

undertakings.

The findings, mainly based on literature and unpublished material from Sri Lanka itself, in all the sub-chapters and throughout the entire booklet, are plain and simple: a plan and a project design is one thing, its realization another. This message is of course not new to members of the development set. But what gives Sri Lanka's "capacity to resist" the common good - as it was planned by the World Bank, the IMF, and the Aid Donor Consortium - some strategic importance is the fact that it only followed the path recommended by many advisers. So we might indeed call the development from 1977 onwards a test - but not only of Sri Lanka!

Having been in Sri Lanka several times during the period evaluated in the study I often discussed with friends and colleagues the ambitious targets that kept being propagated by the UNDP Government. And I remember how profoundly amused our group often was when reflecting upon Western naivety that took these declarations of good intent at their face value: All these brave and stalwart advisers that kept rushing through the country to report back the feasibility of projects to their respective headquarters and who grasped only the "modern" symbols of the first layer of the multi-dimensional palimpsest of codes to which "native behaviour" relates.

It is exactly this quality of South Asia's Hindu and Buddhist societies to absorb layer upon layer of "new codes" and its corresponding both/and logic that we are unable to understand and to make fit into the either/or logic of Western types of thinking. This is why we are misled by data which show us only the modern and most recent text of the palimpsest's so many messages. The superficial image of South Asian realities which we thereby get is one consequence - the failure of development policies based on them another. Evaluations of such failures can certainly be made - but they do not add to our understanding of South Asian realities if they remain confined to the terms of reference of misconceived policies as such.

Detlef Kantowsky

ALFRED KRAFT: Aspekte der regionalen wirtschaftlichen Integration zwischen Entwicklungsländern. Das Beispiel der ASEAN. (Beiträge zur Südasiensforschung, Bd. 68). Wiesbaden: Franz Steiner Verlag, 1982. 298 pages, DM 68.-

Among ASEAN experts there is a general consensus that the ASEAN member countries have not yet actually started the process of real economic integration. Therefore differences in the assessment of ASEAN's progress reflect mainly different points of view about the opportunities and strategies for overcoming ASEAN's fundamental sources of disintegration.

The question how to introduce an effective integration strategy is also the basic part of this study. Though the theoretical and practical problems of ASEAN integration have been treated more intensively by many other authors the study provides a good overview - leading to the wellknown conclusion that it is almost impossible to determine definitely the costs and benefits of economic integration.

In the first section the author summarizes the main statements of the traditional economic theory of integration. He concludes that the traditional theory does not allow any clear and positive answer as to whether integration is efficient or not. Different statements are largely dependent on the selection of preconditions - pragmatic and dynamic arguments in favor of regional integration only indicate the areas where effects may be expected.

After this introductory section the author describes the main areas of economic cooperation: trade liberalization, industrial cooperation and the strengthening of bargaining power. The lack of progress in these areas of cooperation is analysed in respect to the productive capacities and development strategies of the five member-countries. Unfortunately Kraft fails to discuss the more promising attempts of cooperation initiated by the private industrial and banking enterprises in the region.

The third section examines to what extent direct integration into the world economy could be regarded as a serious alternative to regional cooperation. Here the crucial point is to make an assessment of the degree of specialisation and absorptive capacity each ASEAN country could attain in the long term. Nevertheless Kraft's analysis leads to the hardly surprising result that only Singapore is substantially integrated into the international division of labour and is strongly oriented towards the world market.

Concerning the problems of trade liberalisation and industrial cooperation Kraft's main conclusions are the following: The protection of domestic producers is regarded as more essential than an intensive division of labour. Existing possibilities are hardly exploited. Substantial industrial cooperation has been prevented by national efforts to build up equivalent productive capacities of their own.

The author's final conclusion: A large number of structural economic impediments renders it impossible to attain successful integration. The main sources of this unbalanced development are national differences in: (a) the stage of development and industrialisation, (b) bargaining power and (c) expectations about the benefits of more regionalized competition.

The author's final suggestion of establishing a financial compensation system with the purpose of equalizing costs and benefits of integration is - in my opinion - a purely academic approach.

Waldemar Duscha