

BOOK REVIEWS

Uneven Development in the Third World: A Study of China and India by A. S. Bhalla, London, Macmillan, 1992, xix+353 pp.

The book attempts to analyze and measure development in Third World countries in general and China and India in particular, with some of the well-known techniques such as input-output tables and inter-sectoral linkages. The book starts with a short discussion of theoretical concepts like unbalanced growth and its empirical analogues as well as alternative development strategies and their outcomes in terms of growth, equity, and access in so far as they affect rural-urban, intra- and interregional inequalities. The first four chapters of the book are devoted to macroeconomic and sectoral considerations which identify the process of development and its consequences for growth, equity, and access. Chapter 5 analyzes the development performance of China and India in terms of growth of output, productivity, and investment efficiency. Chapter 6 discusses the questions of rural-urban and other types of spatial inequalities. This is followed by three chapters devoted to the questions of access to technology, health, and education. The last chapter, primarily a summary, attempts to analyze the importance of political economy considerations in the achievement of the goals of development and equity.

In the chapters on strategies and outcomes, Dr. Bhalla suggests that, of the three main strategies—heavy industrialization, agriculture-led growth, and egalitarian developmental strategies—adopted by the developing countries, the strategy of heavy industrialization followed in the 1960s and 1970s in most (!) developing countries lead neither to a rapid expansion of output nor to an equal sharing in the benefits of development. He further suggests that an agriculture-led strategy introduced in many countries as a reaction to the negative outcomes of previous policies barely had the consequences hoped for. This resulted from the inequitable ownership of land in these countries. In Dr. Bhalla's view, the redistributive or egalitarian strategies of Mao's China were explicitly designed to give economic development a human face. This has, of course, become the conventional wisdom, but it would be unfortunate if one forgets that the cost of the initial land reform (1949–52) alone may have been the loss of a million or more lives, let alone several million lives lost as the result of the disastrous consequences of the Great Leap and the early errors in the hasty creation of unmanageably large communes. One could also argue that neither the Chinese nor for that matter any other development strategy was motivated purely by altruism. For instance, it can legitimately be argued that the Chinese land redistribution during the 1949–52 period aimed at the destruction of the landed interests, which was critical to establishing the supremacy of the Communist Party in China. One can also argue that the land reforms in post-Second World War Japan or Korea (both North and South) were also politically motivated. The creation of family farms (or a peasant proprietorship) has been a matter of faith for the U.S. ideologues who were behind the land reforms in Japan and South Korea, but land reforms of the type introduced in these countries also served the purpose of creating a class of small farmers who tend to be conservative in political beliefs, and therefore opposed to revolutionary change.

It may also be pointed out that even if a heavy industrialization strategy, because of its capital intensity, is inherently inequitable in terms of the sharing of the fruits of development, if it can achieve a high rate of economic growth, there is also a likelihood that surplus rural population would be siphoned off to urban jobs, thereby raising overall wage rates. Both Japan and South Korea in the post-Second World War years broadly fit this category.

The idea that a heavy industrialization strategy necessarily neglects agriculture is also debatable. Particularly in countries like India, more so China, agriculture in the 1950s was reasonably well developed within the traditional technology and was nowhere near being "primitive"; any major improvements in agricultural output and productivity required massive investments in irrigation, flood control, the supply of inputs such as fertilizers and pesticides, and an extensive network of transport and communications, all these requiring a considerable increase in the output of steel, chemicals, electricity, and machinery. In such cases, contrary to the conventional wisdom assigning priority to agriculture—more than an article of faith than a historically substantiable proposition in the context of Western Europe and Asia—industrialization may have to precede a major agricultural breakthrough.

