

Wealth and Poverty of Nations : Why Some Are So Rich and Some So Poor

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In 1992, the National Gallery of Art in Washington, D.C., sponsored a special exhibition to mark 1492, the five hundredth anniversary of the Discovery of America. Reflecting the times in the 1990s, the exhibition tried to show the essential equality of all cultures around the globe at the end of the fifteenth century. Although critics gleefully protested the exaggerations and the tendentious claims in the exhibition— Korean maps that certainly did *not* show the Red Sea, contrary to what the exhibition guide claimed; Aztec knives, axes, daggers, stilettos, skull masks, morbid art work, and so on, that were described merely as "religious objects"— the fact is that a century after Columbus's discovery, European pre-eminence around the world was incontestable. Europeans had taken over the major trading routes within Asia. Europeans transported vast amounts of silver from the mines of Peru across the Pacific to Manila and into China, or else across the Atlantic to the exchanges of Antwerp and London. Europeans were conquering vast tracts in north and south America, while enslaving millions of natives and Africans, as well as fighting mercilessly among themselves. Nor was European distinctiveness simply a matter of guns, ships, and commerce, important as these things were. Two centuries after Columbus, European intellectuals were laying the groundwork for a completely different set of conceptions about how the physical world worked, and somewhat later, philosophers and journalists attempted to apply their new physics to the human world. Three centuries after Columbus, Europeans and their off shoots in America, were experimenting with ideas of liberty and were just beginning to transform the nature of industrial production and agriculture. By the middle of the nineteenth century, if not sooner in some countries, Europeans— and Americans— had conquered want, and, therefore, to some extent, death.

This is Professor Landes's theme, what made the West so different. He has little or no patience with the foggy multiculturalism that sees the West as ubiquitously oppressive, exceptionally cruel, responsible for the enslavement of millions around the world, and the premature deaths from poverty and starvation of millions of others. Indeed, to cope with his question at all, Professor Landes must take on the multiculturalists and the book seldom misses a chance to show his scorn for those who make excuses for the rest of the world, for those who scapegoat the West for their own, or their rulers' failures.

Professor Landes also brings a truly formidable scholarly apparatus to his task. The bibliography comprises some 70 pages and his discussion encompasses a comparison of the West to the rest of the world from the late Roman Empire, if not before, down to the present. While some might feel that their corner of the globe gets short shrift, there is no denying the scope of this book. This is a big book with a big question, perhaps the biggest and most important historians can ask and, if we ever come up with an answer, one that will propel public policy. No wonder the book has quite rightly been showered with praise from a great variety of scholars.

For all that this book takes a global perspective, it must be said that it represents a certain broad current in the American intellectual scene as our century ends. Thirty years ago, for instance, it used to be thought that the rest of the world could catch up with the West and that this could be done through a heavy dose of state intervention. This could take the form of Communist autarchy or, say, "African socialism" which required an activist state that would mitigate the deleterious effects of early industrial capitalism. The balm would be a generous foreign aid. Or in its western form, common on much of the continent in the post-war era, in Britain until the advent of Mrs. Thatcher, and in Canada now, it is called an "industrial policy" where government took on the responsibility to stimulate the "white heat of technology." None of these models has been an overwhelming success, far from it, perhaps because they got their history of western economic development wrong. That is, the West did not develop through generating capital in agriculture and transferring it to industry. Yet this misunderstanding of history seemed to prescribe the manipulation of the agricultural sector to serve industry. The result has been truly tragic in Russia, and in much of Africa.

