

BOOK REVIEWS

HANDBOOK OF ALTERNATIVE THEORIES OF ECONOMIC DEVELOPMENT

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When I had the chance to review the first book on theories of development, I was exhilarated with the perspective to read and analyse Richard Peet and Helen Hartwick's (2009) work. It was not only essential as a reading, but life changing through the emphasize on radical thinking and practice in the academia. Although very detailed and wonderfully presented, the book left me with the sense of a work from which something is missing. And that missing part was partially found by reading the "Alternative Theories of Economic Development" book. With such perspective in mind, I focus now on this second book that deals with the very same topic of development, but from an economic line of thought. Before making the standard review, I wanted to address this personal experience and, in the next paragraph or so, to contextualize the framework in which economic development moves within the current time frame. Then, I analyse the book not through its different parts, but as a whole as, I hope, editors intended to form: a book that shows diversity, but needs unity in understanding and tackling development by the de-globalization that researchers should take care of as an intellectual agenda.

What is economics today? For most of its common narrative, economics appears to revolve around the invisible hand, equilibrium, liberty of trade, entrepreneurship and so forth, all of these and many others supported by complex mathematical models that fear anyone not within the field trying to decipher

what are they are good for. Of course, this might be an uninformed perspective of someone discontent with the current economic and social development throughout the world or affected by the super accelerated pace at which the almost everything is developing. On the other hand, it is true that mainstream economics relies too much on the neoclassical perspective which continues to offer great success when applied to developed countries. Yet, applied to developing countries, mainstream economics successes are attributed to its core assumption and its wonderful liberalisation development, whilst failures are attributed to all sorts of problems that locals create (politicians, heterodox economists, even whole countries behaviour seen as institutions), unable to integrate different structural programs. Therefore, the debate on what is right or what is wrong is increasingly intense more that any other time in the past.

Within such context, more than ever before, we re-discover that economics stands for many other perspectives than neoclassical economics. Economics, as it was seen under different assumptions and beliefs, is a wonderful field – some would say it is an art – with many facets intensely scrutinised to help individuals and the world to advance towards a better stage of development. One such dimension stems out from the theoretical field of development where newly-old perspective rekindle the debate on how lagging economies might have developed or could develop under

different assumptions. It is what the book "Alternative Theories of Economic Development" does.

Indeed, the book offers an array of interpretations focused on the phenomenon of economic development within a critical and qualitative perspective where the focus stays within the historical and theoretical intense scrutiny. The editors (Erik Reinert, Jayati Ghosh and Rainer Kattel) compiled a wide selection of papers trying to address the bigotry of economic thinking that stems, as they explain in the introductory section, from the Eurocentric perspective (I would add US-centric also; see the authors compilation of major economists according to citations from page xxiv), English theoretical mindset on trade, German understanding on the role of religion and the economics thinking evolved from French Physiocrats thinking. And the problems grow further when one tries to address the little unknown topics to the English speaking audience, despite the influence had in the past or their resurface as better explanatory frameworks than the mainstream ones. Paradoxically, this is done within the main economic paradigm which promotes the liberalization of markets, including here that of ideas. As such, the papers assembled within the handbook bring back cases of a diverse geography and historical perspective on development, supplemented with revisited theories able to offer explanations to the current situations where mainstream economics, for some of its part, failed to offer satisfactory answers.

The geography of the selected cases and the authors writing about development are diverse and history accompanies that. The goal of the book is to show that development thinking and practice is not limited to the mainstream economics thinking, which fails in most peripheral countries where it is applied, but there are many gems that enrich the economic thinking and the world progress if we explore the world and history. Different case studies of development dissect Ottoman, Chinese, Latin, African, Northern Europe, Italian city-states development, being accompanied with specific issues of development such as development planning, legal, ecology, knowledge

governance or deindustrialization, to name just a few. Moreover, the collection comprises somehow neglected economists who not only influenced the field, but laid foundations of a better understanding of structural transformations when criticism and theoretical context are well connected. Overall, the handbook tries to catch as much as it can from what it is considered to be a suppressed angle of economic development.

The book, therefore, explores the theoretical cleavage that marks development economics today when one limits oneself to the mainstream tradition. It illuminates the reader with its in depth and diverse contexts where economy and development were seen focused on people and less marked by biases or abstractization, which ignore or refute much of the real world diversity. But the way in which development thinking presented the paths towards the future remained somehow unattractive with less to gain on short term and with an accent on theory, instead of easily formalized methodological abstractization. Maybe that is why, core traditional economic development thinking found to be marginalized, failing to become fully formalized or to reach a certain level of abstraction that would facilitate presentation to and acceptance from politicians and international audience alike. However, the editors of the book are aware of the situation, offering this handbook as unbiased alternative with as much possible focus as it can be on diversity of thinking and origins.

