

ticular draws heavily on the insights of public choice theory. Second, as a black American scholar he clearly feels less inhibited by the new intolerance surrounding the discussion of ethnic and racial questions than most of his white counterparts. Consequently, in the mould of Thomas Sowell he brings a refreshing degree of candour and realism to the analysis of the race problem in South Africa.

Williams's central thesis is deceptively straightforward: 'As we have seen, much of the motivation behind South Africa's apartheid system is that group interests seek to use the coercive powers of the state to steer more wealth in their direction than would be indicated by market forces. Efforts to subvert market forces can meet with varying degrees of success. Moreover there can be additional, unintended consequences of those efforts — as well as unanticipated beneficiaries and victims — where government intervenes to steer benefits from one group to another. Apartheid is no exception to the rule' (p.99). It is thus easy to locate Williams in the ongoing debate on the relationship between capitalism, as it is manifested historically in the South African milieu, and apartheid. This debate has been characterised by the development and refinement of two broad schools of thought. In crude terms, an orthodox or 'liberal' perspective attempts to provide a coherent account of South African political economy by construing the 'irrational' racist policies of apartheid as harming the rational market forces of South African capitalism. A competing 'revisionist' or Marxian body of opinion holds that the institutions of apartheid facilitated and enhanced the expropriative power of South African capitalism. By arguing that although apartheid regulation of the South African economy did produce significant rents for some special interest groups (and most notably white farmers), it was nevertheless sub-optimal for South African society at large, Williams clearly places himself within the liberal tradition of South African historiography.

The book itself consists of

seven chapters and a useful select bibliography. Chapter 1 seeks to place the edifice of post-1948 apartheid within the broad context of South African history, and examines the general thrust of apartheid policy under the successive administrations of Malan, Strijdom, Verwoerd, Vorster and Botha. This discussion illustrates the transformation of official thinking on apartheid from the crude segregation of baaskap under Malan and Strijdom in the years immediately following the watershed victory of the National Party in 1948, to the sophisticated anthropological underpinnings of separate development originated by Dr Hendrik Verwoerd.

Chapter 2 describes the South African constitutional and legal system from the time of European settlement in 1652 onwards. Williams *inter alia* argues convincingly that the British doctrine of the sovereignty of parliament over the courts facilitated the development of discriminatory constitutional and statutory law by granting tremendous discretionary powers to the legislature. Chapter 3 represents a continuation of the discussion in the previous chapter, but focuses on the narrower issue of apartheid regulation of the labour market. In common with similar analyses of this issue, Williams concentrates on the development of discriminatory labour legislation in the goldmining industry of the Southern Transvaal.

Chapters 4, 5, and 6 represent the core of the book. Here Williams examines in some detail the economic and social consequences of efforts by the apartheid state to supplant market forces by apartheid regulation. He identifies groups of beneficiaries and victims, and considers the net negative aggregative outcomes of the clash between institutionalised racism and free markets.

In a short concluding chapter, Williams reiterates his central thesis with admirable succinctness: 'Apartheid is a special case of the kind of restrictions that are achieved when one class of individuals acquires privilege through the use of state violence to deny another class

of individuals the right to engage in voluntary and mutually agreeable exchanges' (p.145). Moreover, 'the whole ugly history of apartheid has been an attack on free markets and the rights of individuals, and a glorification of centralized government power' (p.150). He thus argues that a decentralisation of political power and the augmentation of market forces represent the salvation of South African society.

It would be a cruel irony indeed if apartheid regulation is replaced by the dead hand of socialism espoused by the African National Congress/South African Communist Party alliance.

Economic Growth vs Rent Seekers

*John Fogarty, a Melbourne-based economic historian, reviews **Growth Recurring: Economic Change in World History** by E. L. Jones (Clarendon Press, Oxford, 1988) and **Human History and Social Progress** by Johan Goudsblom, E. L. Jones and Stephen Mennell (University of Exeter Press, Exeter, 1989).*

Eric Jones, a Professor of Economics at Melbourne's La Trobe University, confronts the received wisdom regarding the Industrial Revolution in Britain. This holds that the 18th century witnessed a unique surge of intensive economic growth that broke the traditional pattern of economic life characterised by low secular rates of growth in productivity. In place of the view that has prevailed amongst economists in the postwar period that 'undevelopment' is the norm and that 'development' requires the positive stimulus of exceptional sets of circumstances, Jones advances the proposition that the 'normal'

underlying predisposition in society is towards economic growth. This propensity for growth may have been suppressed and even negated, but the underlying tendency is there ready to assert itself when the restraints on it are lifted.

In Jones's view economic history may be thought of as a struggle between a propensity for growth and rent seeking, where the fruits of productive enterprise are appropriated by individuals and groups to better their position at the expense of the general welfare. In many societies rent was appropriated by a ruling class, thus negating the underlying propensity for growth.

An impressive feature of Jones's work is the breadth of the canvas on which he chooses to work. The world is indeed his oyster. His quest takes him from England to China and from Europe to Japan and many places in between. He ranges through the centuries from ancient times to the present at will. It can be argued that this approach leaves the author too dependent on the work of others and leads to shallow comparisons. Jones accepts this criticism. He is, however, able to escape from the narrow focus on the detail of a singular industrial society, which he claims has misled scholars into misinterpreting the phenomenon of economic growth,

and to examine the subject in a wider context.

It is this wider perspective that is Jones's most valuable contribution. Taking a long and broad view of world history, Jones sees economic growth occurring and recurring as the natural condition of human societies, justifying W. A. Lewis's dictum that, given the choice, men prefer more rather than less choice, which economic growth provides. However, history is also replete with cases where small groups or individuals are able to impose their own will on society and thwart the process of growth. Too often political power is used to enrich a few at the expense of the many.

This interpretation of history runs counter to the fashionable view that underdevelopment is due to lack of 'Western' traits. It stands as testimony to the need to be able to place current issues in a broad historical context. Jones emphasises the need to become acquainted with some pre-19th-century history and comparative history so that we can judge fairly whether change in the West was unique or simply a variant of a universal tendency. At a time when so many members of economic history schools are narrowing the scope of their courses in the name of 'relevance', it is a welcome tonic to read Eric Jones's im-

aginative and challenging interpretations of history based on broad fields of study that are, in the end, the only relevant historical approaches.

Although very much an academic treatise, *Growth Recurring* is highly readable and should prove intellectually stimulating for the interested general reader as well as for professional economists and historians.

Human History and Social Progress is a collection of essays by an economic historian (Eric Jones) and two sociologists (one of them, Stephen Menell, at Melbourne's Monash University). It is the fruit of a symposium devoted to the processes of evolution of human societies over very long periods. The essays follow the general themes of *Growth Recurring*. The sociological perspectives of two of the authors take ingredients from a range of scholarship to enrich the study of economic growth. Each essay concerns itself in its own way with the relationship between short-term interests and long-term processes from the standpoint of the discipline and the area of expertise of the author. This volume is very much for the professionals and will probably prove to be heavy going for all but the most intrepid general reader.

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