

BOOK REVIEWS

PAUL BAIROCH, *Révolution Industrielle et Sous-développement*, Paris, SEDES, 1963, 360 pp.

I

Main feature of this book written by Paul Bairoch, a Belgian economist, may be found in that it considers problems of economic development of the developing countries in comparison with the experience of "industrialization" in Europe, particularly with that of England and France. Such a historical approach is not new with European or American scholars. However, these scholars in most cases select Germany or Russia for comparison—the countries which have paced behind the rest of the industrialized European countries in their development. For in the case of these two countries there had already been existent the more advanced industrial nations of England and France, under the impact of which they "industrialized" themselves—a fact which appears to bear resemblance to the historical conditions in which the developing countries of today are placed. As a representative work of studies of this sort may be cited Gerschenkron, *Economic Backwardness in Historical Perspectives* (Cambridge, Mass., Belknap Press, 1962). However, the attitude of the author of the book under review is different. What he thought most important was not to consider the external conditions of industrialization of a country but to clarify its internal factors. For this purpose the author saw the most appropriate object of analysis in England and France, which because of their being most advanced had least twists and distortions on account of external conditions in the course of their development. To him, the consideration of the external conditions of industrialization could wait until its internal factors were elucidated.

The composition of this book closely reflects the author's such point of view. In Part I the author, after examining what has been presented by many scholars as *facteurs d'amorce du développement* of the Industrial Revolution—the author sees the beginning of the industrialization or what Rostow defines as "take-off" of England and France in their industrial revolution—attempts to reveal their falseness, that is, that these *facteurs* were not real ones. What the author finds to be pseudo-factors are technical innovation, population increase, price rise, and the accumulation of money capital. As for the technical innovation, although the author does not deny the importance of the technical innovation in an industrial revolution, he points up the essentiality of providing necessary socio-economic conditions without which, in the author's view, the techniques developed could not be applied in the actual process of production. With regard to the population increase, the author holds that the alleged links between the population increase and the economic growth or industrialization are not borne out by the historical

evidence. As regards the price rise, he points out that the average annual rate of increase of prices during the period of the British industrial revolution was only a little over 1 per cent, and in respect of the accumulation of money capital, that many of the commercial nations of modern Europe were not necessarily the first ones to experience the industrial revolution. In the stage of the industrial revolution in 18th and 19th centuries an industrialization did not require a great accumulation of money capital.

What, then, does the author think the real *facteurs d'amorce du développement* of the industrial revolution? The "rising labour productivity of agriculture" is the one. The historical fact supports that both in England and France a quarter of a century preceding the industrial revolution saw a marked development of agriculture. Also it may theoretically be said that unless the agricultural labour productivity rises, an increase in the population employed in industry and, accordingly, a growth of industrial activity cannot be brought about. However, in case where the rise in the agricultural labour productivity only results in reduced working hours on an increased volume of consumption of farm products per capita of farmer, an industrial growth cannot be expected. An industrial revolution or a genuine industrialization can begin only when the rise in the agricultural labour productivity or, in other words, an increase in the agricultural surplus produces an increased demand for industrial goods. In the case of England and France, the development of agriculture caused an increased demand for iron goods and textiles, thus bringing about the industrial revolution.

The reviewer has thus given a summarization of what the author thinks to be the process of evolution of purely internal factors for the industrial revolution or industrialization or, in other words, a *schéma explicatif du processus d'amorce du développement économique*. All of the author's basic viewpoints are given in his development of this industrialization model in Part II. Therefore, the merits or demerits of this work would be made clear solely through appraising this model.

The author thus believes that a consideration of external conditions for industrialization in a given historical *milieu* should become possible only after the above-mentioned purely internal factors were made clear. Thereupon the examination of the external conditions for industrialization in the historical setting after World War II is embarked upon in Part III. They are over-population, introduction of advanced techniques, development of means of communication, and a phenomenal increase in the scale of management of both public and private enterprises. These are factors which are not included in the Bairoch model—factors which form the external conditions for the industrialization model, that is, obstructive factors in the way of promoting industrialization according to the model. As for the over-population in the developing countries of today, many students have already pointed to it, and there is no denying the importance of this phenomenon as a factor hampering industrialization especially when the development of agriculture is placed, as is done by the author, as a base for industrialization.

