

PROBLEMI ATTUALI DELLA PIANIFICAZIONE NELL'EST EUROPEO (SEMINARIO CESES DI SORRENTO). Quaderni della rivista "Il Politico," no. 8. Quaderno a cura di Pasquale Scaramozzino. Milan: Istituto de Scienze Politiche dell'Università di Pavia, Casa Editrice Dott. A. Giuffrè, 1971. 303 pp. L. 3.500, paper.

This volume reports lectures given at a conference held in Sorrento in July 1968, sponsored by CESES (Centro studi e ricerche su problemi economico-sociali di Milano) in conjunction with the University of Naples. Five East European economies are discussed by five professors: Czechoslovakia by Rita Budinova of the University of Prague, Yugoslavia by Branislav Šoškić of the University of Belgrade, Poland by Janusz Zielinski of the University of Warsaw, Hungary by Miklós Mandel of the Academy of Sciences in Budapest, and the Soviet Union by Eugène Zaleski of the National Center of Scientific Research in Paris.

Each series of lectures on a single economy describes, with adaptations, a collection of similar topics: recent economic history, the planning system and its rationale, recent economic reforms, and reform problems. Particular attention is given to market relations; thus Professor Mandel states, "Social ownership does not exclude the possibility of the existence of market relations" (p. 199). These relations are explored in both theory and practice. In addition, each author contributes a topic unique to his subject economy: Budinova on problems of Slovakia, Soskić on the worker-management system, Zielinski on the theory of economic reform, Mandel with a microeconomic model (an organizational model, in Western neoclassical economic terminology), and Zaleski on effective organization of planning.

The assessment of recent reforms and current planning is somewhat somber, the more so as one reads of Czechoslovakian reforms with knowledge of the post-August 1968 period. Professor Zielinski performs an unexpected adjunct service; he documents the procedures followed by a planning theoretician coping ably with pragmatic questions—that is, the order in which reforms should be introduced. His selection, in translation, would enhance a course in comparative economic systems.

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THE END OF THE ECONOMIC MIRACLE: APPEARANCE AND REALITY IN ECONOMIC DEVELOPMENT. By *Ferenc Jánossy*. Translated from the German by *Hedy D. Jellinek*. White Plains: International Arts and Sciences Press, 1971. x, 269 pp. \$15.00.

Rather bizarre, somewhat misleading, and yet often insightful, this English translation of *Das Ende der Wirtschaftswunder: Erscheinung und Wesen der wirtschaftlichen Entwicklung* (1966) will undoubtedly be received with ambivalence by many Western-trained economists. It is written in the Marxist tradition (e.g., capital is embodied labor); and despite its title, the book is not about short-run recovery but long-run economic growth.

Jánossy warns that although postwar recoveries of war-torn economies are untypically rapid, such growth does not continue indefinitely, and eventually the slower long-run trend rate of growth is resumed. Oddly, he fails to acknowledge any previous recognition of this phenomenon, and there were many earlier discoverers. J. S. Mill, V. Bazarov, Colin Clark, and Milton Friedman are just a few

who have asserted that rapid postwar recoveries (with or without a Marshall Plan) are not really miracles. Jánosy's findings about eventual adjustment to long-run trends are not a new discovery as the book seems to imply. Nevertheless, they do support the no-miracle claim.

Finding the long-run trend rates of growth for the various countries is no easy task empirically, and Jánosy's trend measures are not entirely acceptable. Nevertheless, he does illustrate effectively the slowing-up process, and his argument is particularly convincing that serious miscalculations in Russia, Hungary, and elsewhere were due to a failure to recognize the end of recovery. Output trends of steel, cement, coal, and even electricity are often used as substitutes for growth. Jánosy asserts that these are frequently better indicators than weighted indexes of industrial output or national income, but fortunately he also uses the latter. In general, the empirical work is weak and deceptive. For instance, to illustrate growth in Russia he uses without qualification the notorious official statistics of industrial production, thus showing a nearly 100 percent increase in about four decades. Growth, even when measured by national income data, is never stated in per capita terms, and often not even in real terms. His uncritical use of the early postwar German unemployment statistics will be viewed by scholars as an alarming display of personal faith.

The reader discovers in part 2, with previous warning in the introduction, that the lessons of the book are less about short-run recovery than about long-run growth. There are a few pages in chapter 11 that pertain to regeneration, but the explanation is incomplete and unconfirmed, and is poorly specified for regenerative growth analyses. Jánosy claims that alterations of investment levels are effective only in the short-run recovery situation but have no significant effects on the long-run trend.

Rather than through investment levels, the trend is allegedly determined by the interaction of changes in the "vocational structure" (what workers do and how well they do it) and the "workplace structure" (the physical setting of employment, e.g., the plant and equipment, with technology embodied in the capital). The two structures must move together, we are told, and one cannot outpace the other without the other retarding growth. To Western-trained economists, of course, this is old stuff. It is simply the complementarity between human and physical capital.

Despite these deficiencies this is an important book and deserves the attention of well-trained scholars. For the reasons given above, it is inappropriate for the untutored. The numerous illustrations and examples are particularly rewarding and insightful. Although the theory is not really new, its presentation is novel, and a story told in a different way can open new vistas and improve our understanding.

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FOREIGN TRADE CRITERIA IN SOCIALIST ECONOMIES. By *Andrea Boltho*. Soviet and East European Studies. Cambridge and New York: Cambridge University Press, 1971. viii, 176 pp. \$9.50.

This slender volume—the first in the Cambridge Soviet and East European series—contains an introduction to Marxian economics from the standpoint of foreign trade, an examination of the institutional background, a survey of foreign trade criteria, and an analytic explanation of prewar Soviet foreign trade policy. The best