

SURVEYS OF ECONOMIC THEORY
Volume II

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VOLUME I: MONEY, INTEREST, AND WELFARE
VOLUME III: RESOURCE ALLOCATION

**SURVEYS OF
ECONOMIC THEORY**

Growth and Development

**PREPARED FOR
THE AMERICAN ECONOMIC ASSOCIATION
AND
THE ROYAL ECONOMIC SOCIETY**

VOLUME II
SURVEYS V-VIII

PALGRAVE MACMILLAN

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FOREWORD

THE surveys printed in this volume and the two accompanying volumes in the series have been produced by the American Economic Association and the Royal Economic Society with the encouragement and financial support of the Rockefeller Foundation, and were first published in the *American Economic Review* and the *Economic Journal* respectively. The initiative in their planning and preparation was taken by the late Professor Norman Buchanan when he was Director for the Social Sciences at the Foundation. The purpose of the surveys cannot be better described than in the memorandum which he prepared for submission to the councils of the two bodies which is printed below.

The American Economic Association and the Royal Economic Society have collaborated throughout in the planning of the surveys in order that the two series should so far as possible be complementary to each other. They have also been fully informed of the similar series of surveys being published by *Econometrica* and have taken account of those also in making their plans.

The problems of publication were already in Professor Buchanan's mind when he wrote his memorandum. The two bodies both reached the same conclusion—that, to reach the widest audience, initial publication within the covers of the *American Economic Review* and the *Economic Journal* was most effective. But at the same time the two bodies have agreed that the surveys should also be made more readily available to students and research-workers and teachers in volumes of convenient size, planned in a single series on the basis of subject matter rather than of national origin. It was agreed that they should be printed for the two societies by the printers of the *Economic Journal*, using the type already set up for those surveys in the *Economic Journal* series. In order to make the whole series available as cheaply as possible to all students, the two societies have contributed to the cost of printing the American series in the style of the *Economic Journal*. They have received also very valuable help and advice from Messrs. Macmillan, publishers for the joint venture.

It is the belief of the two societies that this series of surveys, admirably prepared for them by the authors whom they have chosen, will fulfil in great degree the objectives set out by Professor Buchanan and enthusiastically accepted by all concerned. Since Professor Buchanan wrote his memorandum the flow of economic literature has continued to increase and the need for such reviews has grown even greater.

As development of economics continues, new surveys will unquestionably be needed. When the time comes for this the two societies will again consider together the need to carry such surveys further.

PREFACE

THE PURPOSE OF THESE SURVEYS

MEMORANDUM BY

NORMAN S. BUCHANAN

of the Rockefeller Foundation

I

INCREASING concern has been expressed in many quarters over the swelling volume of published products of research in the social sciences. Books pile up at an alarming rate. Scientific journals and monographs have increased at an even greater rate. With many more social scientists and more abundant research funds from public and private sources, these trends are likely to be accelerated.

Unlike some other sciences and the law, the social sciences have so far not evolved any effective way of meeting the problem of keeping track of what is being published, where, on what topics, with what significance. Consequently, important contributions often go long unnoticed; there is duplication of effort, while at the same time important topics in research are neglected. Perhaps the most serious consequence, however, is that social scientists are increasingly becoming narrow specialists in some small segment of a particular subdivision of anthropology, economics, political science or sociology.

Scarcely less serious than the narrowing areas of competence of the best social scientists are two other problems. First, the task of training the oncoming generations of social scientists with any semblance of breadth and depth is becoming more and more difficult in all the social science disciplines. Those teaching the graduate courses acknowledge that increasingly their offerings fall far short of what they would wish because, on the one hand, they themselves find it impossible to be intimately acquainted with all the work in their aspect of the discipline to make a wise selection of subject-matter and emphasis for the graduate course and because, on the other hand, the time allotted to them within the whole graduate programme is far too short. In economics, for example, a poll of those individuals offering graduate work for the Ph.D. at any large university as to how much work *should* be required to provide a "reasonably adequate" Ph.D. programme would, if summed, raise the duration of the Ph.D. programme by at least a factor of two. In other words, eight to ten years instead of the present four to five.

The second problem arises in those many countries where the social sciences heretofore have been neglected or only slightly recognized as fields of serious study. Nowadays, however, the leaders in these countries realize

their need for skilled economists, statisticians, sociologists, etc., that such persons cannot be imported from the more developed countries in adequate numbers, and that therefore they must train their own people in the social sciences. Moreover, once trained they must be able to keep *au courant* in their specialities. Yet both the training and the keeping up present enormous problems in these countries because there are no effective means available for doing so. To try to stock the libraries and to subscribe to the important scientific journals would be far too costly and usually wholly impractical on other grounds.

Thus, the cascade of published research in the social sciences in books and journals would appear to raise important problems in three directions, viz., for the established and promising social scientists, for graduate training in the social sciences, for the development of social sciences in the underdeveloped countries.

II

Other sciences have encountered and partially overcome the problem just described for the social sciences. Two approaches have been used: first, a systematic abstracting programme for the journal literature, and secondly, a carefully planned sequence of analytical review-articles authored by the best specialists. The quality of the persons doing the abstracting and writing the review-articles determines the worth of these ventures.

For the social sciences at the present juncture it seems unwise to attempt the abstracting approach. This is inevitably a large, costly and uncertain undertaking, which is not made more appealing by the experience of the ill-fated *Social Science Abstracts*. The analytical-review approach, however, seems to hold certain promise. What is here proposed is set forth in terms of economics, though presumably the comments made below would apply equally to the other social sciences.

III

The bulk of the most important work in economics is in English, and the American Economic Association and the Royal Economic Society are large and effective professional societies. Their journals, the *American Economic Review* and the *Economic Journal*, have a circulation of approximately 11,000 and 8,000. These two associations, with their excellent journals with a world-wide circulation, seem the logical bodies to undertake the systematic review-article programme. Such articles could be included in the journals or made *separate* to be distributed to their subscribers.

How could such a programme be organized? Several points seem to be relevant here. First, the present editors should not be asked to undertake this task as an added burden. They need an advisory committee—which perhaps need meet *in camera* only rarely, if at all—to designate what branches of the science are ripe for a review-article and who would be the best person

to do it. Second, once the topic and author are selected, the chairman of the committee, perhaps most suitably the editor of the journal, should be able to offer a proper honorarium to the prospective author. Such an honorarium, along with the scientific recognition in being solicited to do a difficult but important task, should assure that the best-qualified persons would accept the assignments. Third, since both the *A.E.R.* and the *E.J.* are already declining perhaps three-quarters of the manuscripts submitted to them, the pressure on space is severe. Hence the review-articles would mean adding to the total pages published and so to the total costs, perhaps about as much as the honorarium. Fourth, if the two professional associations were to undertake this proposal the two topic-author advisory committees should keep in close touch to avoid duplication. This could be easily arranged.

If the above proposal has merit, a grant-in-aid to each of the associations would allow the plan to be tried out. At the outset, perhaps, no more than two review-articles should be tried annually. As experience accumulated, this could be increased.