ulla Ulla Development Project in Bolivia, brings the author to the following conclusions (among others):

1. There are no valid reasons for doubting that the World Bank is seriously aiming at integrating ever increasing sections of the rural populations into a capitalist market system.
2. The World Bank's rural development projects do in fact achieve more economic growth and generate more social change than radical critics deem possible.
3. Three sections of the rural poor, the landless, the small farmers and the rural labour force without any permanent employment fail to be reached by the World Bank's anti-poverty strategy, and it is more than doubtful whether this will ever be the case for these 'pariahs' of world society.

The résumé of the study is resignative and realistic at the same time: with the World Bank (too) there is a discrepancy between the abstract realisation that development programs for the lower strata of the population cannot but be of no significance without radical political reforms and the pragmatic practice of compromising with Third World governments reluctant to make any reforms. However, there seems to be no alternative at present.

As economists we have learned that everything, including books, has its price. This is also true for the present study. It consisted in working through 600 (!) pages, a pleasurable but time-consuming task. It would be well worth the publishers considering a shortened version, perhaps in English, in the interest of what we are wont to euphemistically call scientific progress.

Gerald Braun