

The Study of Contrasts across Europe: Interview with Patrick O'Brien

To most people Patrick O'Brien is known as an author who has written extensively on the Industrial Revolution in Britain and in Europe. Readers of this journal will without any doubt also know him as a scholar who has studied the economic relations between the West and the rest, especially the costs and benefits of European colonialism and imperialism. His other main fields of interest are taxes and state finance. He started his career as an undergraduate at the London School of Economics. His doctorate (written at Oxford) was a thesis on the financing of the Revolutionary and Napoleonic Wars from 1793 to 1815. At present he is Centennial Professor of Economic History at the London School of Economics and Senior Research Fellow and Convenor of the Programme in Global History at the Institute of Historical Research of the University of London. Peer Vries conducted the interview in November 1999.

The main interest in your academic life has been the study of industrialisation, and especially British industrialisation. What struck me in reading your books and your many articles is that you describe, analyse and compare the British Industrial Revolution, but hardly ever discuss the causes of this revolution, at least not in a very explicit way.¹ Do you think it not a sensible question to ask about the causes of the Industrial Revolution?

Economists look for parsimonious explanations concerning the cause, or a set of causes, that promoted British industrialisation ahead of that of the rest of Western Europe. But I think that the important thing is that one should see British industrialisation as part of a broader European process in which, for a number of rather fortuitous geopolitical reasons, Britain took the lead and then the rest followed. I doubt whether there is a primary cause of Britain's industrialisation. I am certainly not in the business of producing monocausal explanations. Marc Bloch told us decades ago that historians can only utilise comparative methods if they wish to converse about causes.²

Of course there is always a big element of contingency in historical processes. On the other hand there must be some reasons one can adduce for the fact

that Britain became the first industrial nation. It is not a completely random happening.

To answer that particular question, I think you would have to position yourself in the mid-seventeenth century and look at possible countries or locations for an industrial revolution. I think in all probability you would select Britain as one of several likely places. You could also have picked Holland or France, Saxony, or one of many proto-industrial regions within Western Europe, which could have generated the major technological innovations behind Britain's early start.

Granted that all these other regions might have been the region where industrialisation appeared for the first time, what are the conditions that made Britain first?

I think Britain exemplifies what I have referred to as precocious structural change, or let us call it 'proto-industrialisation' simply because this term is in common usage, despite Donald Coleman's attempt to expunge it from historical discourse.³ Quite early on, a high proportion of the British workforce was employed in the manufacturing industry and a lot of its output was sold overseas. From this base I can produce something of a probabilistic story as to why industrialisation should have happened in Britain before other places. Into that narrative I would want to bring coal, and also some geopolitical facts that explain why Britain in the mid-eighteenth century obtained a bigger share of world trade and of the profits from servicing the world economy than other European countries, including the Netherlands.

*I can imagine that some readers will be amazed to hear that you want to emphasise the importance of the geopolitical context. After all, among other things you are famous for your thesis that world trade, and especially the role of the periphery, was not that important in moving the process of industrialisation forward. Have you changed your mind?*⁴

That is a pertinent question. Often when I write I am reacting to scholars who produce some sort of grand thesis, a monocausal or exaggerated picture of history I know something about. What I was reacting to in my 1982 article was Immanuel Wallerstein's thesis about why Europe industrialised ahead of the rest the world, and why in particular England industrialised ahead of the rest of Europe.⁵ The core of his thesis is about colonisation, foreign trade and imperialism. What he misses out—and this is not just the case with Wallerstein but also with Braudel⁶—is a number of what an economist would call endogenous preconditions. I

