Shahrukh Rafi Khan’s *History of Development Economics Thought* is part of the ‘Routledge Studies in Development Economics’. The book is divided into four parts. The first part deals with heterodox challenges to the mainstream view of development; the second part is about challenges to the mainstream view of development from within the mainstream neoclassical school; the third part summarises the ‘neo-classical counter-challenge’; and the fourth presents the challenges to ‘Neo-liberalism’. According to the author, the ‘book adopts a history of development thought approach’ (xvi) and ‘is designed to complement textbooks in development economics but can also be a standalone monograph for scholars and students interested in the evolution of macro development economics’ (xvi). It is, as Khan mentions in the Preface, a selective study in which he ‘focuses on key thinkers and their contributions and in some cases key debates’ (xviii). These ‘key thinkers’ reviewed number more than 35, spanning over 145 pages, with Adam Smith getting two and a half pages and Karl Marx slightly over one page. Khan writes: ‘I avoid critically engaging with the arguments in the text … Comments are provided in the endnotes, or in the summary section, when I think they may be relevant’ (xvii). However, the presence of critical engagement in the main text would have contributed towards a better representation of ‘challenges and counter-challenges’ in development economics.

The ‘classical and radical roots of development economics’ are explored in the first chapter. The key classical economists surveyed in this chapter are Smith, Robert Malthus, David Ricardo and John Stuart Mill. Thomas Hodgskin, Marx, John Hobson, Rosa Luxemburg and Vladimir Lenin fall under the radical school. Khan correctly emphasises the supply-side character of Smith’s theory of growth, where net saving and division of labour play an important role and notes the crucial role of foreign trade as ‘an avenue for surplus’ (3). Malthus, on the other hand, whilst acknowledging the importance of capital accumulation, argues that it is not sufficient for economic growth. The increase in supply occasioned by the net accumulation requires to be validated by adequate demand. Further, since capitalists engage in saving out of their profits, ‘another body of consumers, not themselves engaged in direct production for the market, was needed’ (5). Ricardo aims at understanding the laws that govern distribution, and in the process, he also identifies factors ‘that might arrest or stimulate the accumulation process’ (6). Besides the factors identified by Smith, Mill notes the important role of improvements in science and technology as conducive for growth (7). Hodgskin argues that population growth provides a positive stimulus to growth and stresses the importance of adequate wages and a skilled workforce (7-8). The slightly over-a-page review of Marx extensively cites Avineri’s 1968 volume on Marx and focuses on Marx’s theory of colonialism (8-9). No reference is made to the three volumes of *Capital* which contain a rich account of economic growth and development. Distinguishing colonialism from imperialism, Hobson points out that ‘imperialism was ultimately the result of an unequal and unjust distribution of income and the civilized solution was social reform including welfare expenditures...
to ensure adequate demand' (10). Luxemburg clearly recognises the constraining role of aggregate demand, and notes that ‘imperialism was much more than simply a search for markets for surplus products’ (11); it is the only way the capitalist world can survive. In less than half a page, Khan summarises the views of Lenin, the focus being the concentration of financial capital (11). Besides the cursory treatment of these authors, there is also the lack of a clear articulation of the link between economic growth and development in their work.

Chapter 2, entitled ‘Developmentalism’, deals with the ‘internal causes and internal solutions’ of underdevelopment. The key thinkers surveyed here are those who draw their inspiration from John Maynard Keynes and they focus on aggregate variables such as aggregate demand, saving and investment. However, while they think that unemployment is due to ‘market imperfections’ (20), for Keynes, it is due to aggregate demand deficiency. The developmentalists believe that ‘industrialization would absorb surplus labour’ – ‘a trickle-down view of the development process’ (20). According to Paul Rosenstein-Rodan, the movement of labour and capital from surplus to deficit areas causes development (21), with the advanced economies leading the rest – the ‘big push’, as it is called in the literature. This also generates ‘mutual demand’ between industries that ‘would limit the disruption of world markets’ (21). Ragnar Nurkse, in a similar fashion, posits that development could occur via advanced economies sharing their ‘store of technical knowledge’ with the others (22). ‘Low productivity’ results in underdevelopment, the solution being a balanced ‘application of capital to a wide range of industries’ (22) – hence, his theory is termed ‘balanced growth’. Albert Hirschman notes that the causes of underdevelopment are ‘likely to be endogenous and also that the critical ingredients for progress were already present in underdeveloped countries’ (24). Hence, ‘development planning’ ought to target the existing ‘bottlenecks and constraints’ in order to improve investment expenditure. Arthur Lewis, the fourth developmentalist discussed in the chapter, argues ‘for a sectoral balance between industry and agriculture’ (25). His 1954 article on the dual sector economy is discussed at some length (25-7). The last developmentalist, Walt Rostow, identifies the following two preconditions for development or ‘take-off’: innovations and the development of ‘financial, political and social institutions’ (30), which would then generate a ‘virtuous cycle’ (31). Their focus on capital accumulation is the same as that found in the classical economists, and it could not have been otherwise.

