Although the book is a product of foreign funds (as confirmed in the acknowledgements), it could as well have been written even without such funds, as there is no evidence that the author did any serious research--instead it has been hurriedly produced. The conventional interpretation of colonial policy pervades the author's thesis in one form or another throughout the book. The author's approach is too dogmatic, too narrow in the handling of its material, the book is lean, lacking any of the intellectual depth of his earlier Politics and Class Formation in Uganda; neither does the book add much in terms of quality beyond what the journalists Tony Avirgan and Martha Honey have chronicled in their War in Uganda,* which Mamdani does not cite, although the journalists acknowledge him in their book.

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Carlsson, Jerker (ed.): South-South Relations in a Changing World Order. Scandinavian Institute of African Studies: Uppsala, 1982. 160 pp.

While the development, expansion and the various concomitant crises of the capitalist system have generated lively if inconclusive debates, the implications of the recent changes within the capitalist system have not yet been subjected to a systematic and rigorous study. This volume is an attempt to fill the gap.

The book emerged out of a seminar organized by the Scandinavian Institute of African Studies to make some sense about the current restructuring of the world capitalist system since the 1970s and its broader impact on the developing countries. The collection of articles of varying quality and significance included in the book attempts to define and assess the forces behind the emerging relations between and among the developing countries commonly referred to as the South. The book as a whole provides an important insight into several aspects of the political economy of capitalism in its international dimension.

The first article, by Jerker Carlsson, provides the overall theoretical theme of the book. It focuses upon the observed restructuring of the world capitalist economy and the resultant

*T. Avirgan and M. Honey, War in Uganda: The Legacy of Idi Amin. (London: Zed Press, 1982).

differentiation taking place among the developing countries. A dramatic aspect of the restructuring of the world capitalist system since the 1970s has been the emergence of the semi-periphery, made up of such countries as Brazil, Mexico, Argentina, India, etc. The justification for classifying these countries as semi-periphery in Carlsson's view, arose from the observed industrial expansion marked by a high degree of technological sophistication. This form of industrialization rests on (a) the establishment of a few capital intensive industries [with little positive impact on the domestic labor force]; (b) low-level industrial technology [complementing technically advanced industrial process in the developed countries]; (c) assembly-plant operation, and (d) the establishment of import-substitution industries. This form of industrialization, financed largely by the accumulation of massive debt, has been geographically fragmented and has created new possibilities for the reproduction of capital. At the same time, Carlsson also observes that the condition which led to dependent semi-periphery industrialization has allowed capitalism to overcome its crisis by securing new vistas of growth and accumulation.

Carlsson attempts to define the relation between the semi-periphery and the rest of the developing countries. Two forms of relations are identified: capital flow and trade contacts. While the flow of capital between and among the developing countries as a whole is very small, whatever flow exists is connected with the export need of companies located in the semi-periphery. Although there are numerous difficulties encountered by companies located in the semi-periphery to export capital to the rest of the developing countries, Carlsson suggests that the dynamics of semi-peripheral industrialization is the chief agency of the South-South relations.

Regarding the patterns of trade between the semi-periphery and the rest of the developing countries, Carlsson argues that the South-South trade dynamic has not been shown to be impressive, particularly the manufacturing sector. Much of the South-South trade concerns foodstuffs and raw materials. In addition the share of the manufacturing sector in the South-South has remained relatively small.

A common agenda of the U.N. system has been based on an assumption that the countries of the South are experiencing more or less similar levels of development. The conclusion derived from such an assumption is that the South-South contacts are less exploitative and would therefore lead to greater flow of capital, products and technological know-how. Carlsson challenges such a conclusion and argues that the essence of relationships between countries on different levels of development is exploitative.

The second article, by Helga Hoffmann, provides an empirical investigation of a specific case of South-South trade, especially between Brazil and the oil producing countries of Africa. A significant aspect of Brazil's economic performance has been sustained by large doses of accumulated debt, which enabled Brazil to compete in the international market through an expensive and complicated conglomeration of incentives, exemptions--including direct and indirect subsidies by the state. This has enabled Brazilian industries to sell their goods in foreign markets at an average of only half the domestic price.

Brazil's economic performance during the period of 1968-74 showed a remarkable growth, and its export sector grew by 27%. Although Brazil's export to the Latin American Free Trade Association (LAFTA) remained relatively high, the proportion of manufactured export goods to other developing countries outside LAFTA showed a growth rate slightly higher than LAFTA countries.

One of the major regions of Brazilian manufactured export has been Africa, particularly those oil producing members of OPEC. Hoffmann asserts that the chief mechanism which so far has sustained trade between Brazil and Africa is based on comparative advantages. The doctrine of comparative advantages, enshrined in neo-classical economic theory, argues that countries which are richly endowed with agricultural and raw material resources are best served if they specialize in producing those commodities. Seen in historical context, the theory of comparative advantage became the main ideological buttress of the attempt to prevent developing countries from pursuing self-reliant industrialization.

The assumptions of this doctrine have been challenged and many researchers have shown that the comparative advantages doctrine and its notion of free and uninterrupted trade is a smoke screen for the continued underdevelopment of the developing countries.

Although Brazilian trade with the rest of the developing countries is growing, it is necessary to get a closer look to see the movement of trade. The principal commodities of trade have been African oil for Brazilian manufactured goods. The commodity flow from Brazil is much more diversified, comprising a concentration of transport equipment, vehicles, road building equipment and their components, including other durable items especially refrigerators. In addition, Brazil also has been exporting technology adaptable to tropical conditions embodied in the export of services, civil construction activities as well as through consultancy.

