

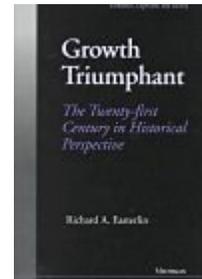
H-Net Reviews

in the Humanities & Social Sciences



Richard A. Easterlin. *Growth Triumphant: The Twenty-First Century in Historical Perspective*. Ann Arbor: University of Michigan Press, 1996. xiv + 200 pp. \$37.50 (cloth), ISBN 978-0-472-10694-3.

Reviewed by Dora L. Costa (Department of Economics, MIT)
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In this masterful synthesis, Richard Easterlin (Department of Economics, University of Southern California) draws on the disciplines of economic history, demography, sociology, political science, psychology, and the history of science to present an integrated explanation of the origins of modern economic growth and of the mortality revolution. His emphasis is on long-term factors and on similarities across nations. His book should be easily accessible to non-specialists and will give them a sense of why economic history can inform our understanding of the future.

Richard Easterlin convincingly argues that technological change underlies both modern economic growth and the mortality revolution. Underlying this technological change is a set of procedures and attitudes that include reliance on experiments and observed facts. In the case of modern economic growth, this technological change should not necessarily be equated with industrialization, but rather is simply the introduction of new technology, including agricultural, in the economy. This technological change has produced certain commonalities in development, including the gradual acceleration in real per capita income growth, urbanization, and the growth of a white collar work force.

According to Easterlin, modern economic growth began before the modern rise in life expectancy because technological change in the physical sciences preceded technological change in health and medicine, simply because the conceptual state of the physical sciences was far more advanced. Easterlin argues that although modern economic growth may have increased resistance to disease (for example, by increasing food intake), it also increased exposure to disease. In contrast, in develop-

ing nations the mortality revolution has often preceded economic growth both because we know how to control disease (e.g. sewage and clean water) and because the necessary public health investments are inexpensive. Because urbanization created demand for public municipal services, he views the rise of government as a direct consequence of technological change.

Once mortality, particularly childhood mortality, fell, Easterlin argues that we moved from a society of high to low fertility. At first the increase in the number of surviving children caused fertility to fall after families realized that they could achieve their target number of children with fewer births, then the target number of children fell as children became more expensive thanks to advances in education, urbanization, and the introduction of new goods. The population explosion of developing countries should, therefore, slowly reverse.

Easterlin presents a very optimistic picture of the future, arguing that modern economic growth will spread to all countries of the world and neither declining population growth nor an aging population will lead to economic stagnation. We have the technology and many of the preconditions for economic growth, such as institutions for the accumulation of physical and human capital and the mobility of labor and capital, are already present in developing countries. In an example of the sort of long-run perspective that the book is best at, Easterlin shows that even the aging of the baby boomers will not produce a dependency burden that is high by historic standards.

Within this optimistic scenario, he sees two causes for concern. One is that the spread of economic growth shifts the balance of power to newer, more populous de-

veloping countries that do not share our commitment to democracy and human rights and this may produce political as well as military clashes. The other is that income cannot buy happiness and that despite previously unimaginable levels of affluence, material concerns are as pressing as ever. According to Easterlin technology will always produce new goods that we will want and, because people measure happiness in relative terms, they will forever be stuck on a hedonic treadmill.

It is this last point, “the triumph of material wants over humanity” that I found controversial and whenever there is controversy, the drawbacks of a synthesis become readily apparent. The reader wants to know more, wants further breakdowns of the data. Easterlin cites surveys that show that people in both the United States and abroad are no happier than they were twenty years ago despite increases in per capita income. He also cites surveys that show that personal income, family, and health are individuals’ primary concerns in all countries surveyed. But, what about recent polls showing that forty-eight percent of U.S. workers had either cut back on hours of work, declined a promotion, reduced their commitments, lowered their material expectations, or moved to a place with a quieter life during the preceding five years? What about the tremendous decline in market hours of work, whether measured in terms of weekly

hours, increased vacation time or sick leave, or increasing number of years spent in retirement? As wages have risen so has the opportunity cost of these hours. The history of modern economic growth is not just one of increasing numbers of consumer goods, but also one of increasing hours of leisure. These hours of leisure have enabled more and more individuals to achieve some kind of self-realization. There will always be individuals who will not know what to do with their free time or spend it in ways we disapprove of, such as watching television. But, what of the individuals who work in order to be rock climbers or who teach classes in order to do research?

I am not surprised that, when surveyed, individuals state that they would like more money (more is always better than less), but the question that we must ask is whether they are willing to trade it for time that could be spent with family members or in enjoyable pursuits for more material goods and how this trade-off has changed over time.

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