Professor Landes has another schema altogether. The title of the book, which so obviously recalls another, gives it away: *The Wealth and Poverty of Nations* is a neo-liberal, neo-classical interpretation of economic growth: the state gets out of the way, but does guarantee property rights and the rule of law, and does use its military resources to promote commercial interests; taxes are not oppressive and public finance is transparent. Above all, there is freedom of conscience, and a strong value is put on disinterested research and invention, and on public education. Countries that did not do this, or that turned toward the rule of the friars and to religious persecution, after a promising start, like Spain and Portugal, suffered. Professor Landes says in an arresting phrase, that they were cursed with a kind of "original sin" that still plagued them three hundred years later, in terms of parasitic social values, xenophobia, public fecklessness, poverty, and marginalization. The Iberian countries brought these values to their colonies in the New World and they too suffered generations of poverty, oppression, political instability, exploitative institutions and attitudes, and all the rest. Thus, with his emphasis on the limited state, the rule of law, property rights, transparency, hard work, accountability, and all the rest, one is tempted to say, at first glance, that Professor Landes has historicized a broad current of thought that one finds in the downtown Washington think tanks, the editorial pages of *The Wall Street Journal*, and even in the liberal press; and finally, in academic economic history in books like Mokyr's *Lever of Riches* with its theme of the weak, competitive European state system and respect for property rights; or in Philip Hoffman's very fine *Growth in a Traditional Society* that shows the negative effects of religious and civil war and a stultifying fiscal policy on French agricultural productivity; or finally in Jean-Laurent Rosenthal's, provocative *Fruits of Revolution*, which argues that the absence of finality in French property law before the Revolution deprived improvers of the certainty that they would get to keep the gains of their investment. Improvement, and therefore growth, was only possible with the Civil Code. No doubt Professor Landes would find these arguments interesting. They would certainly support his thesis.

Yet if only to swim against this broad current, I would like to suggest the picture might be more

complicated. Professor Landes gives us a picture of a triumphalist Europe, a picture of anonymous craftsmen who gave us water-wheels, eye-glasses, gunpowder, heavy-wheeled plows, windmills, paper, printing, and on and on. A picture of men and women who were hard-working, responsible, industrious, sensible, rational, who knew what their interests were and who knew how to pursue them.

This is where someone steeped in the social history of the 1960s, 70s, and 80s has to cry out that there is something wrong here, that, to put it in economic terms, this is a labor force that is far from rational, sensible, or whatever. For what is worth, it goes without saying that those who do comparative history are onto something, that Europe really was special in some way, but that we ought to focus on what this was. The simple appearance of difference alone was not in itself an explanation of that difference.

Let us examine the social history of the past thirty years and ask ourselves whether this would be the labor force any greedy, comic book, capitalist might want. Or put it another way, if anyone were to thrust a (non-existent, obviously) microphone under the chin of an average western European of the seventeenth century, under the chin of any identikit Protestant European, any British European, or even any Calvinist European, and asked them what he or she really cared about, is there anyone in the profession who thinks they wished for anything other than to save their souls? To what extent did European culture at the popular level reflect the acquisitive, Weberian values Professor Landes endorses? Did anyone feel a sense of gratification in a job well done, or, since this is difficult to know, to what extent did ordinary people feel rewarded for their efforts, and what did they think about it? We ought to push this as far as we can because the question is vital: to what extent do we have a labor force in Europe that responded to market stimuli?

And when we get to this level, things get very messy. Consider the *Anthropologie du conscrit français*, that Le Roy Ladurie published twenty years ago. He never asked about the labor force as a factor of production as such, but if we think about it, many of the French — and no doubt everyone else — were a disaster from our identikit capitalist's point of view: sick, teeth falling out, myopic, bones that never healed because no one knew how to fix them; self-mutilators because they cared so little about their country that they would rather take an axe to their trigger finger, or to their toe, so they could no longer march; and no matter what, induce, cajole, bribe, or intimidate a military doctor to exempt them from military service. As late as 1820, and depending upon region, somewhere between one in ten and one in four young men were rejected from military service because they were too short. As Roderick Floud has argued for Britain where the figures for height are similar, this means that a significant proportion of the population suffered from near permanent undernourishment during their growing years and were so lacking in stamina as adults that they were incapable of sustained work. Here then is our early modern European person: a youth in near constant pain because of aching teeth, broken bones, failing eyesight, gasping lungs, permanent headaches, hobbling limbs, and all the rest.

