

The reviews in *Internationales Asienforum* try to give a brief evaluation of recent German publications.

HEINZ AHRENS und WOLFGANG-PETER ZINGEL: Interdependenzen zwischen gesamtwirtschaftlichem Wachstum und regionaler Verteilung in Pakistan. (Beiträge zur Südasiensforschung, Südasiens-Institut, Universität Heidelberg, Band 45). Wiesbaden: Franz Steiner Verlag, 1978, 882 pp.

HEINZ-DIETMAR AHRENS: Bestimmungsgründe und Alternativen divergierender regionaler Wachstumsverläufe in Entwicklungsländern. (Beiträge zur Südasiensforschung, Südasiens-Institut, Universität Heidelberg, Band 42). Wiesbaden: Franz Steiner Verlag, 1978, 392 pp.

WOLFGANG-PETER ZINGEL: Die Problematik regionaler Entwicklungsunterschiede in Entwicklungsländern. (Beiträge zur Südasiensforschung, Südasiens-Institut, Universität Heidelberg, Band 51). Wiesbaden: Franz Steiner Verlag, 1979, 554 pp.

These three books are all related to a research project on the interrelationship between macroeconomic growth and regional structure in developing countries, carried out at the South Asia Institute of the University of Heidelberg between 1973 and 1975 with support of the German Research Association (DFG). Pakistan has been chosen as an empirical case study because here the discrepancy between a relatively successful policy of macroeconomic growth and, at the same time, growing regional disparities is especially apparent. The latter contributed to the final separation of Bangladesh from the West, and it is still a major driving force in quests for regional autonomy in the remaining Western part, especially in the province of Baluchistan. The report of Ahrens and Zingel starts with the illustrative foreword by Professor Winfried von Urff, former acting director of the South Asia Institute and supervisor of the research project.

A short introductory chapter describes very briefly the structure of the investigation and lists the main questions which the authors have attempted to answer. These were, above all, the following:

1. What are the major factors determining the relationship between national economic growth and regional distribution?
2. What was the pattern of national and regional development in Pakistan between 1948 and 1974?+
3. What were the causes of the unbalanced regional developments in economic structure, economic policy, and economic planning?

+) In fact, many figures are only given up to 1970.

4. What was the historical relationship between national economic growth and regional distribution?
5. What are the implications of this empirical case for consistent development planning aimed at a greater regional balance?

Chapter 2 on the theoretical analysis of the interdependence between macro-economic growth and regional distribution in the framework of a linear growth model for two regions and Chapter 3 on these interdependencies in the case of East and West Pakistan, cover largely the same ground as the second monograph of Heinz-Dietmar Ahrens, the published version of his Ph.D. thesis. First, the theoretical analysis, based on several abstract models, reveals the importance of capital productivity and of the savings ratio for the regional growth paths and for the nature of the interdependence between economic growth and the equality of the regional distribution.

A general bi-regional growth model based on a model of J. J. Stern, has been constructed to show the importance of the regional capacity to absorb capital and infrastructure. Different alternative strategies of combining national growth with regional development are calculated for the period 1951-1968, and the results of the model are compared with the real historical development during that time. A few interesting results are worth mentioning:

- 1) From independence West Pakistan had a better infrastructure and thus its absorptive capacity was relatively far higher than in the Eastern part. Accordingly, "under the assumptions of the model, the attainment of complete parity between the two provinces would have required a regional policy allocating to East Pakistan at least 60 percent of national infrastructure investment instead of the historical 35 percent" (Ahrens/Zingel, p. 872).
- 2) The massive investment in infrastructure required to step up East Pakistan's absorptive capacity (which historically did not take place) could not have been financed unless additional foreign exchange had been made available to West Pakistan "to enable it to use fully its growth potential while at the same time compensating East Pakistan for the loss of imports from abroad by additional imports from West Pakistan" (p. 873). So, apart from political mistakes which undoubtedly contributed to the uneven development in West and East Pakistan, the unbalanced regional distribution of public investment in the Five Year Plans can partly be explained by the lack of qualified technical and administrative personal for both the planning and implementation of development in the East.

The second part of the book analyzes the interdependencies between macro-economic and regional development in the post-separation Western part, though data for the earlier period is also included. Here, many difficulties arose because of the lack of regional data and/or rather frequent changes in the regional classification. Therefore, the investigation is mostly restricted

to the development of industrial and agricultural production in the four provinces of (West) Pakistan. Even there, both in the period of consolidation and stagnation from 1947 until the beginning of the second Five Year Plan (1960) and during the period of rapid industrial growth in the early sixties the great regional imbalance was not reduced. "Only the years of slower economic growth after 1965 show a tendency towards a more equal regional distribution. The question whether this development continued after the secession of Bangladesh cannot yet be answered" (p. 877).

Deliberate regional development was hindered by a variety of factors, among them the suppression of regional autonomy within West Pakistan as a consequence of the sharpening conflict with the Eastern part, and the strong emphasis on national planning and macroeconomic growth. Thus, the authors conclude: "The regional development was not the result of a deliberate policy favouring some regions (e. g. Karachi) and neglecting others; the governments of Pakistan pursued rather the policy of regional *laissez-faire*" (p. 880). Also, correct emphasis is laid in this part of the book on the political factors limiting the practicable options for an alternative (regional) development strategy. Justified doubts are raised as to whether Pakistan can afford a policy of regional *laissez-faire* in the future. Separate development programs for the individual provinces, to be coordinated within the national framework, are recommended because of the different economic and social structures in each province.

Questions of regional development in (West) Pakistan are also discussed in more depth in the work by Wolfgang-Peter Zingel, a revised version of his Ph. D. thesis at the University of Heidelberg. For the general reader this book is especially interesting as it contains large theoretical sections concerning measurement and causes of regional disparities, problems of regional aggregation and disaggregation, and an interesting attempt at constructing an index of development by means of the principal components method. This very readable book concludes with a few interesting deliberations about the lesson to be learned from the Pakistan experience for other developing countries.

All these three books reveal interesting aspects of the complex interrelationship between global and regional development in Third World countries, and they also demonstrate the interesting insights to be gained from a combination of empirical work and theoretical analysis. They should give rise to similar investigations in other countries and - above all - to an attempt at integrating both the empirical evidence and the methodological problems into a more general framework. Zingel's study in particular provides useful hints for that task.

Hans G. Nutzinger