

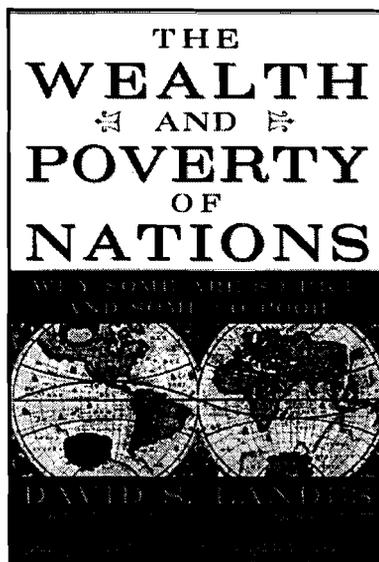
David S. Landes. *The Wealth and Poverty of Nations: Why Some Are So Rich and Some So Poor*. New York: W.W. Norton & Company, 1998 and 1999 (paperback). Pp. xxi, 650.

After receiving my reviewer's copy (the paperback version) of this book, I immediately read the mini-reviews on the first inside page. There, the likes of John Kenneth Galbraith, Kenneth Arrow, Robert Solow, and Douglas C. North, who count three Nobel Memorial Prizes in Economics and two past presidencies of the prestigious American Economic Association among them, had very strong praise for this book. I was filled with trepidation. What if I didn't agree with their evaluations? On the other hand, how could one possibly disagree with such a distinguished group of members of the profession?

Fortunately, I need not have worried. This book is, in my judgment, truly exceptional. It is crammed with insights into economic growth and the functioning of societies in general (more on these shortly), leavened by Professor Landes' marvellously wicked sense of humour. In fact, it was such a delight to read that I soon found that the hour a day or so that I devoted during the past month to reading this book rapidly became the highlight of my (professional) day.

"Well and good," the critical reader of this review may cry, "but does it live up to the master work emulated, Adam Smith's *Wealth of Nations*?" Why, yes, Landes' book is a worthy late-twentieth century sequel to Smith's masterful eighteenth century work, which of course was excellent for its time. In the absolute, Landes's book is better; after all, he has had more material with which to work. For the same reason, it would be difficult to compare the raw abilities of these two excellent scholars, although I should say that neither man had a peer for his time in synthesizing vast amounts of scholarly materials.

Briefly, Landes' answer to the question posed in the title of this work is that, initially, climate makes a great deal of difference. Tropical lands



(in the absence of air conditioning) sap energy and initiative, when they are not downright unhealthy. Producing more than mere subsistence is, therefore, quite difficult. However, a temperate climate is far from a sufficient condition to produce a wealthy, technologically advanced (and advancing) society; here culture plays a dominant role. Landes develops this principal theme in the fascinating stories of Spanish and Portuguese colonization around 1500, the Dutch interlude roughly a century later, the rise of an industrial revolution in England at the time of Smith and his *Wealth of Nations*, and the Meiji "Restoration" in nineteenth century Japan. Space does not permit the development of details here, but in each case Landes emphasizes the importance of cultural factors in producing positive or negative outcomes.

As indicated above, the work is crammed with witty and insightful comments on the functioning of societies. Here are four examples:

The surface of the Indian Ocean mimicked the waters below, full of predators feeding on one another. (131)

One cannot rear young people in such wise that half of them think themselves superior by biology, without dulling ambition and devaluing accomplishment. One cannot call male children "Pasha," or, as in Iran, telling them that they have a golden penis, without reducing their need to learn and do. . . . In general, the best clue to a nation's growth and development potential is the status and role of women. (412-3)

If we learn anything from the history of economic development, it is that culture makes all the difference. (516)

Some people find it easier and more agreeable to take than to make. This temptation marks all societies, and only moral training and vigilance can hold it in check. (522)

Is there nothing that a reviewer should criticize, or at least call to the attention of a careful reader? Well, Charles V belongs to the early sixteenth, not seventeenth century (138). Table 26.1 on page 459 should be labelled "Annual Percentage [not Percentile] Rates of Growth..." Similarly, on the following page, the numerical gains of followers on the United States should be expressed as percentage points of annual growth, not as a number that is a certain percent per year. In the first footnote on page 460, total factor productivity (i.e.: growth) should be defined as "gains in output [not "productivity" itself] after increases in capital and labor have been deducted." In addition, there are six or eight additional typos or very minor errata that are not worth mentioning in print: an amazing degree of accuracy in a manuscript of this size!

The reader has probably surmised already that Professor Landes has strong views that he defends ably and with great intensity. If you happen

to disagree with some of these views (fortunately, I found myself crying "right on!" 99 per cent of the time), reading this work will be a difficult, if not painful, process. (Thus, as the quote above indicated, Landes defends fervently the now somewhat unfashionable Weber thesis on the importance of the Protestant ethic for the rise of a capitalistic, technologically progressive society in Western Europe after the sixteenth century. This reviewer generally agrees with him, although I think that he tends to exaggerate the differences between Weber and R.H. Tawney on this general hypothesis.)

Finally, a criticism that is a compliment: Professor Landes's erudition is enormous. I had cause not only to resort to my French dictionary, *Le Robert*, and my copy of *The Concise Oxford Dictionary of Current English*, but also my Portuguese-English, Spanish-English, and German-English dictionaries. Some might find chasing down the author's particular allusions arduous.

In sum, an excellent work! In fact, my advice to my fellow non-economic-historians would be: if you read only one book in economic history this decade, this should be the book.

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