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Location: Hungary

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Title: World Economics 1
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ISBN Print 10:

ISBN Print 13:

URL: <https://www.ceeol.com/search/book-detail?id=565572>

Foreword

It is already thirty years ago when I was writing the manuscript of my book *The Political Economy of Underdevelopment* in Dar es Salaam, Tanzania, the first edition of which appeared in 1971. This book, which between 1971 and 1988 was published in ten languages and eleven countries, altogether in 15 editions, has been widely used in courses on developing countries all over the world, at universities of more than forty countries. It is still available at most of the university libraries. Thirty years is, however, a long time during which not only the views of an author may change but also the very reality of the topic he was writing about.

Unlike the last chapters of the above book, which concerning the prospects and alternative policies to overcome “underdevelopment” proved to be naive as expressing illusions about “self-reliance”, “delinking”, and an independent, democratic (non-Soviet type!) “socialism” (such as believed to get birth in Tanzania), the major part of the analysis on the causes, nature and mechanisms of “underdevelopment” seems still valid (fortunately for the book but unfortunately for those countries concerned). More or less the same applies to my criticism of the conventional theories of “underdevelopment”, which I need to extend only to their more up-to-date variants as well as to other theoretical views (besides, of course, getting rid of the that time compulsory restraint from criticizing Marxism as well).

Nevertheless, too many and too substantial changes have taken place since that time both in the world of development and in its literature which make my former book rather obsolete and induce me to reconsider my concept, to revisit my “political economy of underdevelopment”.

Thirty years ago the economics of development (or the interdisciplinary course called, as in many places, “development studies”) was concerned about the underdeveloped economy (and socio-political reality) of developing countries only. Who could be able that time to predict the rise of “newly industrialized countries” from among the developing countries, or the oil crisis with the subsequent world recession caused by a group of developing countries and imposing, together with the suddenly recognized dangers for environment, problems of (sustainable) development also upon the advanced market economies?! Or who was able to foresee, particularly, the collapse and transformation of the so-called “socialist world”, i.e. the Soviet bloc, and the end of the “bipolar world” and its cold war?!

All these and other historical changes have, of course, influenced the development of “development studies”; have questioned not only their earlier concepts

but also even their former subject and area of research. New problems and dilemmas of development have arisen and also on new levels. New paradigms are born or some old ones reappear in new dresses. The very fact that economics of development is not the same as it used to be (though it has never been a homogeneous discipline with clear-cut frontiers!) seems to induce some scholars to announce its “requiem” while others to celebrate its renaissance. Whatever is the case, development literature has been enriched by both theoretical and empirical studies so much during the last three decades that despite the on-going polemics, the obviously divergent views and development policies, or the coming new challenges, time has, perhaps, arrived for drawing some common lessons and conclusions from the past debates and experiences, and for trying to sum up those crystallized concepts resulting from a kind of “constructive eclecticism”. Such a situation and such attempts may suggest writing a book (applicable in teaching, too) with seemingly impersonal approaches and more or less balanced viewpoints, presenting an eclectic knowledge. No doubt, I must admit, this is, indeed, one of the reasons why this book is formulated and constructed almost in a textbook-style rather than in a style of a primarily polemizing monograph. (The other reason is that my former books, both *The Political Economy of Underdevelopment* and the *Theories of World Capitalist Economy* were also used as teaching materials despite their hardly didactic, rather polemizing, often too detailed or comprehensive text and difficult style, the inconvenience of which I would like to avoid as much as possible in this case.)

But a monograph even if it aims also to be used as a textbook can hardly be impersonal indeed. Whether intended and confessed by the author or not, it necessarily reflects his (or her) approach, value order, and “philosophy” or “ars poetica” in the very selection of views and data, in the critical or uncritical presentation of concepts or arguments, and even in the formulation of open questions or dilemmas. Bearing this in mind I won’t pretend to be “neutral” vis-à-vis the various theoretical theses or practice-oriented paradigms! In this respect I will do the same as in the former books, namely delivering also a critique on them and expressing, of course, my own views as well. I may hope, however, that this will not make me so easily “categorized” into one group of scholars as many years ago, nor my intended orientation towards “constructive eclecticism” will be considered as compromising with principles and values.

When Professor *Paul Streeten*, whom I highly respect, published his articles (1977 and 1985) on the development of development theories, he has greatly honoured me by mentioning my name, rather undeservedly, among illustrious scholars, as probably overestimating my moderate contribution to development theories. But he also “categorized” me among those who attribute “underdevelopment” merely to external forces, to the international system, and believe that the South could be better off without the North. This was perhaps due to the fact that I wrote, indeed, a sharp critique (in the first chapter of my book) against the conventional theories of unilinear development which explain “underdevelopment” merely by internal conditions, but was also contrary to my real perception (also explained in the same book, in its third chapter) which was very similar to Streeten’s in pointing to the

interactions between external and internal factors. Not to mention that by the date when his second article mentioned above was published, I had already presented my critique also on those radical views blaming merely the international forces of exploitation for the underdevelopment of the developing countries, in my new book *Theories of World Capitalist Economy* in 1985.

As regards “constructive eclecticism”, I see the very development of development economics to follow this direction, contrary to any “counter-revolutions” in this field. And it is not surprising at all, partly because the heavy ideological bias stemming from cold war conditions, which has characterized this field of studies for a long time, is to fade away since the end of confrontation between “East” as representing “existing” or “real socialism”, and the “West” representing some sort of homogeneous “capitalism”, and partly because this should be indeed the natural direction of development of social sciences, in general. For all theories, without exception, are based upon abstraction, looking at the changing reality from different viewpoint, in different time and place, thus not only contradicting but also complementing each other.

The very intention to get rid of ideological biases and the very recognition of the relative value, limited applicability and also of the complementary nature of all theories, will be the guiding rule and principle of this book. Thus, instead of pretending to provide its readers with a ready-made, “final” stock of knowledge, it aims at stimulating only their critical thinking, namely by presenting a critical survey of different theories and also my own views on development and “underdevelopment”.

Since, however, the economics of development or the political economy of underdevelopment has extended, in the meantime, to the case of the former “socialist” countries, too, and when investigating their system and system-change I came to the same conclusion as in the analysis of “underdevelopment”, namely that no explanation if out of the historical context of world economy and politics can be relevant, I have complemented the topic area of this book with the issue of “comparative economic systems” as well as a historical and critical survey of the theories of *international economics*. And for the views on the “international” or world economy and on national development or economic “underdevelopment” of countries, as well as on “comparative economic systems” have always been interrelated since the very beginning of modern economics, it seemed reasonable to investigate briefly how they have developed from the 16th century to the present.

Thus, unlike my former *Political Economy* which critically surveyed only on the conventional theories of “development economics” since the latter emerged as a special field of study separated from general economics and limited to “underdeveloped economies”, this new one has enlarged the scope of the critical survey not only in respect of the topic areas but also in time, and presents, with critical comments, the comparative concepts of the major theoretical schools on national development, economic systems and international economy alike, from Mercantilism to present-day theories. Consequently, this First Volume of *World Economics*,

which includes such a historical and critical survey of theories, may hopefully be used as a comprehensive reading in courses of international economics just as well as in those of development economics or economics of comparative systems.

The *second volume* of the book outlines my own views on the world economy as an organic system, on its uneven historical development and accelerating globalisation, on the reasons of the “international development gap”, on the interactions of the external and internal causes of “underdevelopment”, on the rise and failure of “socialism” and on comparative systems within the single world economy. It finally raises questions about the prospects of development on national and world level, points to the new challenges and opportunities as seen at the beginning of the 21st century.