

Engerman, David C.: *The Price of Aid. The Economic Cold War in India*. Cambridge, MA: Harvard University Press 2018. ISBN: 978-0-67465-959-9; 512 S.

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David Engerman's study of the economic Cold War is timely for many different reasons. The most important might be, though, that many historical overviews on the Cold War concentrate on political, diplomatic and military aspects, reducing economic policies to little more than supplements that usually facilitated and enhanced diplomatic priorities.¹ On this background, Engerman's highly readable and revealing study of India's economic career in the midst of changing Cold War economic policies has a lot to offer.

This book is a lucid study that combines a thorough analysis of domestic policies in India, the Soviet Union and the United States with a reconstruction of the superpowers' foreign policies and the changing approaches of international financial institutions such as the World Bank and the International Monetary Fund. Engerman calls this field of institutional and political entanglements „development politics“ (p. 3), which shaped not only India's economic and financial fate after independence but also contributed to the evolution of hegemonic development theories and practices.

Although indicated otherwise by the title, this study does not cover the Cold War as a whole but concentrates on the roughly three decades between India's independence in 1947 and the mid-1970s, which turned out as a multi-faceted threshold in Indian post-colonial history. For one, in 1975 India formed joined economic commissions with each superpower and thereby re-configured its developmental cooperation with both countries. During these years, the United States increasingly financialized its economic cooperation with India and thereby imposed harsh monetary and budgetary conditions on New Delhi. At the same time, the USSR militarized its relationship with India and, after the Indo-Pakistan war in 1965 and the foundation of Bangladesh in 1971 became its most impor-

tant provider of military equipment. The mid-70s were also a time of severe political crisis in India, which resulted in the decomposition of the 'Congress-system' in favor of authoritarian charismatic leadership. The preceding three decades, however, were an era of intense negotiations that reflected New Delhi's domestic struggles over development strategies and priorities, the superpowers' evolving agendas of 'assisting' the Third World² and the growing relevance of the global development industry's key institutions.

As a first step to position his work, Engerman highlights an established branch of historical development studies that analyzed (time and again) how development discourses and practices strengthened state institutions. In this perspective, the international development regime of the Cold War enhanced the consolidation of the postcolonial nation-state. By contrast, Engerman claims that it is time to add the international context to such accounts. This is, of course, not an altogether new idea. Discussing national development courses within international and transnational contexts is already an established approach, although there is still a lot to discover in this field. What is indeed innovative in Engerman's account is his multi-layered approach that combines the analysis of domestic political struggles in India with Soviet-Russian as well as US-American policies and international institutional changes. While other studies advanced an international approach to India's development policies but underrated the importance of the USSR³, this book is based on the detailed study of Soviet archival accounts, US-American diplomatic sources and archival material of international organizations, most of them based in the United States. Engerman combines English, Russian and (to a limited extent) German sources into a rich documentation of various entanglements between local, national and international layers of eco-

¹ Recently, for example, Odd Arne Westad, *The Cold War: A World History*, New York 2017.

² In spite of the known problems, I use the term Third World here as a historic term of the Cold War era.

³ Cf. Corinna R. Unger, *Entwicklungspfade in Indien: Eine internationale Geschichte 1947-1980*, Göttingen 2015.

nomic policy making and their complex implications.

One of the results of this multi-layered approach is a somewhat different perspective on the role of the Third World during the Cold War era. As an era of strategic maneuvering and bargaining, the Cold War is often analyzed as a framework that provided unique opportunities for postcolonial elites by, for example, playing one superpower against the other to get the best deal.⁴ This was also the case in India. Time and again, parts of India's national government sought to play Moscow and Washington off against each other to serve either their own political leeway or indeed India's national interests. The point Engerman makes, however, is different. The economic Cold War not only created room for maneuver but also weakened state institutions, reduced political accountability, limited democratic decision-making and undermined national autonomy. Financial conditionality, resource dependency and costly military assistance drained the capacities of India's national institutions to formulate and implement own developmental priorities beyond the superpowers' interests. The impact of these dynamics went far beyond India affecting the Third World as a whole and clearly limiting the noble prospects of non-alignment and Cold War neutrality.

A field largely undiscovered in this book but relevant for Cold War economic relations is population policy. Engerman mentions briefly that throughout the Cold War population was one of the key objects of development but decides not to go into details. In India, Prime Minister Nehru initiated as early as April 1951 an own sub-committee within the Planning Commission on population and family affairs. As of the mid-1950s, US-American demographers fanned out to the Third World to spread their ideas of population control, which were closely entwined with economic and anti-communist considerations.⁵ Population policies remain to be analyzed as one facet of the economic Cold War that connected developmental concerns of Asian, African and Western societies.

In sum, Engerman's book is a rich source of inspiration not only for scholars of Cold War and Indian history. It should also res-

onate with BA-students and a general readership interested in North-South relations after 1945 and the ambivalent dynamics of global development politics.

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⁴ For example, Robert J. McMahon, „Introduction“, in Robert J. McMahon (ed.), *The Cold War in the Third World*, Oxford 2013, pp. 1–10.

⁵ For India in a global context see Matthew Connelly, *Fatal Misconception: The Struggle to Control World Population*, Cambridge, MA 2008.