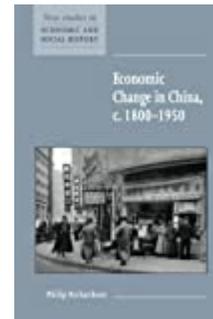


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in the Humanities & Social Sciences

Philip Richardson. *Economic Change in China, c. 1800-1950.* Cambridge: Cambridge University Press, 1999. xii + 111 pp. \$39.95 (cloth) ISBN 0-521-58396-9; \$12.95 (paper), ISBN 978-0-521-63571-4.



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In a little over a hundred pages, Philip Richardson's *Economic Change in China c. 1800-1950* provides a concise and excellent survey of current and major English language scholarship. The book is part of a publication series called the New Studies in Economic and Social History by Cambridge University Press which is "designed to introduce (students and teachers) to fresh topics and to enable them to keep abreast of recent writing and debates" (p. ii). Measured by that objective, Richardson's book fares very well.

The book has set a clear focus: "without seeking to deny the influence of social, cultural and institutional factors, the focus of the inquiry here lies with an exploration of economic variables. The concern is with the dynamics of interplay between continuity and change which facilitated, inhibited and determined not just the process of change but the emergence of modern features within the Chinese economy and, perhaps, the development of a modern Chinese economy" (p. 4).

Organized around this theme, the book first lays out the analytic frameworks (chapter 1), then supplies a background picture on China's eighteenth-century legacy and the early nineteenth-century crisis (chapter 2). The third chapter presents China's growth and structural change within a national account framework for the

period between the 1890s and 1933. In the next three chapters, Richardson individually examines China's external, industrial and agricultural sectors from the second half of nineteenth century to the 1950s. The seventh chapter examines the relationship between the state and the economy.

Overall, Richardson's presentation of major hypotheses, theories, and debates are comprehensive, balanced, lucid and largely accurate. Sources are very well indicated. The bibliography, organized by topics, carefully numbered and cross-referenced, is particularly useful. But the most commendable feature of the book is Richardson's consistent and able presentation and discussion of quantitative evidence and economic statistics for almost all the major issues on national income, agriculture, industry and international trade. This is no easy task as Chinese statistics are a source of controversy.

As Richardson shows, there are relatively firm statistics indicating that foreign trade and investment grew enormously in the nineteenth and twentieth centuries. Industrial output, particularly the modern sector, also exhibited an impressive growth record during the twentieth century. But these elements were far from altering the basic structure of the economy dominated by the giant agricultural sector where traditional technology pre-

vailed and estimates of per-capita output growth are dubious due to the lack of consistent aggregate time series data.

Richardson's final assessment on the nature and magnitude of economic changes in China in the nineteenth and twentieth centuries being characteristically well-balanced, remains also somewhat non-conclusive. "The major long-term influences on the process and extent of economic change were the pressure of population on the land, the intensification of commercialized market mechanisms, contact with the outside world and the role of state. By the middle of the twentieth century those factors had combined and interrelated to produce an economy which contained significant elements of modernization but not an economy which can be confirmed with certainty as having achieved the onset of sustained growth. It was also, in the short term, an economy suffering the effects of more than a decade of war and economic mismanagement" (p.101).

I believe there is still room for Richardson to push his assessment a little bit. If modern economic growth may or may not have taken hold in China as whole (p.99), it had clearly taken root in regions where modern industrial sectors clustered and agriculture was most commercialized. The regional characteristics of modern economic growth would give us new insights into the nature of economic change in China. Furthermore, if we are willing to look beyond the macroeconomic variables, we also find in the twentieth century the spread of primary education, the growth of a modern scientific community, the beginning of agricultural experimental station, and the rise of new industrial and commercial organizations, as well as monetary and fiscal reform of the 1930s. (Richardson mentions some of these factors in chapter 7.) These all meant that China was farther along on the path toward modern economic growth in the 1930s or 1950 than in 1890 or 1850.

I do have some reservations about Richardson's assessment of Chinese agricultural conditions in the 1930s. After giving a fairly objective summary of the optimists'

and pessimists' cases in the debate on Chinese rural income and productivity in the nineteenth and early twentieth centuries, Richardson leans towards the conclusion: "it is clear that the agrarian economy was in a state of crisis" and this did not seem like a short-term problem brought on by the world Great Depression (p. 81-82). This view of the 1930s "agrarian crisis" (beyond the short term) comes about partly due the lack of historical comparison in the China field – not necessarily comparing China with Europe, as was most often done, but rather comparing China in the nineteenth and twentieth centuries with other East Asian countries such as Japan, Taiwan and Korea. The relatively reliable data on rice yield per acre in the 1930s shows that the Chinese level was still about 60-70% of the contemporaneous Japanese level. This level was also equivalent to the rice yield level prevailing in early Meiji Japan. Meanwhile, the average farm size in China was comparable to, if not larger than that in Japan, Taiwan and Korea. Various sources also clearly indicate that per-capita gross value added of farm output in the 1930s represented one of the peak levels compared with most of the years in 1952-78 in China. The 1930s per-capita level was only surpassed after de-collectivization and the diffusion of the household responsibility system in the 1980s China.

Chinese farmers may have been poor in the 1930s, but they were not much poorer than those in Japan, Taiwan and Korea in their early stages of development. Very likely, they were just as well-off as the Chinese farmers in the late 1970s before the launching of the successful agricultural reform. Recognition of these facts not only puts Richardson's use of "agrarian crisis" (beyond the short term) to describe the 1930s Chinese agriculture in serious doubt, but also motivates us to reevaluate the connection between modern economic growth and the state of Chinese economy in the pre-Communist era.

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