



Gareth Austin, Kaoru Sugihara. *Labour-Intensive Industrialization in Global History*. Abingdon: Routledge, 2013. 310 S. ISBN 978-0-415-45552-7; ISBN 978-0-203-06761-1.

Reviewed by M. Erdem Kabadayi

Published on H-Soz-u-Kult (February, 2014)

## G. Austin u.a. (Hrsg.): Labour-Intensive Industrialization

Gareth Austin and Kaoru Sugihara, editors of this recent volume, undertake an ambitious task “to identify labour-intensive industrialization (LII) as a core theme of global economic history and to set out a coherent debate among the authors and beyond,” as they state in the preface. This goal setting is rather challenging if we consider the extraordinary wide geographical and temporal limits of and the thematic variety presented by ten case studies in the volume. The chapters cover sizeable parts of East, South and Southeast Asia, Western Europe, West Africa and Latin America. Investigation time frame of the studies set a considerable range between the 15th century and today. If we try to classify the contributions according to their perspectives and themes accompanying LII, we have an impressive collection authored by authorities in economic history. The first chapter, which is the introduction co-authored by Austin and Sugihara, is the cornerstone of the volume. Editors introduce, discuss and explain ways and means the labour intensive approach can be utilized to investigate economic development in comparative economic history. Specifically LII’s conceptual interconnectedness with Sugihara’s ‘East Asian path of economic development’ is to be underlined here. In the introduction LII has been defined succinctly as a research perspective within the contexts of factor endowments and multiple paths of economic development. One of the key connection points proposed by the editors is the explanatory role given to the development of labour-intensive and resource saving technology in the global diffusion of industrialization.

In the following ten thematic chapters eminent schol-

ars of the field test, evaluate, and criticize usefulness and limits of LII either as a complimentary or a main research perspective in their own fields of expertise. In doing so some of the contributors are also revisiting their research agendas. The individual contributions will not be listed here; in this review I would like to highlight themes and research agendas, which are present in the volume.

The first aspect considered in connection to LII is dual or multiple paths of economic development. It is not surprising that Sugihara’s chapter LII in global history, which focuses on and evaluates East Asian experiences, follows the introduction. Sugihara coined the term ‘East Asian path of economic development’ with his ‘two paths’ thesis. LII is intrinsic in his theory and in this chapter he presents the role of LII in Japanese modern economic growth. This theoretically highly sophisticated chapter embeds LII into existing economic history methodology by discussing issues such as quality of labour, factor endowments, institutional settings and political change. As a result the definition of LII developed in detail in this chapter also serves as a guide for the reader to assess the qualities and limits of LII approach in other fields, regions and periods.

Tanimoto examines the urban transformation of twentieth-century Japan via LII perspective. He argues that urban growth triggered and/or sustained by industrial development, was a central dynamic of diffusion of industrialization in Japan. His focus is on peasant households as a source of labour supply. He claims that in particular in Tokyo urban small-scale workshops were reproductions of rural peasant households in non-agrarian

settings and this form of self-employment formed an important basis for urban LII in modern Japan. However, he notes the workshops were not mere equivalents of traditional handicraft industries but also had a combination of traditional and modern factors both in production materials as well methods of production.

Pomeranz argues that rural industries of late imperial China and especially in Yangzi Delta were labour-intensive and this feature was characteristic for East Asian pattern of growth. Further, he stresses that labour-intensive has multiple meanings and substitution of other factors of production with cheap labour is not the single form. LII can also be based upon human-capital-intensive employment within a prosperous economy. After elaborating on rural industrial production of late imperial China Pomeranz moves forward in time in his analysis and investigates rural industry dynamics in the 1950s within the framework of the Great Leap Forward. Both in this period as well as in the post-1978 privatization of township and village enterprises he sees a rural-focused LII in action. Lastly he argues that Chinese economic experience or the path followed recalls those of Taiwan and Japan and diverges sharply from the West.

The second theme is the extent of industriousness of modern economic growth. De Vries who introduced and successfully propagated the term 'industrious revolution' into the English literature back in 1994 revisits this theme under a new light via using LII to compare industrious revolutions in the East and the West. In the context of the East Asian economic history de Vries explains the development of the term industrious revolution, which was first coined by Hayami in a Japanese-language work in 1967 and then further used by scholars such as Sugihara and Saito as a form of LII. After revisiting and comparing industriousness of economic growth in Western Europe and in East Asia by elaborating on agricultural productivity and organization of household as an economic entity de Vries argues that level of market development is the main difference between labour-intensive economic developments in both spheres.

The third theme is proto-industrialization. Saito, an authority in the field and a distinguished economic historian of Japan, re-examines the proto-industrialization debate and its connection to LII. He argues that proto-industrialization is one form of LII. His critique, however, focuses on the neglect of the role of skill intensity in the debates and formulation of theories concerning both forms of industrialization, proto- and labour-intensive. In his analysis Saito highlights the relationship between

skill intensity and factor intensity. He argues that proto-industrialization is surely a labour-intensive form of production yet it does not have to be associated with low skill intensity.