The work of the thinkers covered in the third chapter, namely Paul Baran, Celso Furtado, Arghiri Emmanuel, Samir Amin and Bill Warren ‘revolves around the issues of class and social injustice in alternative contexts’ (39). Chapter 4 covers ‘structuralism and dependency theory’. The structural theorists surveyed in this chapter are Raul Prebisch, Hans Singer and Gunnar Myrdal, and the dependency theorists are Andre Gunder Frank, Fernando Cardoso and Enzo Faletto, whose focus is on ‘external factors such as uneven development and asymmetrical power relations’ (57) as opposed to the neo-Marxists who cited internal factors as the cause for underdevelopment.

The sole chapter (chapter 5) in part 2 of the book is about ‘market-friendly heterodox approaches’. As Khan writes, ‘[t]he heterodox authors or approaches reviewed in this chapter identify limitations of neo-classical economics as an adequate framework for understanding development’ (76). In this chapter, the focus is more on issues rather than individuals: Douglass North on institutions; the Basic Needs Approach of the International Labor Organization (ILO); Amartya Sen on human development; Robert Chalmers’s emphasis on participation as a means of
development; Esther Boserup, Gita Sen, Caren Grown and Bina Agarwal on the role of gender in development; and Ernst Schumacher on sustainable development.

Part 3 of the book also comprises a single chapter (chapter 6), entitled ‘Neoliberalism and the Washington Consensus’. This chapter narrates how the ‘implied developmentalist role of government’ is questioned, and how the ‘notions of rent seeking, capture, and government failure’ were introduced in development economics (97). The two key thinkers reviewed in this chapter are Péter Bauer and Deepak Lal, with less than one-fourth of a page devoted to the latter. Together, the World Bank and the International Monetary Fund (IMF) formulated policy prescriptions that favoured a non-interventionist state and advocated a ‘market oriented approach to economic development’ (103).

In part 4, chapter 7 presents the ‘developmentalist resurgence’ and chapter 8 is an overview of Khan’s reflections on the current state of development economics. The idea that the state is important for development resurfaced in the 1980s and 1990s through the works of Chalmers Johnson, Alice Amsden, Robert Wade and Ha-Joon Chang (111). They based their arguments on case studies of countries such as Japan, South Korea and Taiwan. The core prescription arising from their work is that both market failure as well as government failure need to be addressed, a point finally conceded by the World Bank (125). In the ‘Reflections’ chapter, Abhijit Banerjee and Esther Duflo’s pioneering use of randomised evaluation in development economics finds a mention. Dani Rodrik’s ‘growth diagnostics’, where binding constraints on growth are identified, also finds a mention. Khan rightly describes these two approaches, rather ‘projects’, as ‘troubleshooting and ideally suited for a technical approach to economics’ (132). Daron Acemoglu and James Robinson, according to Khan, address the ‘big questions’ through their ‘political and economic history of the world’ which he favours over the technical approach.

Each chapter first summarises the key arguments of the authors on economic growth and/or development, with the average author receiving a one-page treatment, and ends with over a page-long ‘Summary and conclusions’. This concluding section adequately captures the main arguments of the chapter and can easily be a good substitute. An uneasy character of the book is the tendency to find forerunners or anticipators of ideas without sufficient argumentation: for instance, Smith’s theory of the state anticipating that of Marx (4); Ricardo being the ‘original growth diagnostician’ (6) and having ‘essentially undergird Arthur Lewis’s classic article in development economics’ (7); Mill anticipating Sen’s emphasis on redistribution (7); and Lewis anticipating Rostow (27). While this book may be too small to seriously engage with the history of development economic thought starting all the way from Adam Smith, it does provide a very concise and reasonably coherent account of the evolution of development economics and hence it can ‘complement textbooks in development economics’ (xvi).

* School of Liberal Studies, Azim Premji University, Bengaluru 560100, India. Email: alex.thomas@apu.edu.in.