

Book Review

Mathema, R. B. K., (2000) *Theories of Economic Development*, Sita Devi Mathema, Kathmandu, Nepal, 2000, PP 94, Price NRs.100.

The book under review is an attempt to present theories of economic development which is designed to meet the partial need of MA Economics and Bachelor Students preparing for the paper on the Economics of Development and Planning. The basic objective of this book is to bring into focus the Theories of Economic Development in such a way that may easily be digestible to the students. The book is simple which enables the students to be familiar with the basic knowledge of development theories.

The entire book is divided into ten chapters including the conclusion in each chapter of the end. They deal with the Theory of Balanced Growth, Theory of Unbalanced Growth, The Big Push Theory, Rostow's Stages of Economic Growth, The Theory of Critical Minimum Effort, Economic Development with Unlimited Supplies of Labour, Dependency Theory of Under Development, Adam Smith's Theory of Development, The Ricardian Theory of Development and The classical Theory of Development. The first chapter, Theory of Balanced Growth is dealt with working explanation of the theory, Vicious Circle of Poverty, breaking the Vicious Circle of Poverty and flaws of Balanced Growth Theory. Notion of unbalanced growth, series of investment, unbalancing the economy, linkage effects, last industries first, advantages of unbalanced growth approach, and flaws of Unbalanced Growth Theory are dealt diagrammatically in the second chapter. Appendix covers the problem of choice at the end. The Big Push Theory under chapter third covers external economies indivisibilities and pitfalls. Chapter four with Rostow's Stages of Economic Growth diagrammatically deals with stages of growth, the drive to maturity, the age of high mass consumption and criticisms. The Theory of Critical Minimum Support has diagrammatically been explained in chapter five containing the topics stimulants and shocks, explanation, attitudes, motivation and incentives, growth agents and apparent flaws in the Critical Minimum Effort Thesis. The six chapter relates to economic development with Unlimited Supplies of Labour. In this chapter two sector economy, operation of the Lewis Model and flaws are diagrammatically explained. Chapter seven is concerned with Dependency Theory of underdevelopment. In this chapter unequal development, different forms of dependence, limitations and invited revolution have been discussed. Adam Smith's Theory of Development is explained in chapter eight. The chapter covers Adam Smith's Theory of Development and its pitfalls. In the chapter nine The Ricardian Theory of Development is diagrammatically illustrated. The writer has discussed assumptions of Ricardo's theory, distribution, the theory of comparative cost, sources of capital accumulation, stationary state

and flaws. In the final chapter the Classical Theory of Development is entitled in which propositions of the Classical Economists and criticisms have been discussed.

The physical production of the book is of medium standard. The subject matter has been presented without mathematical exposition. The use of figures has been kept to the minimum. The book does not contain questions for exercise to acquaint the reader in a more formal way.

After analysing the entire book, some of the shortcomings which I noticed are as in chapter three. Rosenstein's example of the shoe factory would have been more clear if author had explained diagrammatically. Missing important limitations like coordination, techniques, execution and implementation, factor mobility and international trade would have been mentioned and explained a little more in details. In chapter four it would have been more useful if author had included importance and limitations of take off for UDCS. Stationary state should have been illustrated in terms of diagram in chapter eight. Relevance of each and every theories for UDCS would have been discussed critically in order to make wide range of readers.

No doubt there is no dearth of literature on the subject. But there are very few books written in the text books style to meet the present syllabi. The author's endeavor indeed, is praiseworthy to present the subject in a lucid and intelligible manner. The price of the book makes it accessible to the students of Bachelor and Post Graduate level.

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