Clearly, as Dr. Bhalla points out himself, there are overlaps between the three strategies and it is difficult to separate these into clearly defined time periods in a particular country. In any case, an analysis of uneven development purely in terms of development strategy would have been simplistic. Development strategies are like charting a navigation course in uncharted waters; mistakes are bound to be made and frequent corrections needed. It is not just the uncertainty involved in decision making which has consequences, the process of implementation of decisions by hundreds and thousands of development agents from the centers of power to the remotest corners may easily, intentionally or unintentionally, distort the priorities of the decision makers. Besides, the decision makers are not particularly homogeneous in any society; even the Chinese Communist Party was not monolithic. Under the circumstances, decision making is often an exercise in messy compromises. Such compromises are based on the relative strengths of various groups involved in the process of decision making, and therefore the development strategies and outcomes have to be seen in the context of the political process, which is often unique in a particular country.

In his recent book, Professor George Rosen candidly points out that

Economic reform is a political process. The leadership of the governing party must decide that change in economic policy is desirable; it must determine the directions of change and decide what policies should be emphasized and in what sequence; it must then persuade the wider party and public to approve those desired changes; and it must implement the approved changes through the appropriate agencies of the government. These are largely political decisions and the process is therefore a political one, even though the reforms themselves may have narrow economic ends.¹

What Professor Rosen says of the political process involving economic reforms would also be applicable to the process of determining a development strategy and implementing it.

Dr. Bhalla does not ignore the political economy aspects of uneven development, but he does less than justice to himself when he says that political economy considerations are not his major concern. Even a cursory glance of the book suggests that this

¹ George Rosen, *Contrasting Styles of Industrial Reform: China and India in the 1980s* (Chicago: University of Chicago Press, 1992), p. 9.

is not the case. On numerous occasions he does emphasize political economy aspects. Only a few examples may suffice. With reference to agricultural technology both in China and India, he states that "access to agricultural technology is not class neutral. The large farmers with greater political clout and better resources exploited and extracted privileged access to inputs and commodity markets" (pp. 166-67). He points out further that "generally smaller producers in both China and India enjoy less access to technology and factor inputs" (p. 173). Further on he notes "wide rural-urban differentials in access to health services in both China and India, although they are less glaring in the former" (p. 201). He interestingly quotes a passage from David M. Lampton's paper,² in which Lampton points out that the leaders of the large urban areas in China had a considerable influence on the Ministry of Public Health and its allocation of resources between urban and rural areas. Even within urban areas part-time and temporary workers did not receive the benefits extended to regular cadres. Contract and casual workers usually remained uncovered by occupational insurance. On the other hand, senior party cadres enjoyed privileged access to health and medical facilities (p. 201). With respect to India, Dr. Bhalla gives some evidence of "government indifference to rural projects [of public health and medical facilities] and an urban/élitist bias in favour of the privileged classes which tends to be perpetuated by inequalitarian income and asset distribution" (p. 203). Similarly, Dr. Bhalla suggests that "inequalities in access to education in both China and India may be induced by the wide income inequalities between the rich and the poor, between the rural and the urban people and, in the case of China, between the cadres and the non-cadres" (p. 238).

In fact, in the concluding section he goes to the extent of suggesting that both in China and India, the political factors seem to have been quite important in conditioning the nature, design, and implementation of strategies, policies, and programs, and their outcomes. Thus, he does not leave us in doubt that uneven development of one type or another is the product of the inequitable distribution of political power which emanates from the inequitable distribution of wealth and income. He does also point out that recent developments even in China, the land of "development with human face," are not encouraging with respect to equitable access to wealth, income, and political power. Where do we go from here?

For a social scientist it is not enough to know that an "evil" exists; it is important that he does have some suggestions for curative and/or ameliorative action. In this context, a reader is left in limbo, except that he or she can infer something from Dr. Bhalla's insights, of which there are many.

The book would have read much better if the quantification exercises, although a contribution of some importance but distracting all the same, were put in the appendixes, as has been done with the detailed results of such exercises. On the whole, the book is useful for anyone who is interested in uneven development in China and India.

(Radha Sinha)

² David M. Lampton, *Health, Conflict, and the Chinese Political System*, Michigan Papers in Chinese Studies No. 18 (Ann Arbor, Mich.: Center for Chinese Studies, University of Michigan, 1974).