Kicking Away the Ladder-Development Strategy
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This review is on the book called “Kicking Away the Ladder-Development Strategy in Historical Perspective” written by Ha-Joon Chang, one of the prominent scholars of the heterodox school whose academic studies were concentrated on the area of development economics. This book deals with the contrast between the mainstream and heterodox approaches on economic development of the developing countries. The author uses a historical perspective to demonstrate that in their initial stages of development, the now developed countries (NDCs) did apply protectionist ITT policies (industry, trade and technology) and when they were at the same stages of development, they did not achieve a high level of institutional development in comparison with the now developing countries.

In his first chapter Chang outlines the set of what are often presented as "good policies and institutions"-free trade, democratic environment, and effective institutions-advanced by the developed world as an essential and indispensable background for economic development in developing countries. This contention is generating heated debate nowadays. The orthodox view, which assumes that the developed countries applied the principles of free trade and laissez-faire in the initial phases of their development, does not correspond to reality if we study it with an historical perspective. The author points to Friedrich List, commonly known as the 'father' of the 'infant industry' argument, who applied history-based methods in analyzing the economic development of the U.K. and the USA during the nineteenth century. He showed that anyone who attains a position of strength tends to “kick away the ladder by which he climbed up”, so as to deprive others of the chance (p.4).

At the beginning of the second chapter, Chang concisely describes the orthodox approach to the economic development of the current developed countries and analyzes the historical path of Britain and the USA in particular, and shows how they protected and promoted their “infant industries” before urging the international community to adopt open and free-trade policies. In the end of chapter, the author compares the developing countries with the NDCs using the purchasing power parity income measures.

In the third chapter, Chang discusses the “good institutions” that include democratic structures, an efficient bureaucracy, the protection of property rights and stable financial institutions, all of which developed countries and international organizations claim are preconditions for economic development and growth in the current developing countries. The author discovers that the very institutions that are claimed to be preconditions for development were initially backward and their improvement was an ongoing process that continued mostly until the early twentieth century. Finally, the
author compares the per capita incomes (table 3.7 pp.122-23) of the richest countries in 1875 with present day developing countries.

The last chapter presents a summary of the author's main ideas which were set forth in the preceding chapters regarding ITT policies and institutional development issues, and clearly answers the question of whether the current push for “good policies and governance” by the NDCs is in fact a disguise for “kicking away of the ladder”.

In addition, it took decades if not generations to achieve institutional development in the NDCs, and the developed countries demand that developing countries achieve certain institutional standards, which they themselves never attained when they were at a same level of development. Thus, it seems clear that the NDCs are trying to “kick away the ladder” which they initially climbed up.

First of all, this book represents an enormous academic, theoretical and empirical contribution to the field of development economics as it suggests a distinct perspective on the study of the question of development. In addition, the language of the book makes it very understandable, and any reader can easily grasp the main ideas outlined in the book. The reader doesn’t have to necessarily be an expert in the due field. Chang in this book uses the historical analytical method to back up his main arguments with empirical facts, and from a theoretical perspective, he clearly undermines the mainstream view with the arguments he advances to support his position. In this way he positions himself on a traditional nationalist approach. Furthermore, he presents the informational tables to clarify his points and support his ideas with visible facts rather than just presenting arguments. Moreover, he successfully uses materials and facts from the data of IMF, WB and other international organizations to make arguments against their actual positions besides referring to vast amount of literature. Albeit very briefly in the end, he suggests handful of policy recommendations.

Although this book on the whole created some very positive impressions, there are some points that should be highlighted in regard to several contradictory, implicit and ambiguous ideas that are presented. The author talks about democracy, and free and fair elections, but he places limits on the validity of the idea of democracy, in that it includes more than transparent elections. In addition, especially in the last sections of the second and third chapters, the author compares the developed and developing countries, but the comparisons are very limited. The author discusses the developed countries in great detail, but there is a lack of information for the reader on the side of the developing countries. The question is how he came to the conclusion that in the last two decades, the developing countries' growth rate has decreased. Which factors led him to conclude that it was the open and liberal economic policies that led to the fall in the growth rate in the last two decades? He does not underline the internal problems that existed in developing countries, which could ultimately lead to the failure in growth. In addition, the author does not take the facts into consideration that the overall growth rate in 1970s could be positively influenced by high oil prices and the growth in 1960s could be the product of general post-war development. Thus, we see that certain reasons are underestimated either on purpose or unintentionally, but it leaves some matters unclear for a reader who wants to dig deeper into the topic. In my opinion, it is the main disadvantage of the historical method, which analyzes the issues through historical
facts, but restrain itself to determinism, and base the arguments on certain assumptions derived only from historical facts.

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