Hoffmann outlines some of the problems Brazilian companies face in the export of manufactured goods to Africa. A major problem has been the lack of sufficient credit lines from banks to meet the needs of African importers. Unlike Carlsson, Hoffmann suggests that the emerging relation between Africa and Brazil leaves little room to speculate on the existence of unequal trade relations.

The third article, by Tom Forrest, further analyses the South-South relation and emphasizes the political dimension of the problem. In particular, Forrest highlights the political environment which shaped Brazil's diplomatic initiative in securing an economic presence in Nigeria, Angola and South Africa. These diplomatic initiatives were taken in large part to guarantee a secure market for Brazilian manufactured goods as well as to have stable trade partners to provide Brazil's oil needs. As a result, Brazilian trade with Nigeria, Angola and South Africa has shown an impressive growth.

Forrest suggests that Brazil's geo-political as well as national interests have dictated different and sometimes contradictory policies to be pursued. These policies, in his view, cannot be understood in terms of dependency perspectives. Instead, he suggests that the Brazilian state has pursued policies in its own interest, despite the constraints imposed by international capital. He also questions the simple polar categories of 'North-North', 'North-South' and 'South-South.'

The fourth article discusses Nigeria's position in the South-South relation. Joy Ogwu focuses on Nigeria's hesitation in developing relations with Brazil. Ogwu argues that the interaction between Nigeria and Brazil, discussed both by Hoffmann and Forrest, has led to asymmetrical relationships.

The basis for this argument stems from Ogwu's examination of Brazil's policy towards Africa, which was closely linked with Portuguese colonialism. The demise of Portuguese colonialism in Africa as well as the overthrow of the fascist dictatorship in Lisbon forced Brazil to redefine her policy towards Africa--a policy that was directed to achieve diverse national interests.

The reorientation of Brazil's policy towards Africa, as most observers have noted, in part was accelerated by Brazilian need to secure a market for the export of manufactured goods. One immediate result that emerged from Brazil's policy shift was a close relationship with a number of countries in Africa, especially Nigeria and Angola. Ogwu broadly outlines three fundamental issues that govern Nigerian-Brazilian relations: (1) cultural affinity and race, (2) trade and (3) politics. While there are a number of common factors shared by both countries, geographical location, population, economics and colonial heritage have greatly influenced their policies towards each other. As the relationship began to take shape, the issue of national interest tended to surface and intensify the difference in perception between the two countries.

While Brazil and Nigeria have made progress in addressing the issues that govern their relationships, there remains a number of disquieting issues that need to be resolved before one considers Nigerian-Brazilian relations "as a model" for South-South relations.

The concluding section provides an in-depth analysis of the structural characteristics within the developing countries. While some of the issues of multinationals are raised by previous contributors to the book with their discussion of Brazil, Lall's article details the role of the "Indian multi-nationals" in Africa.

One of the major arguments of conventional theory of direct investment has been the emphasis on technological leads, product differentiation, managerial skills, scale of economics and market imperfections enabling certain firms to grow at the expense of others within the industrial countries. Doubts about the validity of this argument have been expressed about its relevance when studying multi-nationals from developing countries that specialize in labour-intensive, standardized technologies usually adapted to local conditions.

Lall reexamines the standard argument on multi-national corporations and suggests that multi-national corporations from developing countries have some specific advantages derived from the adaptation to well-diffused technology, from access to cheaper or more appropriate management, from ethnic factors and from better knowledge of particular markets. In order to show the comparative advantages of multi-national companies from developing countries, Lall examines the evidence from India.

Since the 1960s a number of Indian firms have launched foreign production facilities in Sri Lanka, Kenya, Nigeria and Iran. By 1980, the volume of investment by "Indian multinationals" came to about $100 million, in 192 projects, of which 95% were in manufacturing. A host of other Latin American and Asian companies are also involved in direct investment and Hong Kong by far is the leader in this field.

Lall analyses the industrial composition of Indian foreign investment and suggests two of the country's largest industrial groups, the Birla and Tata groups account for 49% of the total foreign equity. The top seven investors together account for nearly three-fourths of the total foreign equity. These companies are all very diversified with considerable industrial experience and long-established business houses.

Several considerations emerge from the study of "Indian multi-nationals." Lall suggests that while there are smaller Indian companies which occasionally venture abroad, much of the field is dominated by large firms with considerable experience and financial resources. In part the growth of these multi-nationals was conditioned by the lack of local investment potentials due to the state's anti-monopoly restrictions.

The Indian 'multi-nationals', according to Lall, utilize different market strategies. For example, the Birla group exploits its expertise by direct investments through projects and technical services, while the Tata group relies on a more diversified range of exports. A major problem with the 'Indian multi-nationals' is associated with their inability to create new technological breakthroughs. This has to do more with lack of research and development activities by most of these companies. Lall also notes that the technology which is transmitted by Indian enterprises has a very high "embodied" content in terms of Indian plant, equipment and components.

What emerges from Lall's discussion of the Indian case is that multi-nationals from developing countries are showing the organizational capabilities to set up large-scale, complex, well-diffused technology, marketing-intensive projects, making it possible for them to compete on a par with multi-national firms from the industrialized countries.

While much research on South-South relations has yet to start, the articles in the book raise a number of theoretical and policy issues. Although the articles are unevenly written, collectively they represent a beginning towards a more comprehensive study on South-South relations.

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BOOK NOTES

Aguibou, Yansané Y. Decolonization in West African States with French Colonial Legacy. Comparison and Contrast: Development in Guinea, the Ivory Coast and Senegal 1945-1980. Cambridge, Massachusetts: Schenkman Publishing Co., Inc., 1984. 540 pp., bibliography, index, paperback.

Colonialism and its profound impact has occupied a prominent place in the study of the social and economic history of Africa. The demise of colonialism in Africa has taken two