like mountaineering metaphors and I will use one here: I think there are a number of conditions that will carry an economy up to a plateau, and there are a number of things that will take it to the peak. If you want to have an explanation as to why somebody climbed a mountain, you have to consider both sets of factors. Thus to miss out British agriculture, British coal, the long involvement of Britain in intra-European trade, the role of London and its geopolitical position is myopic. It gives you only a fraction of the story. Nevertheless, if you repose the question and ask what it was that made Britain leap ahead of the rest (given the fact that in the early eighteenth century there really are a number of candidates for the position of first industrial nation) then I think Wallerstein has a point.⁷ I do not want to be too critical. The first volume of his work appeared in 1974. At that time the history of Britain's industrial revolution was Ashtonian.⁸ It was very much a story of laissez-faire, British capitalism, humble artisans from the north of England, the role of Manchester, and above all of private enterprise. It left out the state, and any story that does that is grossly underspecified. I think I was right to write that article in the way that I did. Although as a Celt I am also fond of hyperbole and may have been exaggerating when, at the end of my article, I called the contribution of the periphery to European industrialisation 'peripheral.'

From a rhetorical point of view I think that was an excellent phrase.

Nevertheless, people only remember that sentence and think that is my entire thesis. What I am saying is that there are a series of endogenous factors which led Britain to a certain point, and then beyond that point Wallerstein's story begins. He brought power and the geopolitical context back into our discourse, which was absolutely necessary. For the early phases the question is: where is the extra industrial output being sold? Why does England have such a large cotton industry, as compared to, let us say, the Dutch? Both are trading with the East; they both know about cotton. Why do the Dutch not have a big cotton textile industry?

People could argue that the Dutch would have been forced to basically sell their cotton to themselves: the English had a larger internal and external market.

But the United States had become independent in 1783. The Dutch could have sold cotton there. They marketed textiles in South America. They had their own colonies in the Indies. Nevertheless if you want to make a case for the significance of British imperialism, you can only construct it from cotton. Cotton was a very desirable material; it was the nearest thing Europe had to silk, which was a very expensive material. It was used

in the slave trade and to clothe slaves. It was the cloth you could sell all over the Empire. Cotton was the material out of which the major textile innovations actually emerged. All those machines were first used, not in the traditional industries of woollens, not in newer industries like silk or linens, but in cotton. For two or three decades cotton was very important for innovation in textile production. But cotton is not all there is to the Industrial Revolution.

Personally I think Ken Pomeranz has a point when he emphasises that the British Industrial Revolution could go ahead not only because of coal and iron, and because of the fact that Britain was able to export cotton textiles, but also because it was able to import enormous amounts of cheap cotton.⁹ What would have happened if the British had not been able to import this raw material so cheaply and easily? I think this is a point where the role of the periphery (or more generally, of international trade) also becomes highly important. When it comes to the relationship between capitalism—in whatever sense—and industrialisation, I think it was, as Wrigley puts it, more casual than causal.¹⁰ Granted you have a periphery, granted you are a colonial power, and granted you are capitalist (as Wallerstein interprets the word): what then is the direct link of all this to what I would call the ‘essence’ of the Industrial Revolution? By essence I mean using other sources of energy and other materials. Is there a link, or do you think there are two separable trajectories? That Britain industrialised because it was a country that on the one hand had become the centre of a global trading system and that on the other hand, more or less fortuitously, stumbled onto the steam engine?

I do not think the steam engine is one of those innovations that you simply stumble upon. It emerges from a location with very large deposits of coal, which Britain is exploiting from Tudor times onwards for domestic heat and then for several heat-intensive industries such as glass, salt boiling, soap making, etc. There then arises a problem for those who are mining the coal, namely, how do you pump water out of the mines so you can sink them deeper and obtain more coal from a given amount of investment? That was the problem addressed by the engines of Savery and Newcomen. Out of the Newcomen engine comes the Watt engine, and then the application of steam power to industrialisation. But the extent of the diffusion of the steam engine as late as the 1820s remain rather small. So in its early phase the Industrial Revolution is not a steam-powered revolution. Initially the revolution was an example of unbalanced growth. It took place in just a few industries.

Might it be more correct to say that because of steam the Revolution could go on? At the beginning it was still largely a form of Smithian growth, then we see something you might call 'Schumpeterian growth.'¹¹ It is the innovations in the use of energy and iron that allowed the process to go on without running into Malthusian traps.

