

**THE TRANSFORMATION OF THE
WORLD ECONOMY, 1980–93**

Also by Robert Solomon

THE INTERNATIONAL MONETARY SYSTEM, 1945–1981

The Transformation of the World Economy, 1980–93

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Preface

This book might have been entitled, less euphoniously but more accurately, *The Transformation of the World's Economies, 1980–93*. It deals not with the world economy as a unit but with the changes that have occurred in various countries and regions and with the interactions among them.

An explanation is in order regarding the amount of attention, and therefore the number of pages, devoted to different countries. They may be roughly in proportion to countries' size in the world economy, as measured by their gross domestic product (GDP). If so, that was not done deliberately. The reader will find more detail about developments and about the process of policymaking in the larger industrial countries than in most of the developing countries or the countries in transition from centrally-planned economies. The reason for that is the greater availability of information (or accessibility to me) about the policymaking process in the industrial countries. For example, I had the good luck to stumble upon Favier and Martin-Roland's *La Décennie Mitterrand*, which provides an amazing amount of detail concerning the policymaking process in France, including the discussions around the table in the Elysée between the President of the Republic and cabinet ministers.

Among countries other than those in the industrial world, the amount of space is roughly in line with the degree of transformation that has occurred since 1980. Clearly much more has happened in China than in Korea, in India than in Egypt, in Mexico than in Brazil.

I should say a word about countries that are not discussed. It was clearly impossible to cover every country. Thus I chose not to include Canada, largely because it underwent much less of a change in the past decade or so than other nations. The same is true for Italy, the Scandinavian countries, Pakistan, the Philippines, Australia and New Zealand. I have also omitted a detailed account of Spain, even though it

changed greatly, simply because of the need to maintain balance in the treatment of different parts of the world.

The data used in this work come mostly from a limited and well-known number of publications: IMF, *International Financial Statistics* and *World Economic Outlook*, World Bank, *World Development Report* and OECD, *Economic Outlook*. When a source is not given for data, it can be found in one of these publications.

The writing of this book was started in Aix-en-Provence, during a month's stay as a visiting professor at the University of Aix-Marseille, thanks to Professor Gilles Nancy. It was completed at the Brookings Institution, where I have been a Guest Scholar for a number of years. I would like to thank Brookings President Bruce MacLaury for providing a most civilised and stimulating environment. One could not ask for a more congenial group of colleagues than one finds at Brookings.

I wish to express my deepest gratitude to the following friends and colleagues for reading and providing constructive comments and suggestions on various drafts of chapters of the book: Joseph Berliner, Susan Collins, Anne Cugliani, Harry Harding, Martin Kohn, Joseph Minarik, Fred Pryor, Alexis Rieffel, John Van Oudenaren (not just a friend and colleague but also my son-in-law) and Fern Solomon (not just a friend but my wife).

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ROBERT SOLOMON