Moreover, if the body is such a wreck, consider what historians of popular culture have told us about what was in people's heads: they carried a religion that was instrumental, designed to ward off any genuine or imaginary disaster because the means of controlling the real world scarcely existed: thus amulets filled with cemetery dirt to ward off evil, baptized cows to make them live longer, statues of saints pulverized or drowned when they could not deliver the goods, scary tales they all told each other of spirits re-appearing from Hell, or of disembodied heads floating around cross-roads at midnight, and so on. There is a school of thought that argues that all this was functional, that it was a way of making the world intelligible, but fairly recently Judith Devlin, in a much underappreciated book, has argued that popular culture before and during the nineteenth century was dysfunctional, that it was logically incoherent, even within its own terms, that because of this, it generated a culture of fear and distrust, of base and petty nastiness, directed not only towards strangers, but also towards members of one's own family and community. Although she might not agree, Lyndal Roper's German witches can be understood also in such dysfunctional terms, whereby women used the culture of fear, and the horror of unusual bodily excretions, to reassert control within their own families after giving birth, at the expense of other women, in this case mid-wives and wet-nurses. Here then is the archetype European, the appalling individual who is responsible for all the disasters of the twentieth century in the multicultural world, the European who inflicted a major catastrophe on the present day Third World, but he did it ill, nauseous, nasty, mean, violent, ignorant, and practically deranged.

This is an exaggeration, of course, but the historians of popular culture have shown that culture among ordinary working people on the farm and in the towns was obsessed with avoiding damnation and little else, that popular culture had absolutely nothing to do with inventiveness, with playing around with machinery, that getting on was an enormous labor with too little time to experiment, that ordinary people may or may not have been sensible, rational economic actors but that this has to be demonstrated, not assumed. There one authority— Bill Reddy— who argues that what he calls "market culture" had to be invented. Still, if Professor Landes is right and culture is all, then we have to ask, "whose culture"? Who were the people who differed enough from the norm, who were sufficiently off center, to become the explorers, the merchants, the ship designers, the map makers, the adventurers who are the subjects of Professor Landes's Europe? Who, in other words, were these intellectually and culturally curious folks who gave us the European moment? We don't know but certainly, we should.

There is another sense in which an historian who works on the wrong side of the Channel is puzzled. Surely we have to wonder what has happened to the *Annales* style history of the past twenty-five years. Professor Landes appears to see European history on a rather straight trajectory running from some time in the Middle Ages with its famous burst of invention, to the voyages of discovery, to the extension of European commerce to the rest of the world, to the Industrial Revolution, and on to the present. Along the way some European nations advance and then decline, until we get to the British who then set a pace everyone must follow. This is, of course, a caricature of the very complex picture Professor Landes outlines, but it is one in which what might be called the demography-subsistence interpretation has no place. This is the view advanced by Morineau and Le Roy Ladurie, that says that between the Black Death and sometime well into the nineteenth century, French agricultural production stagnated within fixed limits, that existing technology imposed an upper bound on the extent to which production could grow, that in a Malthusian way, the rising population sooner or later pressed up against this ceiling, and the result was a series of violent contractions and shudders— growing impoverishment in the eighteenth century, tragic mortalities in the previous century. This is what Goubert called "the deep breathing of history," the slow recovery after the Black Death, the rapid rise thereafter until the ceiling was eventually breached, somehow--this is never explained— after the mid-nineteenth century.

In other words, Professor Landes has left out not only peasants and agriculture, as the McNeil review pointed out, but he has also left out a vital set of agents of historical change. Further, the polarity of culture versus structure is clearly too simple to be convincing. Still, structures and contingencies matter. At one level, for instance, the Le Roy Ladurie-Morineau formulation is profoundly pessimistic. Given a stagnant technological level, there is no reason to believe that the inhaling and exhaling of the breath of history could not have repeated itself many times— as no doubt it has in the European experience, and no doubt so

tragically has it elsewhere in the world too.