I think that is right. To repeat, there are two separate points: what starts something moving towards the peak, and then what sustains it in that last phase of ascent? I think that once the economy is through the 1830s and steam power is spreading from industry to industry and the railways are in place, then you are in another era. But most people date the beginning of the Industrial Revolution in Britain further back. Savery and Newcomen made their inventions in the early decades of the eighteenth century. Major innovations in cotton were all in place in their technological essentials by the 1780s. The steam phase really appeared after the 1830s.

I can imagine Eric Jones listening to us and observing: 'This is a Little Englander view of industrialization.'¹² Large parts of Europe—Belgium, Switzerland, France and Germany—also went to the plateau and then to the top. Ought we not, for the real explanation, to be looking for common characteristics pertaining to large parts of Europe? Characteristics that made it possible for these regions to catch up, not immediately, but often in less than half a century, whereas it took most of the rest of the world so much longer?

Indeed. The lags between the advanced countries in Europe are really rather short. They are, however, much longer than anybody in the eighteenth century would have predicted because of the Revolutionary and Napoleonic Wars which devastated, for example, the Dutch economy and the economies of large parts of North-western France. If one looks at Europe in the 1780s, one sees the British moving ahead. But one also observes Catalonia, Saxony, North-western France and the Netherlands being totally aware of these technological developments and poised to take them on board. What gets in their way is a quarter of a century of revolutionary upheaval, massive destruction of capital, and then a series of reactionary governments following the Revolutionary and Napoleonic Wars. It is in that period that the relative position of the British economy really changed.

But Britain itself was also involved in these wars. It had to finance them. It had to do an awful lot of fighting. It was a very turbulent time for Britain too, not exactly a period in which one would expect an economy to flourish. What

exactly is the relationship between the wars and the fact that Britain achieved an advantage over other countries?

In the absence of the wars I think that the whole of the West-European economy would have moved forward in a much more balanced way. But by the 1820s and 1830s the British economy is clearly the dominant and the rest must catch up. The relative destruction wrought by the wars and the gains that the English made in terms of imperial conquest at the expense of the French, Dutch, the Portuguese and Spaniards implied that after the war there was no serious imperial competitor left. Yes the Dutch colonies were returned, but the English could go into their colonial markets. They had moved that much further ahead. It was a bit like the position of the Americans after the Second World War when there were also large productivity gaps. England in 1815 is equivalent to the United States in 1945.

But still, what you see in Europe is that even devastated regions such as Belgium, France and Germany were able to catch up rather quickly. Does there not have to be something you might call 'a common European denominator'? What made it easier for most European countries to industrialise than it was for, let us say, China or India? What had Europe in common that made it move ahead as a continent? Looked at from a more long-term and more global perspective, one could say that Europe industrialised and the non-western rest did not. So there must have been fundamental characteristics of Europe as opposed to the rest. Could you give some hint as to what, according to you, these characteristics might be?

Yes. We do have to think about the characteristics of 'the Rest' and 'the West.' What are the unique characteristics of the West? And what were the problems and unfortunate characteristics of the Rest in the period from, say, the late 1780s right up to the 1840s? What is happening in Asia? First there are a series of exogenous political shocks to which European power contributes. European imperialism is not helpful for preserving the political stability of Asia's great empires. But what we now know is that something called 'capitalism'—a label we should get rid of—was not unique to Europe. The Europeans had markets, credit, entrepreneurial merchants and mercantile networks. But one finds these things in many regions of Asia. Yet the density of populations in these ancient empires was one factor that made it more difficult for them to industrialise on a broad front than for Europe.

What exactly do you mean by density of population?

I mean that the industrialised share of the working population in Europe was higher than it was elsewhere. Although in Asia they had proto-industrialisation and many features of 'capitalism', but probably confined to a limited range of maritime areas. In the interior of Asia, where the mass of the population lived, agricultural productivity was not low, but it was not that high. Furthermore the backward linkage effects of Asia's industrialised regions cannot be as strong as they were in Europe. They did not have the overall 'pulling power' because they had many more people to pull up to a high average standard of living. If you have an industrialised set of regions in England, Switzerland or Saxony, they very quickly become *poles de croissance* that actually lift the whole system up. The sheer weight of population in Asia was much larger. Pulling that lot up (however capitalist you are) is going to take a long time.

