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***The Political Environment of Economic Planning in Iran,  
1971-1983: From Monarchy to Islamic Republic*, by Hossein  
Razavi and Firouz Vakil**

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development is not only a function of the international system, but also a function of the various aspects of the internal conditions of the states in the area. Part III is entitled "Structure and Process." Articles in this section deal with several subjects which do not fit into the existing models used to study changing social processes.

The book contains important articles which provide the reader with a number of interesting ideas and insights. Only two examples will be highlighted. G. Amin in his article "Economic and Cultural Dependency" discusses and advocates a policy of temporary isolation in order to avoid economic and social dualism and to establish an integrated society for third world countries. The examples of Japan, Russia, and present day China indicate very clearly how prolonged periods of self-imposed isolation can be a favorable factor, not a hindrance, for achieving a balanced economic development and for making a distinct contribution to civilization. This also seems to be the case in several Middle Eastern countries like Egypt, Iraq, and Syria. In the history of these countries, there was a short period of successful industrialization which seemed to coincide not with the adoption of liberal policies but with involuntary isolation when both foreign imports and investment were impossible to come by (pp. 58-59). This is a period in which developed countries in the West experienced many economic difficulties. Another interesting contribution is to be found in Uri Davis's and Walter Lehn's article, "Landownership, Citizenship, and Racial Policy in Israel." The authors argue that the declaration of the establishment of the state of Israel made Israel a Jewish state, not a sovereign independent state. This statement implies that Israel is a state by, for, and of the Jewish people throughout the world, but not any other ethnic group, existing sovereignly in world Jewry rather than the state of Israel. This makes it possible for the state of Israel to practice unequal treatment of its own minority (Arab) citizens while giving the appearance of upholding the principle of equality for all its citizens. This was done through special agreements with the world Zionist organization and its various institutions such as National Jewish Fund which makes them virtually states within the state. These agreements allow these organizations to provide a privileged position to the Israeli-Jews not directly by virtue of their citizenship but indirectly by virtue of their nationality (pp. 75-76).

There are several shortcomings in the book. The title is a bit misleading, since a number of articles deal with North Africa; a better title could have been "The Middle East and North Africa." Several articles in the book have not been reprinted as they originally appeared. The editing at times seems to be choppy and is hard to follow. Some of the articles are more concerned with theoretical analysis and little actual application to the area and, finally, Islam and its relationship to development rarely figures in the selection of articles. There are other minor shortcomings. The book is otherwise excellent! It provides the reader with a lot of good material on development and it makes a significant contribution to our knowledge of the area. It is a book I strongly recommend to students of the area and Third World countries.

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HOSSEIN RAZAVI and FIROUZ VAKIL, *The Political Environment of Economic Planning in Iran, 1971-1983: From Monarchy to Islamic Republic* (Boulder: Westview Press, 1984). Pp. 204.

The body of scholarship on Middle East public policy is small. Works in that genre on Iranian politics are something of a rarity. This is a pioneering book on planning in the

late Pahlavi period. Unfortunately, the volume suffers somewhat from asymmetrical treatment in that Razavi and Vakil examine the clerical regime as well. They themselves acknowledge that it is too soon to evaluate planning under the Islamic Republic and the analysis of the latter is less compelling than that under the monarchy.

The thesis of the book is that political considerations led to the short-circuiting of the planning process, with disastrous consequences for the regime and society. Razavi and Vakil show the Shah to have been an ambitious, arrogant, and inept leader of his country's economic development. They constantly refer to the abdication of responsibilities by bureaucrats and politicians in the Central Bank, the ministries, and even the Plan Organization itself. Instead of telling the Shah that his policies would lead to intolerable inflation, shortages, and bottlenecks throughout the economy, they preferred meek acquiescence.

In their analysis Razavi and Vakil confirm earlier published work by MacLachlan, Halliday, and Looney that emphasizes the irrationality that overtook the planning process in Iran after the onset of the Fifth Development Plan (1973–1978). The culprit was the Shah, who was determined to spend the enormous oil revenues after the quadrupling of prices in 1974. Also to blame were ministers who wanted as much money as they could get for their pet projects.

The writers bring to the task of their scholarship substantial experience in the country's planning system: Razavi as a bureau director and Vakil as an undersecretary. Both are currently located in Washington, the former a consultant to an American corporation and the latter a country economist at the World Bank.