The result emerges as a very diverse collection of perspectives analysing development economics structured into three parts, where 50 scholars assembled over 40 chapters. The first part (16 essays) attempts to reposition the history of economic thought and history of economic policy, arguing for better insights towards the origins of economic development (cases of Italian state-cities) and setting the scene to what are the foundations of economic development through different angles, established even before the English fore-fathers of mainstream economics. Then within the second part (9 essays), the book brings to attention different approaches to understanding development with the help of

selected schools of thoughts (Marxism, Feminism) and scholars who marked development economics (C. Freeman, A. O. Hirschman, M. Kalecki). Finally, the discussions detail the development thinking perspectives, taking a closer look on particular aspects (like intellectual property rights or terrorism), some of them narrower in relevance, but well linked to the main topic. The handbook ends with an epilogue integrated into part three (15 essays), a critical and dark approach if we look on what economics has accomplished when it failed to give credit to the local context and historic roots of development by focusing too much on poverty alleviation, instead of studying development processes.

The issue might look grim, but a closer inspection of the book chapters and, especially, the epilogue allows us to understand that the future is bright. Some solutions proposed by the editors and the authors of the epilogue might stand in the qualitative feature of economic thinking spanning out from Renaissance and Enlightenment. But what really remains is to decontaminate ourselves from the utopias set on us and to refocus on the societal dimension that, nowadays, is increasingly replaced with the cult of profit-making or profit-laundering (see the recent case of Panama Papers or the evolution of bitcoin evaluation). As authors state it in the Epilogue: *"With neoclassical economics the public interest – society – ceased to exist as a unit of analysis. This opened up for today's view – inspired by Gordon Gekko – that all greed is good, even the present greed of the financial sector which creates huge private wealth while shrinking the real economy to the detriment of the public interest"* (p. 781).

Given the length of such a book (786 pages plus 26 pages of index), and some would add, even the weight of it, certain caveats are understandable. They are signaled by the editors also; certain important parts on development (like environment or the role of population) are missing because of the problems signaled in the first part of the review: the hegemony of a certain way of thinking on development economics. Even so, when it was the case, the editors, with the help

of the authors, addressed the problems through footnotes detailing certain important issues and signaled them accordingly with references to substantial works that elucidate one interested in the matter.

Yet, the book is not for newcomers. An amazing work, but one that targets a competent audience. Parts of the handbook require previously interest in the field and openness towards the historical approach. So, the book is not for early career students. Even so, I would advice students to give the handbook at least a second thought when they will have the chance to find it in a library, otherwise the price might be a bit too expensive for a regular buying. For me, it was illuminating the advice of Peet and Hartwick (2009, p. 19): *"reading and re-reading, reflexion and communication until you understand"*, an approach used in situations like tackling with this book. And I still did not get all of it, so I think I have to re-read certain chapters and passages that were not yet unveiled to their fullest.

Another issues relate, maybe I read certain essays too fast, to the lack of homogeneity of certain approaches. Normally, an array of authors employ very different styles and unfortunately this is too visible in some parts. While the editors worked immensely to aggregate the diversity and to emphasize the alternatives, which are seen throughout reading the handbook, certain approaches appear to lag behind, hindering the cohesiveness of such a big project. I do not want to be misunderstood as the essays do not fit — they are amazing to me, but I would have enjoyed an introduction before each of the three sections connecting the main ideas of the respective parts. The structure could have been improved with a different sectioning maybe. Moreover, there are some inconsistencies with the length of certain issues. Some papers over-detail, while others limit themselves to highlighting only a few points that otherwise could have been extended in order to clarify the issues they embarked on. This might be due to the fact that some of the papers (12) recycle certain content from previously written materials or held public lectures. While some might find problematic this approach, I give credit to

editors for allowing authors to revisit important facets on development and to link them within the alternative paradigm. *keep our distance from power-mongering*" (p. 254).

In the end, I want to highlight a few citations from the book, parts that should define the future of many of us, regardless of affiliation, in times where we have to rediscover and re-read development. We need to re-discover the meaning of development, but also of ourselves; marked by a recent interaction with my students, I found myself in front of the "Urban Revolution", where Henri Lefebvre (2003) states: "one of the most disturbing problems still remains: the extraordinary passivity of the people most directly involved" (p. 181). So, next to this remains the problematization of the issue as it seen within the pages of the handbook:

"Finally, we, [...], need to re-examine our own roles. Are we going to be politician-intellectuals or neutral scholars serving the state and imperialism, in one case consciously, in the other ignorantly? Or are we going to be public intellectuals, political enough to give expression to the hopes and fears of the masses, but intellectual enough to

and the answer is offered within the same essay:

"We cannot fight for a better world without understand the world better. For that, we need to take a longer view of history" (p. 254).

and elsewhere:

"[Structural change] can only be brought about with parallel mobilization and collective action [...] at all levels of society" (p. 437).

I think I wrote enough. Now it is the time to revisit the book.

References

- LEFEBVRE H. (2003), *The urban revolution*, University of Minnesota Press, Minneapolis.
- PEET R., HARTWICK E. (2009), *Theories of Development: Contentions, Arguments. Alternatives*, The Guildford Press, New York.