I am not an expert on the demographic history of Asia, but there are, for example, figures from Paul Bairoch that indicate that the region in Asia where population was most dense is Japan. At least when we compare the population to the amount of arable land.¹³ Still, somehow the Japanese managed to industrialise. If your reasoning is correct then, ceteris paribus, Japan would seem to be a highly improbable candidate for early industrialisation. Would you then say this is because Japan is not such a big country?

What we need to do now is to compare the Japanese case to certain maritime regions of China and to the maritime ports of South India and look at Asian economies one at the time. There may be some special features about Japanese agriculture and the Japanese taxation system in the eighteenth century or in the level of urbanisation of Japan which were really rather special to Japan. There was a kind of competitive state system in Japan.

What strikes me in your answer is that you do not seem to have any problems in seeing that some parts of Asia were just as wealthy as Western Europe. People like Pomeranz and Goldstone, and most explicitly of course Andre Gunder Frank, emphasise in their work that the most developed parts of Asia in the early modern period were just as developed, and had a GNP per capita that was not much lower, if indeed it was any lower, than that in the advanced regions of Europe.¹⁴ Do you agree? Do you think the differences were really very small in 1750–1800, just when things started changing rapidly in Britain?

I think what recent scholarship has done is to raise the question of just how big the gap in productivity, real wages and real income might have

been between certain regions of Asia and the most progressive regions in Europe. Whether there was no gap at all or whether the gap was significant I think we do not know. We need to look very carefully at real wages and calorific levels of consumption. What we cannot see at the descriptive level is a system called 'capitalism' or what Smith called 'commercial society,' existing only in Western Europe. All the features of Smithian growth were present in large parts of China for centuries, and they were also there in certain parts of India. Whether that led to levels of income that were as high as in Western Europe to me is a question that requires quantified answers.¹⁵

This means you support the deconstruction of one of the most cherished narratives about European industrialisation and Asian non-industrialisation: the narrative that capitalism was uniquely European. Furthermore, if, as you are saying, all these capitalist features were present in Asia and still industrialisation did not take off there, then there are two possibilities: Europe frustrated Asian industrialisation, or there was no industrialisation in Asia to be frustrated as capitalism in itself is not a sufficient condition for industrialisation.

It may be a necessary condition, but it is not a sufficient condition.

We have without much ado begun to discuss Japan, China and India. I gathered from the discussions we had yesterday and from your answers that you have been studying Asia. Does this mean you have been changing perspective? Would you consider yourself a global historian, or in any case someone who thinks global history is where the interesting things in the field are now happening?

Yes, I really do. The shift in the last decades in which a number of Western economic historians have started to take Asia into their perspectives is entirely heuristic. I used to think that really significant illumination could be derived from the study of contrast across Europe: why England was first and why Belgium was second, etcetera. Those were the sort of questions you and I were raised on. When we were answering such questions we were not thinking about three-quarters of the world's population, even if quite early on in my career I spent a decade at the School of Oriental and African Studies, where I learned Arabic. I wrote articles and a book on the Middle East, so I have always been interested in the Third World.¹⁶ In that sense, I am returning to an early interest in populations beyond Europe. The sheer volume of research we now have available in European languages on these economies has grown immensely. When I started working on the

history of underdevelopment there were just three of us actually working on the economic history of Middle Eastern countries. Now there is a huge amount of scholarship available, even if you do not read difficult Asian languages, which take decades to learn. I think Eric Jones was really the first person to perceive that the only way to understand economic growth and to answer questions about gaps in income per capita around the world is to take a very long run and a very wide geographical perspective. He has written two excellent books, which are an example to us all.¹⁷ He has been the major pioneer in global economic history.

I think it is an indication of the way and the speed in which things are changing in economic world history that the latest fashion has become to claim that the centre of the world economy in early modern times was not in Europe, as was suggested in so many rise of the West stories, but in China. Do you think that is putting too much of an Asian perspective into world history? To be more specific, do you agree with Frank that we should 'ReOrient'?