The heart of the book is the two middle chapters on the structure of the Plan Organization and the problems that set in after 1973. Especially interesting is the discussion of the jurisdictions of the respective divisions of the Plan Organization: Planning; Coordination and Supervision; Budgeting; Technical Affairs (engineering design); and Informatics (computer services). Since one of the authors played an important role in the Informatics Division, their criticism of the latter's ultimate failure is commendable. They are convinced that in trying to persuade bureaucratic agencies to convert to computers for processing their data, the Division's leadership failed "to present in a practical manner the ways in which information systems . . . could increase the efficiency of decision making" (p. 48).

Some readers will wish that a book on the political context of planning would have analyzed the dynamics of decision making in the planning process. Here, the authors attribute all decisions to the Shah. In the elite studies published on Iran in the early 1970s the decision-making process was "black-boxed." This book would have been an invaluable opportunity to expose this process to systematic inquiry, especially given the authors' inside knowledge of that process. The Shah, after all, is only one, even if the most important actor. We need to know in what ways information is considered a resource; what forces bring about coalitions among which groups; is formal incumbency a good predictor of decision outcomes, or do informal opinion leaders play the key role; what sorts of decision rules are adopted; what trade-offs and side payments are made in the effort to establish bargaining positions. The implicit answer we are given to these questions here is that Oriental Despotism carries the day. But even in totalitarian systems, as studies have shown, the ruler cannot control all the levers of power all of the time.

Minor cavils about the book include exotic transliteration of terms and misspellings: e.g., Toudesh for Tudeh; Mossaddegh for Mosaddeq or Mosaddegh; Eghbal for Eqbal; Javady for Javadi; Attaturk for Ataturk; Prebische for Prebisch. On p. 106, a picture of Iran's situation is said to be "convened [cf. conveyed] by the media." And on p. 114 we are told of "global events in the country [sic]." Also, Razavi and Vakil frequently use the clumsy and entirely unnecessary expression, "the national entity," to refer to Iran.

More seriously, readers will quarrel with their statement that "the cause of the Shah's demise was neither a revolution nor an Islamic movement" (p. 104). This rather remarkable statement is made in the context of an argument that maintains that the Shah was responsible for his own downfall and that those who seized power began talking about Islamic government and economics only after they came into office. This is somewhat quixotic reasoning, since: (1) the Shah's mistakes could still (and in my view *did*) bring about a revolutionary movement; and (2) the fact that the revolutionaries only thought about Islamic rule after the seizure of power—even if true (and I do not accept that it is)—hardly excludes the possibility that Islamic groups played a key role in the Shah's overthrow.

To sum up, this book provides us with the first in-depth investigation of the important but little understood issue of planning in the public policy of a large Middle Eastern country. Future scholarship, it is to be hoped, will examine yet more closely the dynamics of decision making in the planning process. In the meanwhile, the present book contributes to our understanding of revolution quite apart from its focus on planning. It seems to validate once more the famous proposition associated originally with Alexis de Tocqueville that revolutions occur after relatively long periods of prosperity, followed by a sharp reversal of trends affecting strategically located social forces. The Shah made all the mistakes necessary to create a "demand-pull" inflationary spiral and then proceeded to treat it as if it were a "cost-push" problem. The solutions, including anti-profiteering campaigns, show trials, price controls, and the like managed to offend virtually every key group in society. The final result was the greatest social upheaval in the Middle East since the Algerian Revolution.

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AHMET EVIN, ed., *Modern Turkey: Continuity and Change* (Opladen: Leske and Budrich, for Deutsches Orient-Institut, 1984). Pp. 164.

The political upheavals in Turkey of the last five years have redirected attention to this, the only country in the Muslim Middle East, which has made repeated efforts to make the democratic system work. This book, which consists of seven papers originally delivered at a conference at the University of Pennsylvania, appears at an opportune moment. Its most special feature is that the authors try to draw out the continuity in modern Turkish history by relating recent changes to trends in the early republican period and the Ottoman era.

The main emphasis of the book is on the ideological, social, and economic background to political change. Ergun Özbudun starts from the point that Turkey is the most secular state in the Muslim world and relates this to intellectual trends in the late Ottoman period. Unfortunately, and through no fault of his own, his argument is obscured by careless printing which jumbles up the text on pages 37–39. Nevertheless, he gives a valuable outline of the ideas of Ziya Gökalp and Mehmet Akif and their relation to those of better known thinkers, such as Jamal al-Din al-Afghani and Muhammad ʿAbduh. Similarly, Metin Heper, in discussing the complex political interplay between bureaucrats, politicians, and army officers, sees a transition from the center-periphery cleavage which underlay political patterns in the late Ottoman and early republican periods, to an emerging confrontation between the state and civil society.