

independent of the level of investment. So the growth path of the national income is determined only by the initial conditions (Y_0, α_0).

Thus, in a complete system with a demand side as well as a supply side, for the given values of parameters (β_i, α_i), no planner can select the growth path of the national income. The selection can be done only through changes in parameters.

We have shown above the characteristics and significance of the modified Mahalanobis model. We can expect some new developments of this model. For example, the planning model for the Third Five-Year Plan (cf. S. Chakravarty, "The Mathematical Framework of the Third Five-Year Plan," Chapter I (pp. 11-22) of *Capital Formation and Economic Development*, ed. by P. N. Rosenstein-Rodan, London, George Allen & Unwin, 1964) follows, the reviewer thinks, Prof. Mahalanobis' ideas on planning-models.

This book has thus played its role in stimulating the development of planning models in the Mahalanobis' line. (*Hikoji Katano*)

HSÜ TI-HSIN, *Chungkuo Kuotu Shihch'i Kuomin Chingchi ti Fenhsi, 1949-1957* (An Analysis of the Chinese National Economy in the Transition Period, 1949-1957), Peking, The People's Publishing Company, 1962, 287 p.

The first edition of this book was published under the title of *Wo Kuo Kuotu Shihch'i Kuomin Chingchi ti Fenhsi* (An Analysis of the National Economy of Our Country in the Transition Period), and has undergone two revisions since then. We may describe the process of revision in some detail as follows. The writing of the first edition was completed in January, 1957, and it was published in July of that year by the Scientific Publishing Company. In 1959 the first revised edition was published by the same company, the title being changed to *Chungkuo Kuotu Shihch'i Kuomin Chingchi ti Fenhsi* (An Analysis of the Chinese National Economy in the Transition Period) and sub-titled "Revised Edition, 1959."

In the preface to this work, written in January, 1959, the author says that the book has been revised and supplemented because it had become out of date in some respects, both in content and in point of view, as a result of such rapid developments and changes in the national economy as "the great leap forward" and the People's Communes. However, in 1962 a second revision was embodied in a third edition (the preface to which is dated "the end of October, 1961"), and this work, the subject of this review, was published by The People's Publishing Company. It would seem to be exceptional that such a work as this—an outline account of the development of the Chinese economy—should have undergone two revisions in this comparatively short space of time. Perhaps the great upheavals which have taken place in the Chinese economy itself, particularly in the period since 1958, lie in the background of these revisions. In his preface to the third edition the author says

that the book deals with the period up to 1957, and states that he has left the analysis of the period after 1958 to a second volume, to be published later. We may take this as meaning that the author has limited his task of analysis to the period ending in 1957, and that the analysis of the period since 1958 with its many problems is a task which remains to be accomplished.

As for the contents of this work (3rd edition), the first chapter is entitled "The Character of Chinese Society after the Liberation, and the General Line in the Transition Period," and consists of an explanation of the "general line in the transition period," being principally concerned with the socialist reconstruction of the national economy and the effectuation of the first stages of socialist industrialization. Chapters 2 to 6 contain analyses of the processes by which the "general line" was put into effect in practice. In Chapter 7 and the following chapters an outline account is given of theoretical prescriptions and policies (as well as of the various institutions concerned), in connection with a number of specific problems such as labour and wages, commodity production and currency, commerce, the national budget and credit, and reproduction and national income. The last two chapters, that is, Chapter 12, "Socialist Institutions have Promoted the Development of the Social Productive Forces of Our Country," and Chapter 13, "The Class Struggle in Our Country during the Transition Period," may be considered to sum up the whole.

Considered as a whole, this work consists of an outline account of the development of the Chinese economy in the period of the socialist transformation of the national economy (corresponding roughly to the period of the first Five-Year Plan), but the main emphasis in the book may be regarded as being placed more on the *analysis and explanation of the policies* which formed the driving force in effecting development, rather than on the actual process of development itself. We may say that this point is one of the special features of this work.

We will do well to note that in the course of the explanation of these policies particular emphasis is placed on the original policies which China has created in her socialist transformation and socialist construction, and on the theoretical viewpoints upon which they are based. As examples of such points we may cite the question of the application of the principle of "distribution according to labour," the question of the relation between mechanization and collectivization in introducing co-operatives into agriculture, and the significance of the role of the class struggle in the transition period. The reviewer feels that we might wish that this book had dealt with these questions more concretely and clearly. These are important questions to be considered when we address ourselves to the theoretical elucidation of generality and particularity in Chinese socialist construction in connection with the recent Sino-Soviet dispute.

For example, this work has the following to say about the principle of "distribution according to labour."

