The Great Divergence: Europe, China, and the Making of the Modern World Economy. By Kenneth Pomeranz (Princeton: Princeton University Press, 2000). 382 pp. $39.95.

In this ambitious book, rich with ideas, Kenneth Pomeranz sets out to remake our image of the great economic divergence between the East and the West that had appeared by the late nineteenth century. The prevailing view has been that the West surpassed the East in technological creativity by the time the Portuguese arrived in Macao in 1557. At that point, China and Japan were sophisticated but stagnant economies. The greater technological creativity of the West, home grown, led to Europe's domination of the world economy.

In the first part of the book, Pomeranz sets out to show, instead, that at the onset of the Industrial Revolution, the Chinese were just as advanced as the West in matters of per capita consumption, urbanization, life expectancies, markets, institutions, land yields, technological dynamism, and anything else. The divergence so painfully evident between China and the West by 1900 had its origins after the onset of the Industrial Revolution. Moreover, Pomeranz argues, based on the internal structure of these economies, China was as likely to have experienced the Industrial Revolution in 1770 as Britain.

In the book's second section, Pomeranz argues that both the Chinese and European economies were coming to the limits of their growth potential within the framework of pre-industrial technology in the mid-eighteenth century. The basic constraint was that all production depended on land as the basic supplier of food, raw materials, and energy. Since there was no way of radically increasing yields, the land constraint limited the potential rise of output per capita. Neither China nor Europe looked to be candidates for dramatic growth of output per person in the near future.

In the third section Pomeranz proposes Europe broke free from the ecological constraints by exploiting the land of the New World, a possibility not open to China. The success of the West has to be traced to the external connections of their economies, and not to anything internal. Specifically, the rise of the West owed much to "Europe's privileged access to overseas resources" (4).

In a Malthusian world of slow technological advance living standards themselves reveal nothing about an economy's level of technology, or its direction. Thus, the Europeans who visited Tahiti in the eighteenth century were astonished by two things (in addition to the Islands' sexual mores) – the stone-age technology of the inhabitants, who so prized iron that they would trade a pig for one nail, and the ease and abundance in which they were living. But that abundance was purchased by a high rate of infanticide that ensured a small number of surviving children per couple and consequently good material conditions. Tahiti was not a candidate for an Industrial Revolution, no matter how well fed its inhabitants.

The claim for the sophistication of Chinese and Japanese technology in the eighteenth century lies more properly with their ability to maintain more people per square mile at a high living standard than any European economy could. The low level of Tahitian technology in the late eighteenth century is evident in Tahiti's capacity to support only 14 people per square mile as opposed to England's 166.[1] Japan was supporting about 226 people per square mile from 1721 to 1846, and the coastal regions of China also attained even higher population densities: in 1787 Jiangsu had an incredible 875 people per square mile. It may be objected that these densities were based on paddy rice cultivation, an option not open to most of Europe. But even

1 These population figures for Tahiti come from the years 1800 to 1820 when there may already have been some population losses from contact with Europeans.

in the wheat regions of Shantung and Hopei, Chinese population densities in 1787 were more than double those of England and France. China had pushed pre-industrial organic technology much further by 1800 than anywhere in Europe. The West was clearly behind.

When Pomeranz starts explaining the Great Leap Forward of the West his argument loses much of its conviction. The addition of America's land to the world economy surely relaxed the resource constraint on Europe in the nineteenth century, but in a world of relatively free trade and declining transport costs, it also relaxed the constraint for an even more tightly bound China. The sources of Western superiority have to be internal to the West. In this thought provoking book, however, Pomeranz shows how little we understand of the changing fortunes of East and West in the nineteenth century.

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