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Part V is about assessments and recommendations. It focuses on a paradox: the financial warriors and constantly touting their achievements, yet acts of terror keep increasing. This part of the book revisits the question of money and terror. It suggests an alternative paradigm based on the logic of insurrection. Terrorist financing appears wherever there is support for terror and the question of support is essentially about politics. Such a paradigm casts doubt on the usefulness of tools which assume a crime-for-profit logic. The part concludes by making a number of policy recommendations.

Warde's book is a pleasure to read, it is remarkably informative about a subject that the Western mass media seem to have mangled. In addition, the book exposes the Bush administration's much ballyhooed, but often duplicitous "war on terrorist finances."

Political Economy of Development: A Comparative Study of Regime Performance. By Ataul Haq Pramanik. Kuala Lumpur: Thomson, 2007, pp. 466+xiv. ISBN-13: 978-981-4227-78-0.

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For many years growth represented certain economic indicators such as increase in per capita income, gross domestic product and a healthy balance of payments record. Dissenting experts, however, look into development from a wider perspective and include a wider economic and political freedom which gives human beings a true freedom of choice. Ataul Haq Pramanik's *Political Economy of Development* is based upon such an integrative approach linking development with political regimes. It attempts to explain how development is related to regime types or how regime types hinder economic development. The book focuses on fourteen Muslim majority countries with political systems ranging from monarchy to semi-democracy and democracy. The central argument of the book is that "the degree of democratisation of economic power resources appears to be the key to the issue of democratisation" (p. 18).

The book lists seven hypotheses each tested by using data from two different Muslim countries. The first hypothesis argues that higher economic freedom can lead to better human development even with less political democracy. Impressive economic achievements in Indonesia (Chap. 12) and Malaysia (Chap. 13) under strict authoritarian-democratic systems are used to test the validity of the statement. Despite tight restrictions on political freedoms by Suharto and Mahathir, their macro and microeconomic policies successfully created greater economic freedom for comprehensive development in their respective countries. However, the author argues that more economic democracy with less political democracy may create vulnerability due to greater political expectations by the emerging middleclass.

The second hypothesis argues that some countries' failure to achieve a higher level of human development is due to lack of discipline, stability and rule of law (p. 16). In other words, greater political freedom coupled with poor economic performance creates a higher level of indiscipline, instability and absence of rule of law. The regime performance in Pakistan (Chap. 14) and Bangladesh (Chap. 15) substantiates the argument. The third hypothesis states that "in the absence of all other unfavourable factors, sheer mismanagement and mis-governance by corrupt leadership can retard the democratisation process" (p. 16). For instance, Nigeria (Chap. 6) a resource-rich country, failed to democratise and develop economically due to inefficient, and corrupt political leadership. Conversely, a small and resource-poor country like Benin (Chap. 7) has experienced smooth transition to a stable democracy maintaining a respectable economic performance due to sincerity and efficient political management by its leadership.

The fourth hypothesis linking "monarchy" with "Western style liberal democracy" is tested on Saudi Arabia (Chap. 4) and Kuwait (Chap. 5) and found that the wealth-democracy thesis does not hold in these two countries due to the lack of "a genuine environment for a democratisation process" (p. 17). Despite immense oil-resource and liquidity, Saudi Arabia's economic development performance in terms of negative annual rate of per capita GDP of 2.2 percent during 1975-2000 and high unemployment (20 percent or more) denote its economic stagnation. This economic underperformance

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is accompanied by the high level of absence of political democracy. In contrast, Kuwait's emphasis on greater participation, robust civil society and high economic performance has somewhat undermined the relevancy of strict monarchy. This has become possible only because of the accommodative attitude of the political regimes.

The fifth hypothesis tested on Iran (Chap. 2) and Sudan (Chap. 3) shows that prospects for political democracy and economic democracy are better in a country where political legitimacy emanates from the general masses through radical transformation. The book argues that due to the revolution in 1979, the government and the elite in Iran remained mass oriented and thus performed better in economic and political development despite internal and external constraints. Sudan's military leadership, in contrast, remained engrossed with a legitimacy crisis and a prolonged civil war that prevented stable political and economic growth. In these two countries Islam plays a vital role in economic and political democratisation.

The sixth hypothesis argues that exposure to Western values of modernism, secularism and liberalism promotes democratisation. With case studies of Egypt (Chap. 10) and Turkey (Chap. 11), the author claims that relatively better economic democratic performance is due largely to the liberal democratic values that the people of the countries are familiar with. However, personal authoritarianism in Egypt and military dominance in Turkey create an imbalance between economic and political democracy. The final hypothesis tested on Lebanon (Chap. 8) and Jordan (Chap. 9) states that vulnerability to the global power structure may compel countries to remain preoccupied with countering constant external threats. In these two countries, political elites were busy in mobilising public opinion for legitimacy. Therefore, external threats were used to justify strong government. But the interesting aspect of the two countries is that they foster pluralistic political accommodation minimising differences. Economic performance is constrained by political risks.

Evidently, the book takes a descriptive analytical approach to assess the performance of regimes in terms of economic and political development. Each chapter, after a sound historical background of the country studied, provides comprehensive data on plans, policies and achievements in key economic and political sectors. The amount

of data compiled by the author makes the book a valuable reference source for the countries studied. Inclusion of selected countries from Central Asia would have enhanced the value of the book.

