

The Political Economy of Industrial Promotion: Indian, Brazilian and Korean Electronics in Comparative Perspective 1969–1994. By ESWARAN SRIDHARAN. Westport, Conn. and London: Praeger Publishers, 1996. 256 pp. \$65.00.

In this excellent study, Sridharan convincingly establishes that the explanation for the variant performance of Korea, Brazil, and India in the electronics industry is fundamentally political, and not economic. The systematic framework which he employs in his sophisticated analysis is founded on the concept of the strategic capacity of the state, but he extends it with the added path-dependent but crucial variable of policy flexibility, which may be profoundly constrained by interests as well as ideology. Sridharan further enriches the concept of strategic capacity by refining it in several ways, most particularly with a concern for “high politics” or state elites’ grand strategy, including the imperatives of national security. Without such refinement, the concept of strategic capacity is inadequate for him, for it neither explains nor predicts the policy trajectory or performance of a state even when such capacity may be present. He faults the postdependency bargaining school for its neglect of the national security dimension. What in the end emerges from the comparative analysis is that the explanation for the variant performance among Korea, Brazil, and India is not simply political—understood in terms of state-society relationships or social coalitions—but fundamentally macropolitical and geopolitical.

The thrust of the study is to understand the relative failure of India, despite its initial head start and greater promise, to foster an electronics industry that is of substantial domestic size like Brazil’s, or one that is internationally competitive and as a consequence has a vast market both domestically and externally, as in the case of South Korea. Sridharan relates the Indian failure to state policy specifically in the electronics sector and the constraining impact of the larger industrial regime, marked by an intensive and blanket effort at import substitution industrialization (ISI). That regime’s chief characteristics have been a penchant for state ownership, small-scale industries, and self-reliance.

The economic crisis of the mid-1960s had laid bare the inadequacies of the ISI strategy but, rather than shift to an outward-oriented competitive industry, India intensified it. This intensification Sridharan attributes to Prime Minister Indira Gandhi’s ideological lurch, for reasons of her political survival, to socialism and to the cumulative elite perception of a geopolitical configuration portending serious threats to national security in view of the wars with China (1962) and Pakistan (1965 and 1971), the de facto Sino-Pak alliance, the Sino–U.S. rapprochement and the American tilt towards Pakistan. The liberalization efforts of the 1980s in the electronics industry failed to change the situation in respect to the fragmentation of the industry, its high-cost and uneconomic nature, and its inward orientation. Part of the reason lay in the continued overriding importance of national self-reliance, reinforced as a result of the American policy of de facto sanctions against India through the tactic of long delays on approvals for technology transfers, which served to undermine R&D and production plans. Because of India’s geopolitical circumstances and additionally because of the compulsions of its democratic polity, which allowed full play to the popular and other sectors, the state’s policy flexibility was limited. The macropolitical and geopolitical situation in India was thus very different from that of Korea and Brazil. India did not have the options open to it that were available to the other two.

Korea’s extraordinary accomplishment in electronics, based on effective and successful choices by the state on product, timing and phasing, compels favorable

appreciation from Sridharan. These choices had, however, been facilitated by the existence of an authoritarian military state that possessed exceptional policy flexibility, given its ability to suppress the popular sectors and to privilege selective private sector firms as national champions through rewards and punishments. Besides, the state was helped by its military and political ties with the United States, which provided access to a vast market for an export-led strategy. Brazil falls in between the Korean success story and the Indian case study of failure, for it was able to promote a large domestic production base even if it was not internationally competitive. While Brazil's military regime was driven by an antidependency ideology and was insulated from the popular sectors, its policy flexibility was constrained by an entrenched private sector and the dominating presence of foreign firms.

Sridharan's analysis is shrewd and penetrating but also balanced and nuanced. Besides, it makes a theoretical advance in the state capacity literature in which it is situated. However, it would seem that, for a study that privileges path dependence, it has not been sufficiently grounded in history. It is understandable that, because the electronics industry is itself a recent development and the study is focused on the 1969–94 period, Sridharan's analysis of Indian policy should concentrate on political and economic events since the late 1960s and make Mrs. Gandhi bear a considerable responsibility for it. But the policy evolution over that period in respect of the larger industrial regime and the electronics sector was itself powerfully constrained by earlier pathmaking decisions. His assumption, though not explicitly stated, of an initial ISI strategy being innocent as it were of ideology and geopolitics is a mistaken one. Both the socialist and autarkic mold of ISI was given and legitimated by Nehru with the Second Five Year Plan in the mid-1950s, for reasons of ideology and geopolitics, and it continued to constrain subsequent policy and the associated politics, even after the liberalization shift in the wake of the economic crisis in the early 1990s. However, Sridharan's neglect of this aspect is a minor lapse in what is certainly a very valuable contribution to comparative political economy.

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Shamanism, History, and the State. Edited by NICHOLAS THOMAS and CAROLINE HUMPHREY. Ann Arbor: University of Michigan Press, 1996. \$49.50 (cloth); \$18.95 (paper).

In *Le Totémisme Aujourd'hui*, Claude Lévi-Strauss demonstrated the great variance in the practices given the name "totemism" and their basis in various correlative classification systems, thus undermining the idea of totemism as a social institution. Since then, few scholars (outside China) have used the term "totemism" except with extreme caution. Shamanism, even more than totemism, is an anthropological concept which has gripped the popular imagination and has long been ready for reexamination. Following Mircea Eliade's pioneering studies, shamanism has generally been discussed as though it were an archetypal social institution rather than a historical phenomenon. Thus, the title of this book, *Shamanism, History, and the State*, suggests that it will challenge accepted orthodoxies. It does so by a series of case studies which trace the tensions between ecstatic or inspirational religious practices and centralized authority in particular political and historical situations.