

NORBERT WAGNER, MARTIN KAISER, FRITZ BEIMDIEK: *Ökonomie der Entwicklungsländer: Eine Einführung.* (UTB 1230). Stuttgart/New York: Gustav Fischer, 1983. XVI + 306 pages, DM 29.80.

Development economics is in. The increasing number of books on this subject can be taken as a proof. Do late-comers still have a chance? In order to compete successfully, new books must look for market gaps; they have to present something special. In judging this book this aspect has to be kept in mind.

The material is well presented. After a short introduction the basics are given in chapter 2: the meaning of development, its measurement and the groupings of LDCs. A huge number of development theories (economic and non-economic ones) and development strategies are presented in chapter 3; chapter 4 deals with international problems. We find a standard presentation of the international division of labor, trade policies, the terms-of-trade problem and the instability of foreign earnings. There is, however, a disturbing repetition since theories and strategies dealing with international matters are presented in both chapters. The remarks on trade theories (3.2.2.4.) and on the strategy of import substitution (3.3.3.) should therefore have been integrated in chapter 4. Also, the PREBISCH-thesis has been discussed at two different places. A problem-oriented arrangement would have helped to avoid those repetitions.

Chapter 5 deals with questions of the NIEO. First, the subject matter of all UNCTAD-conferences is given. Subsequently the main charges and demands of LDCs are thoroughly analyzed and some alternatives discussed. The financing of the development process is the concern of chapter 6. Some causes and cures of the capital shortage are analyzed. The workings and effects of aid and transfers on market conditions are also debated. The last chapter is devoted to development planning. This is a novelty for German textbooks (although common in Anglo-Saxon ones). The decision process, the economic goals, and some means (programming techniques, alternative economic systems, evaluation techniques) are discussed.

Wagner and associates have written a comprehensive textbook. It is up-to-date; the argumentation is clear-cut. Theory, statistics and practice have been combined most harmoniously. A reviewer must, however, be critical; naturally he emphasises negative aspects. Hence some more comments are in order.

Since distributional aspects have been acknowledged as being important, it is surprising that the U-thesis (KUSNETZS) has not been mentioned. In addition, there is no word on the role of education or the importance of the agricultural sector for the developing process. There is only a very short remark on the importance of financial intermediation. The role of interest policies for the accumulation of internal funds should also have been discussed.

Presenting more than 20 theories at the beginning of the book is asking too much of the reader. It is also a pity that there are only a very few references;

this is especially problematic if the reader wants to get more detailed information on certain topics.

Nevertheless this book gives an excellent general account of the subject matter. Since so many topics are dealt with, some of them have been treated only briefly. Thus, the reader must already know a lot about development economics in order to comprehend properly and to appreciate all the content. This book will certainly serve as a good guide for the preparation of comprehensive exams on development economics. One can only hope that a second improved edition will soon be published.

Werner Lachmann

VINCENZ TIMMERMANN: *Entwicklungstheorie und Entwicklungspolitik*. (Grundriß der Sozialwissenschaft 30). Göttingen: Vandenhoeck und Ruprecht, 1982. 232 pages, DM 36. -

Timmermann, professor of economics at the University of Hamburg, has been working for several years on the typical changes in economic structure in the process of development. His book on economic growth and development thus focuses on the structural changes in the process of industrialization. Timmermann regards historical research and econometric structural analysis as the main pillars of any development theory or strategy. These topics are given much more space than is usual in textbooks on economic development.

Chapter I starts with some empirical aspects of development, especially the typical change in the structure of production. Timmermann shows that the degree of linearity of a triangulated input-output matrix typically decreases with increasing per capita income. Another concept used to describe the degree of development is that of fundamental flows of an economy, i.e. those flows of commodities between sectors which are much above some average value for the whole economy. It can be shown that typically the number of such fundamental flows is much higher in developed than in less developed countries. These findings are based on the author's own research and give an interesting and new insight into the change of the sectoral structure in the process of economic development, Timmermann then presents historical experiences of a group of countries in the context of stage theories. He gives a brief description of the process of industrialization in a number of countries. This chapter brings little that is new for those who are familiar with the writings of W.W.Rostov, but may well serve as an introduction to the history of economic development.

Chapter II deals with theories of economic development. It starts with Quesnay's *Tableau Economique*, Marxian, classical and neo-classical growth models. It also deals with the theoretical and empirical efforts to cope with