After all, what is the benchmark of poverty everywhere, why *are* some nations rich and others poor? Because one group has enough to eat and the other doesn't. Surely, when we are assigning weights to the equation on what constitutes poverty, access to food has to be the biggest single defining characteristic of poverty. And why is it that Europeans are rich? Because European countries, not just Britain, broke out of the Malthusian trap and they broke out of it early, sooner, than Le Roy Ladurie and Morineau realize. Surely Professor Landes needs to tell us more than he has about this. Yet, "enclosure" gets just a page in the index, "agriculture" several more than that, but not in any sustained or comparative way anywhere in the book, and problems of demography and population hardly get discussed at all. Instead, we are whisked straight into the industrial revolution in England, and very deftly too. One of Professor Landes's great qualities in this book is his ability to explain very difficult technical and industrial processes with ease and grace, but we needed to have more on the food productivity problem than we are presented with. After all, industrialization has never taken place anywhere without a highly productive agriculture nearby and for good reason.

The final point has to do with Professor Landes's treatment of religion. He clearly thinks religious toleration is a good thing. One of his favorite examples of the catastrophic economic effects of intolerance was the expulsion from the Iberian kingdoms of the Jews and the forced conversions of both Jews and Moors. Caving in to the friars, he says, cost these kingdoms centuries of growth and prosperity. Yet surely, there are counter-examples that make the picture more complicated. He says nothing about the numerous expulsions of Jews from France or from England in the late Middle Ages, perhaps because there is no historiography that claims that these expulsions had much harmful economic effect on their respective kingdoms. He does cite the expulsion of Huguenots from France after 1685, but perhaps mindful of Scoville's old book on the surprisingly innocuous effects of the Revocation of the Edict of Nantes on the economy, he makes no claims for this act of intolerance. Indeed, the many forced expulsions throughout European history are surely more complicated than simple acts of religious intolerance and were often motivated by political and diplomatic considerations, while their success or failure had a lot to do with economic contexts and imperatives.

More broadly, Landes tends to treat religious beliefs and practices as an unchanging block. There appears to be one kind of Islam, one kind of Catholicism, one kind of Protestantism. Islam, for instance, is never defined except as a religion that put exceptional debilitations on women and that was hostile to technical innovation, particularly printing. Why this should be so, whether such phenomena are intrinsic or extrinsic to the religion, that there is a history to these developments, and that the early years of the spread of Islam exhibit no particular hostility to women or to technology— all this is only alluded to, if at all, and never really explained.

Christianity is also given a rather cavalier treatment. Surely Professor Landes has to do more than endorse Max Weber if he is to explore the relationship between religion and economic development. A century after the publication of *The Protestant Ethic* has produced bookshelves of exploitable material. Catholics after all are hardly the economic nincompoops that are presented here. It is possible to show that both the Reformation and the Counter-Reformation were part of a broader elite sponsored project that aimed at inducing a sense of self discipline, restraint, hard work and civilized behaviour among their adepts. By the eighteenth century, Vovelle, Chaunu, and others have shown that the extravagant and exuberant Catholicism of the sixteenth and seventeenth centuries gave way to a more interiorized, more reflective, more restrained sort of religious outlook. These developments must have affected attitudes to work, consumption and management that might have been usefully explored. One example would be the advice that spiritual directors gave to journeymen's confraternities in the early nineteenth century that counseled pride and persistence in a job well done.

The European moment has had a long run, lasting (so far) five or six hundred years. Yet a century before Columbus, Europeans were devastated with a crushing series of famines and visitations of the plague, that may have killed off over a third of the population; with endless warfare; and with religious schism and heresy. Furthermore, Europe does not seem to have been all that special. Until the very end of the period, starvation, plague, religious persecution and coercion, oppression, and all the rest, were either a common

experience, or a very real risk. There is nowhere in the world to-day a single country where life expectancy is as low as it used to be for most Europeans before the nineteenth century. Finally, the common culture of Europeans was certainly not either very innovative, or very technological. Throughout our period, Europeans were obsessed with their salvation; "superstition" was the lens through which people interpreted the world; only a minority of people could read, and an even smaller minority could write. How so much was achieved out of such unpromising material is obviously an important question. David Landes deserves our thanks for taking on the big question when he knows there are plenty of critics on the wrong side of the Channel.

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