When Frank wrote his *ReOrient* book I did write to him to say that this is a book that occupies the commanding heights of the field. He does not like what I say about imperialism and is rather critical of my work. Still, this is a book we have to address.¹⁸ I think he did a lot of reading and he has a very strong thesis and a very polemical style. His thesis that the Chinese economy was a very big element within the world economy as a whole and that things happening in China fed back into world-trade through India and via the Indian Ocean back to Europe is correct. But what is the quantitative significance of all that for the growth of Western European economies? I think for a very long time it was small. He wants to say it was really rather big. Frank also wants to say (and I do not agree with him), that there was already an economic world system way back in time. He has edited a book with Barry Gills with the title, *The World System: Five Hundred Years or Five Thousand?*¹⁹ In it he defends the thesis that for already 5,000 years there has been a world system. There may be 5,000 years of long distance trade, but there was no world system or anything a modern economist would recognise as globalisation. That sort of integration did not exist before the coming of the railways and steamships.

Let me try and defend Frank. I can imagine him reacting to this by stressing, for example, that all these developments in the British cotton industry which you yourself think are important were a reaction to what was happening in India. So even if, from a purely quantitative point of view, they were not that

important, intercontinental contacts were something of a trigger. Does that make sense?

I think some kind of a case can be made for cotton. But, as I said before, there is much more to the Industrial Revolution than the cotton industry. As late as 1840 cotton was only 7 per cent of GNP. Global contacts do not explain British iron or coal. They also do not explain why the rest of Europe (that also imported Indian cotton) did not make the inventions and innovations the British made. It was the British who went for cotton early on and then produced a series of technological innovations which have to be explained.

Reading Asia-centric texts like those of Frank or Pomeranz in which especially the Chinese economy is presented as highly developed makes you wonder why the Chinese did not industrialise. Obviously you have given some thought to this question. Do you think China was an improbable place for modern economic growth to arise?

I do not think so. What is perhaps less probable is that Chinese society and culture in the eighteenth century would have generated a comparable series of technological innovations. This has nothing to do with the Chinese character or anything else that lies very deep in Chinese culture. In previous centuries the Chinese had generated impressive innovations. As Mark Elvin showed more than two decades ago, they invented the equivalent of a very sophisticated spinning machine for hemp, not for cotton.²⁰ They could do it. They had done it. I think they were locked into an agrarian economy which satisfied the food requirements of the population, and the population grew very rapidly. China was a commercial society. It had a certain level of proto-industrialisation and a very labour-intensive economy. There was no momentum for change, no group of people looking for labour-saving devices or for technologies to do things mechanically in the way that that was occurring in the advanced regions of Europe.

Does this mean that in the last instance you think Elvin was right in his idea of a high-level equilibrium trap?

Yes, I think there is a lot to that justly famous thesis, although I tend to think that it is more of a description of where the economy was than an explanation of why China did not have technological innovation. What it does show is why there was no very strong pressure for change. The Chinese were well fed, their economy was not Malthusian. Sometimes innovation can grow out of crisis. Pressure for change can become so intense that you

have to do something. The Chinese were not in a desperate situation. The state, moreover, tried to make sure that nobody was starving.

*But there was no serious crisis in England either. Does this not imply that David Landes has a point in emphasising the role of culture? The British did not need to industrialise. It is not that there were just two possibilities for them: industrialise or perish. If they were both not in a crisis, what then is it that makes the British innovate so much in the eighteenth century and the Chinese so little? Could culture not make some difference—not all the difference as Landes says, but some?*²¹

It depends what we want to do with this 'catch-all' word 'culture.' If it means a desire to better oneself materially and to respond to price signals and markets, then that existed in China as well as in England. In both countries there was a market-oriented population wanting to make profits. I think we may be talking about differences in the level and embodiment of useful technical knowledge and in the number of people who were skilled enough not only to invent these machines, but to also carry them forward to the development state. It may be that the supply of that kind of labour—carpenters, clock makers, skilled metallurgists—in Western Europe was in excess, per capita, of what it was in India or China. For perfectly good reasons, the Chinese and Indians were using labour-intensive technologies and saw no reason to change. They were doing quite nicely with them, while Europe could make higher profits by moving along other technological frontiers. I do not think there is anything deeply deficient in Chinese or Indian culture. Otherwise they would never have changed. I mean what has re-ordered or changed Chinese culture? Why was it so innovative back in the Sung period? In *Growth Recurring* Eric Jones made the point succinctly a decade ago.