As regards techniques, the present level of techniques by far exceeds that which had prevailed in Europe in 18th and 19th centuries, and, as the author points out, the introduction of such advanced techniques into the socio-economically backward countries is bound to be accompanied by a great deal of difficulties. The author also points out that the development of means of communication and the reduction in the transportation cost have broken down the natural wall protecting the less-developed countries against cheap goods produced by the advanced nations. Another even fatal difficulty is brought about, as the author holds, by the fact that, coupled with the rising level of techniques, the efforts at the industrialization of developing countries today require by far the greater minimum amount of investment for it than ever before.

Thus, after considering on the basis of his industrialization model the various conditions which emerged in the latter half of 20th century, Bairoch could not but draw a very pessimistic conclusion about the prospects for industrialization of the developing countries.

II

The reviewer would like to express himself fundamentally in agreement with the author's argument for the agricultural development as the starting-point for industrialization of the developing countries. The history of industrialization of these countries in the twenty years after World War II seems basically to support the author's position. Nevertheless, or just because of this, the reviewer feels obliged to point out that the author leaves a few points yet to be argued.

The first point to be discussed is: How the "rise in labour productivity of agriculture" which is the base of the Bairoch model can be materialized? The author points out the rural extension or the dissemination of new agricultural techniques, but, since he stresses the necessity of providing socio-economic conditions as a prerequisite to the application of the techniques to the actual process of production, he should have discussed the problems of the socio-economic conditions of agricultural production along with the technical questions. In the reviewer's opinion, the author through examination of the Enclosure Movement, which played a crucial role in unleashing productive forces of agriculture in England, should have directed his attention to the social function of the mediaeval rural communities which formed a bar to the agricultural productive forces—restrictions such as "three-fields system" and "scattered strips system." And if the author had done this, he would also probably have touched on the problem of "land reform" in the developing countries. Needless to say, the "land reform" in this case means not merely changing the old relations of land tenure but also, or, rather transforming the communal social relations fettering the agricultural productive forces.

Second, the method used by the author for developing his model seems to leave some room for improvement. As the author holds the position that

the rise in the agricultural labour productivity and an increasing volume of agricultural surplus create an increasing demand for the products of textile and iron industries or, in other words, he develops his industrialization model on the basis of what may be called a creation of effective demand. His model as such can be characterized as an argument for building up an internal market, and it is the reviewer's opinion that this argument for internal market is yet to be strengthened and deepened. Internal market primarily means evolution of division of labour in a nation where agriculture and various industries together form a market circle in which effective demands are created mutually between agriculture and industries and also between industries themselves. If the Bairoch model had been built in such way as would develop the diverse industries and combine them into such a market circle as mentioned above, the model would have been of still greater significance for those developing countries *whose economies having been made monocultural have not been self-supporting.*

Third, in applying his model to the developing countries, the author from the outset gives up efforts to include in the model those factors absent in it; that is, the factors which came into existence under the historical circumstances after World War II. As the author himself recognizes at the beginning of his book, the problems facing the developing countries today differ much from those of 18th and 19th centuries. What is important is to examine how the new factors of the latter half of 20th century can or cannot be included in the author's industrialization model and, after this being done, to try to build another new model which is more applicable to the realities of the developing countries of today. The building of a model only becomes meaningful after such an effort is made. It is to be regretted that the author's pessimistic view on the prospects for the developing countries emanates from this lack of efforts on his part.

The three points which the reviewer has made in the above, however, do not set him opposed to the basic position of the author on the question of industrialization. It is the reviewer's hope that, after having recognized the author's such position, the question will be looked into deeper by the author in future. (*Hiroshi Akabane*)

FAO, *Agricultural Development in Nigeria, 1965-1980*, Rome, 1966, xliv+512 pp.

During the 1960's a number of attempts have been made to view the future economic structures of the developing countries and to discover the possibilities of economic growth and the expansion of foreign trade in these countries. These are attempts to arrive at what may be called the long-term prospects for the economies of the underdeveloped countries. As is common knowledge, the United Nations designated the 1960's as "The United Nations Development Decade" and set up the targets of promoting economic develop-