In providing an historical overview of democratic development and democratisation process in the countries studied, the author tried to identify, one, how economic democracy/development influenced political democracy/development and vice-versa and, two, how political regimes were instrumental in shaping both economic and political democracy/development. Such a state-centric institutional approach using descriptive-analytical method is rare, especially on the Muslim world. The book proves that development is neither monolithic nor just numerical progress in growth; rather it is comprehensive and largely dependent on regime type.

However, the book suffers from several limitations. The book gives a narrow analysis of regime performance in macroeconomic sectors without analysing the role of the World Bank (WB) and the International Monetary Fund (IMF) to account for poor performance by Muslim countries. Any analysis of regime performance in macroeconomic development in these countries based entirely on state-centric approach apparently tells only half the truth. Leaders of Muslim countries cannot be faulted exclusively for deficit in intent to democratise. The superpowers should shoulder part of the responsibility to democratise.

Methodologically, some of the hypotheses are context-specific and, therefore, do not have universal applicability. Admittedly, Saudi Arabia is an example where monarchy and Western style liberal democracy do not coexist. It would be interesting to note the accommodation of the Western liberal democratic values and institutions taking place in some other monarchies in the same region such as in Bahrain, Oman and Qatar. In the cases of Turkey and Egypt, the author argues that the exposure to Western values and the gographical affinity with the West have contributed to the promotion of democracy in these countries. Some would counter argue that democracy in these two countries was imposed by the West.

The book uses the Freedom House Survey rating for assessing political democracy in the countries under study but often by-passes BOOK REVIEWS 107

or contradicts them without evidence. Thus, the Freedom House's rating of Malaysia as "partially free" due to its restrictions on civil liberties is overlooked because of Malaysia's "simply miraculous" (p. 305) economic performance. Likewise, according to the Freedom House rating, Bangladesh is "partially free," but the book describes Bangladesh as having an "undesirable" level of "higher political democracy" (p. 16) or "overwhelming consciousness for political democracy" (p. 365).

In organisational terms, the book has serious flaws. One, the sequential order of hypotheses presented on pages 15-18 are not adhered to in chapters. The hypothesis listed as number one (p. 15) is actually tested in chapters 12 and 13, while hypothesis five is tested in the first two case studies. Two, though the book does not refer to the West as a factor in economic and democratic development, yet in policy suggestions it takes a general stand that the West can "really do a great service to the spread of 'democracy campaign'" (p. 383). The West can convince the oppressive regimes in the Muslim world "through constructive engagement and consensus building-measures" (p. 383). The most disturbing statement of Ataul Hug is that the US invasion of Iraq is a "blessing in disguise" (p. 92) for the Arab world. Knowing the history of West-Muslim world relations, such a statement is rather ludicrous. However, the entire logic of reliance on the West for "democracy campaign" collapses with the following policy suggestion made in the book:

The issue of human rights with a focus on individual as opposed to collective and community interest championed by the self-proclaimed global moral authority of the West cannot be imposed as a precondition for democracy. Likewise, sexual freedom as championed by the Women's Liberation Movement in the West cannot be set as a part of agenda for human rights and democracy either" (p. 383).

Finally, one must point out that the book is laced with numerous typographical errors and it has adopted a style not found in any other book. Acknowledgment (p. ix) contains a section called "Also by Ataul Haq Pramanik" which lists his other publications and the section on "the edited books" include all the works by the author.

Despite the above limitations, the book should be commended for what it contains. It gives a comprehensive overview of the political economy of the Muslim world, in the 14 selected major states. Its key argument, "only an expansion of economic democracy can ultimately increase the political awareness of the masses leading to political reform to improve civil and political rights" (p. 382) is well substantiated in the analysis. It is hoped that the author would look seriously into the issues raised in this review and come up with an updated second edition free from stylistic and grammatical errors.

Myanmar: State, Society and Ethnicity. Edited by N. Ganesan and Kyaw Yin Hlaing. Singapore: Institute of Southeast Asian Studies, 2007, pp. 311. ISBN: 978-981-230-434-6.

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This edited volume is the outcome of two workshops held at the Hiroshima Peace Institute in March and October 2005. The aim of this book is to cumulatively increase scholarly interest and research on Myanmar. It has twelve chapters each contributed by a distinguished scholar except for the introductory chapter which is written by the two editors. The chapters are arranged logically beginning with two broad chapters that survey the Southeast Asian region before locating Myanmar within it. In the first chapter, N. Ganesan emphasises a combined state-society approach to study the complex relationship between the state and society in Southeast Asia because, as he points out, this offers a more "balanced and holistic approach." Ganesan advances several interesting arguments. One, maritime Southeast Asian states generally fared better than others in terms of developing state-society relations. Two, countries that gained independence through negotiated settlement like Brunei, Malaysia, the Philippines and Singapore fare better, at least in terms of overall development, than those that achieved independence through revolutionary struggle like Indonesia and Vietnam. Three, Monarchies do not play only a symbolic role but also intervene in state and political matters. Finally, ethnic and religious divisions significantly complicate state-society relations in Southeast Asia.