The second chapter, also relevant to the proto-industrialization, is from Hau and Stoskopf and it examines nineteenth-century Alsatian industries, which were in a symbiotic relationship with agricultural production. The authors find LII as a useful concept to study mostly farm-processing industries in the region. They argue that Alsatian-LII supported by disciplined and docile labour was crucial both for the emergence of an industrial region as well as its successful resistance to de-industrialization in the nineteenth century.

The fourth and the last theme can be seen as LII in colonial and post-colonial settings. Roy elaborates on labour intensity in his chapter on industrialization in colonial India. Similar to Saito he focuses on skills. An important question he poses is how to explain a simultaneous large-scale decline and survival of skilled artisans in Indian industries. His methodological suggestion is to analyze dynamics of employment in crafts and factories comparatively but not separately. He argues that artisans and factory workers have long been perceived and examined as separate entities. Roy claims that successful adaptation of crafts and factory workers to the modern industrialization or their failure to do so can be better understood within the LII perspective and argues that the connection between artisan and factory production should be analyzed via an examination of the ways in which labour was recruited, trained and deployed.

In his analysis of the government promotion and industrialization in Indonesia 1935-75 van der Eng focuses on small-scale and/or labour-intensive light industries. He argues that the Indonesian path of industrial growth was labour-absorbing in the 1930s and capital-intensive after the mid-1950s. However, the author does not explain the consequences of major game changing events such as World War II, Japanese invasion and especially gaining independence in necessary detail to compare the historical development of industrial growth in Indonesia. Therefore his examination of the performance of small and medium enterprises from the perspective of government support and subsequently from LII cannot provide a sharp and in depth analysis of the economic history of the eventful decades of the twentieth century for Indonesia. Yet his chapter still offers a perspective to compare colonial and post-colonial economic policy dynamics.

Austin's chapter on labour-intensity and manufactur-

ing in West Africa with an impressively long time span of half a millennium starting from c. 1450 can again be seen in the colonial and post-colonial context. Austin regards Africa as a hard testing ground for LII, due to the fact the continent was historically short of labour and still remains short of manufacturing. In his examination Austin treats traditional and modern industries together and this novel approach enables him to use such a long-term perspective. After evaluating the importance of slave trade in connection to the West African craft industries he focuses on manufacturing with its implications of export agriculture in the region within the time period c.1820 and c.1960. Austin argues that with some exceptions growth of modern manufacturing in colonial West Africa was negligible until the late 1950s. Although after the independence some import-substituting manufacturing emerged structural adjustment programs of the mid-1980s stopped the import-substituting industrialization (ISI) all together. Austin questions whether the failed ISI policies could improve longer-term prospects for LII in West Africa thanks to the increased investment in health and education.

Lewis's chapter on 'colonial' industry and 'modern' manufacturing in Latin America, c. 1800-1940s, is the fourth and the last one using LII to analyze the economic growth in colonial and post-colonial context. Lewis argues that in Americas both capital and labour were scarce and in theory post-colonial regimes had the option of pursuing either labour-intensive or capital-intensive paths. He claims that LII was yet not feasible and factor scarcity limited options for both labour-intensive and labour-saving growth. In his analysis transfers of labourers to Latin America either as slaves or free migrants plays an important role. Lewis highlights the importance of skills and argues that the skill-level of 'national' labour(s) remained low across the continent and lack of

education and training of human capital was the barrier for the development of LII.

This edited volume ends with a reflection by Austin titled 'labour-intensive industrialization and global economic development'. This last chapter is a well-written evaluation and in fact it serves a review of the edited volume. Most importantly Austin states that the volume is not the result of an attempt to apply the LII thesis in diverse expertise fields of its contributors but to explore its possible insights and constraints within various perspectives and in a wide range of geographical and temporal contexts.

All in all this edited volume is a successful attempt to bring authorities in economic history in dialogue and discuss and assess use and limitations of LII as a perspective. Although the chapters can be read separately the edited volume is much more than a compilation of individual contributions. The papers of the volume do talk to each other and efficient use of cross-references enhances the interconnectedness of the book. Especially the very well prepared and penned introduction and reflection chapters serve as helpful guides for the reader and they enhance the coherence of the entire volume. Every chapter has its own bibliography and this again serves the reader rather well. In very, very rare cases there are missing references in the bibliography, yet this does not at all change the quality of the bibliographical information one can get out of the volume. The volume is quite well structured and it brings together and conveys expert knowledge on a high level of theoretical complexity without losing contact with empirical base of individual case studies. This study surely achieves its set goal to present 'a coherent debate and build an informed conversation' about the role of labour-intensive industrialization in global history.

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**Citation:** M. Erdem Kabadayi. Review of Austin, Gareth; Sugihara, Kaoru, *Labour-Intensive Industrialization in Global History*. H-Soz-u-Kult, H-Net Reviews. February, 2014.

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