“The consistent application of the principle of distribution according to labour has an important significance in distributing the products of labour. However, if preference is given to intellectual workers and skilled workers to an excessive degree, placing excessive emphasis on differences in the quality of labour performed by the producers, this will also result in evils arising in the course of developing production in society and raising the productivity of labour (p. 143).

“These distinctions are the material basis of unequal «bourgeois rights». If these distinctions are stressed to an excessive degree, this will cause the remnants of these unequal «bourgeois rights» to develop and harden in the ideological consciousness of the people” (pp. 143–144, reviewer’s quotation).

As need hardly be said, this is a criticism of the view that material interests are omnipotent, a view which, China maintains, characterizes the present policies of the Soviet Union. We may do well to note that such points received scarcely any emphasis in the first edition published in 1957.

A similar work to the book under review is *Chungkuo Kuomin Chingchi ti Shehuichuyi Kait'sao* (The Socialist Transformation of the Chinese National Economy) by Hsieh Mu-ch'iao, Su Hsing, and Lih Tzu-li (Peking, The People's Publishing Company, 1959), of which English and Japanese versions have been published by the Peking Foreign Languages Publishing Company. Hsieh Mu-ch'iao's book, too, is very convenient in providing a general view of economic policy in the period of China's socialist transformation. In comparison with this book, the special features which characterize Hsü Tih-sin's book are to be found in the second half of the work especially, in the inclusion of outline accounts of the institutions connected with wages, commodity production, currency, banking, budgetary finance, etc. It is very convenient to have an outline account of Chinese economic institutions—of the wage system, fiscal system, banking institutions and financial institutions, etc.—set out under these heads.

At the same time, however, we find ourselves unable to say that this book tells us students of the Chinese economy everything we should like to know about the Chinese economy. Let us list a few problematical points.

Firstly, the main emphasis of the work is definitely placed on the explanation of government policy, and although this is very necessary, at the same time one would like the author to say a little more by way of description of the actual economic process and its problems. Further, we feel that an analysis of such descriptive material, if set out with more rich and concrete source material and actual examples, would have produced, as a whole, a more lively outline account of the subject.

Secondly, there is the question of the author's almost complete silence on the subject of economic relations with foreign countries. For example, he deals with foreign trade only in a simple account which makes up the first section of Chapter 9, the chapter devoted to Commerce, and during the period in question there must have been many points well worthy of discussion in connection with Sino-Soviet trade and its problems. It leaves the

reader very unsatisfied when he finds that in spite of this the author does not mention this aspect of economic relations with foreign countries. Again, in connection with the policy of "self-reliance" which is emphasized as being one of the principal causes of the present economic expansion, must it not be impossible to give a sufficient explanation of the matter without making an analysis of economic relations with foreign countries in the period up to 1957?

Thirdly, the reader is left with doubts, in that the description of the various economic institutions does not appear to give overall coverage. This is so in the case of the descriptions of the taxation system and financial institutions. We would like an account of these matters which would be a little more persuasive and concrete. If these matters cannot all be dealt with in a book which is only an outline account designed as an introduction to the subject, references to the relevant literature should be provided in order to facilitate research.

Lastly, we hope that a properly synthesized analytic and descriptive account of the period since 1958, a new stage rich in change, will be undertaken by the Chinese students of the subject at the earliest opportunity. As need hardly be said this new period, although beset with natural disasters and other economic difficulties, is a most interesting period in the course of which, on the other hand, a new line of socialist construction peculiar to China and extremely original has been produced and put into effect, leaving in its train a large number of problems which still remain to be solved.

(*Kazuo Yamanouchi*)

PAUL BOHANNAN & GEORGE DALTON eds., *Markets in Africa* (Northwestern University African Studies, No. 9), Evanston, Northwestern University Press, 1962, xxiv+762 p.

This book owes its origin to study-reports of field surveys conducted on the socio-economic structure of the tribal societies in Africa, particularly those south of the Sahara. With a foreword by the late M. J. Herskovits (1895-1963) who headed the Programme of African Studies at Northwestern University, it opens with a rather prolix Introduction in which the editors set out the many problems dealt with. Then comes the main part of the book, 28 articles contributed by 30 research scholars dealing with the market structure of 28 tribal societies or districts spread over 6 areas, viz., "The Guinea Coast and the Congo," "The Western Sudan," "The Horn of Africa," "East Africa," "Central Africa" and "Cities and Industrial Complexes." This book is the product of a well co-ordinated team of specialists on African societies belonging to a single university, a fact which, of itself, is worthy of attention.

In this book the editors do not use the term "market" in its accepted sense as a place where people gather to buy and sell, but rather use the