

R. Nagaraj (ed), *Growth, Inequality and Social Development in India: Is Inclusive Growth Possible?* UNRISD and Palgrave Macmillan, Hampshire, 2012, pp. 238, ISBN 978-1-137-00075-0 (hardcover).

In this volume, the editor Rayaprolu Nagaraj from the Indira Gandhi Institute of Development Research in Mumbai presents eight Indian writers, including two with a non-governmental organization (NGO) background. Not pressing a rigidly defined theoretical agenda, the contributors converge on a common understanding somewhat less leftist than the Marxist tour de force that Vivek Chibber offers in his chapter. They make repeated references to the classical studies of economic growth by authors such as Arthur Lewis, Simon Kuznets and Gunnar Myrdal. Among Indian writers relied upon, Pranab Bardhan (rather than Amartya Sen) seems to enjoy pride of place. The remaining literature cited is written by a wide variety of Indian academics. Even though many external donors and NGOs have worked in practically all Indian states for decades producing countless reports and studies, the contributors only draw on that body of literature to a very limited extent. Social development, as it emerges from this book, is a matter of Indian central and state policies and projects with everyone else, apart from the World Bank, written out of the story.

India is one of the few countries in the post-colonial world that has achieved economic growth without periods of recession and without having defaulted on external loans. This uninterrupted economic growth, however, has been skewed. India's service sector has grown to be the largest sector economically, but 55 per cent of the workforce still draws its livelihood from agriculture, which only contributes 15-20 per cent of the GDP. At the other end, some 8 per cent of the workforce produces 40 per cent of the domestic output. The authors agree that within this slow and steady and skewed growth scenario India's social development has been 'modest'. Indeed, modest is the word that Nagaraj employs no less than 11 times in Chapter 1.

The organized sector employs about 8 per cent of the workforce. These people are found within the public sector, in recognized educational institutions, and in the private corporate sector. Organized workers enjoy health insurance, compensation for work-related accidents, maternity benefits, gratuity and provident funds. An additional 7 per cent of the population has achieved this level of security through other forms of employment or by other means. Combined, these 15 per cent of the workforce would seem to provide a good proxy for the size of the Indian

middle and upper classes in terms of social security.

Compared to Latin America, for example, India's unorganized sector is very large, constituting about 90 per cent of the working population. It is made up of, basically, the entire agrarian population of both self-employed farmers and workers. In addition, some 72 per cent of those who work outside of agriculture are unorganized. Some of these people have regular wage jobs, but remain unorganized in the above sense and are likely to be employed under poor working conditions. In their chapter, Gita Sen and D. Rajasekhar detail how, in their South Indian sample, a majority of unorganized workers had faced various 'emergencies', chiefly ill health, within a period of three years. As of yore, moneylenders were found to be the main saviours of those creditworthy enough to use their services. In 2007, the Indian parliament discussed the Unorganized Sector Workers' Social Security Bill securing life insurance, old age pension and health insurance for all workers in the unorganized sector. The bill was not passed, in part because it would make state governments liable to pay in case employers could not be identified.

In the absence of universalized protection, schemes such as the National Rural Employment Guarantee Act, providing 100 days of employment to rural households, and the Public Distribution System, providing subsidized food, have constituted the two largest welfare schemes. The authors discuss these huge schemes as well as several other longstanding attempts to secure social development through, for example, the provision of clean drinking water, sanitation and education. While 82 per cent of the rural population is reported to have gained access to improved drinking water, this water, Vijay Shankar and Mihir Shah remind us, is sometimes harmful, containing either fluoride or arsenic. Despite the many sanitation projects, 69 per cent of the rural population 'resorted to open defecation' in 2008. Unlike health, which is largely in private hands in India, schooling remains largely in the public sector. The education imparted in India's more than one million public elementary schools generally leaves intellectual attainments extremely low. Fourteen per cent of the schools have only one teacher. In the state of Jharkhand, 28 per cent of schools do not even have a blackboard.

The authors concur that even though economic poverty has decreased and life expectancy has increased from 36 years to 65 years since independence, nutritional deprivation remains common. For instance, the proportion of anaemic children under the age of three has increased to 79 per cent. The economic growth achieved in some Indian states, has

left other states unaffected, increasing economic inequality not only in the economic hubs, but also between these hubs and the backwaters. About 80 per cent of Indians still have a daily per capital expenditure of less than US\$2. All this goes to support the contention that India's social development has been 'modest' and 'gradualist', if not downright 'glacial'. The anthology makes this point through general overviews, such as the chapters written by Vivek Chibber and Atul Kohli, and, more convincingly perhaps, by the other empirically richer chapters.

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Liming Wang (ed), *Rising China in the Changing World Economy*, Routledge, Routledge Studies on the Chinese Economy 46, 2012, pp. 422, ISBN 978-0-415-61095-7 (hardback).

In *Rising China in the Changing World Economy*, the authors of each chapter advance their explanation of how and why the Chinese economy is so heavily involved in other economies. This book shows the relationship between economic transition in China and changes in the world economy. The 16 papers collected in this volume are self-contained and independent, but there are strong inter-relationships between different chapters. These papers are responding to unanswered questions of previous studies or trying to provide a missing link. One outcome is that the papers tell us that China has changed its own internal economic structure and inter-relationship between different sectors within the country as its external impacts on the world economy have grown.

Rather than discuss each chapter, I will present the key ingredients that I thought to be important, especially in line with the economic questions and micro-level facts to be explained. The book has two main questions, both very insightful for beginners and experts of the field alike. First, this book asks how existing economic theory can successfully explain the development of the Chinese economy. Second, this book asks whether existing economic theory should be reframed to explain the rapid transformation of the Chinese economy under its