*I think it is evident that Sung China was bristling with innovations while Qing China, which definitely was fairly wealthy per capita, was not—Mark Elvin, and even Needham, says so.²² Qing China may have been rich, but it was not innovative. The 'classical' explanation, apart from references to changes in Confucianism—which I myself do not believe in—that always pop up in the literature is that after the Sung, the Chinese state became more repressive in the sense of repressing innovations. Joel Mokyr in his *The Lever of Riches*, for example, toys with the idea that the state destroyed initiative in China.²³ Do you think that this could be a convincing way of explaining the change?*

I am disinclined to reach for the state in the way that some of my friends in neo-classical economics always do when growth slows up or reverts to a phase of stasis. I am reluctant to do that because we are beginning to get a revisionist view of the Chinese state, and also of the Moghul Empire. Of course these states were predatory when they could be predatory. But they were not particularly powerful states.

Weak states can be dangerous for growth because they are unpredictable.

You are right. They can be unpredictable and arbitrary. And they may not have been particularly helpful. But I doubt whether this is the actual cause of a slowdown in Chinese innovation. I do not think that the Chinese state was powerful enough. Ken Deng's recent work on the mercantile classes in China shows that for centuries they just carried on doing their own thing.²⁴ The notion that they were heavily repressed by the state does not seem to be correct.

Personally, to some extent because of reading your work I am inclined to take a completely different point of view with regard to the role of the state than the (neo-) classical one.²⁵ I think in early modern and modern Europe the state was very important not in hindering, but in fostering economic growth. At least in Western Europe it was not an impediment to growth. And on the other hand, the problem with the state in China and India at the end of the early modern period was not so much that it hindered growth, but that it did not do much to promote it either.²⁶

I think at that time Asian governments were worried about their own stability and survival, and they had very good reasons for their anxieties. They were challenged by the Europeans, who by that time were militarily much more powerful. They did not want massive social and economic change. Peasant rebellions in China and in India had long been extensive and frequent. The degree of internal disorder in those two empires is much greater than what governments had to cope with in Western Europe.

But of course then I could say, as a kind of counter-argument, that if we look at the history of Europe, that was anything but peaceful too. If you take the sixteenth, seventeenth and eighteenth centuries, we see war after war after war. If you say China was hindered by peasant revolts, then what about this constant destruction and bloodshed in Europe? Moreover, the eighteenth century in China was, at least internally, relatively peaceful, while the wars China waged were all won. I do not think the situation in Europe could be described as more peaceful. Could Sombart with his thesis that war in Europe

was to some extent conducive to economic growth in some way be right?²⁷ When we were discussing the Napoleonic Wars, you were hinting at the fact that war is not necessarily bad for economic developments. Of course there are winners and there are losers, but still.

It goes against the liberal grain to say that war is good for anything. But we are now talking global comparative history. In that context Europe stands apart as a competitive state system to which wars were an integral. In Europe states made wars and wars made states, as Tilly puts it.²⁸ In that process powerful states emerge that are interested in their fiscal base and in promoting economic development and in attracting people with money and skills from other states. As a result of this internecine war, Europe constructed the most developed armaments industries in the world. This gave the Europeans superior navies and superior weapons when they went to Asia and into the Middle East. This may be a helpful way of comprehending the differences. As a result of this strife, frontiers were carefully drawn and citizens were protected. Insofar as they were powerful governments attracted capital and skills. People fled from weak states to states that could protect them. Thus many Dutchmen in the seventeenth and eighteenth centuries took their capital and their skills to where they were best protected: to London, and for very good reasons.

All in all a completely different view on the rise of the West arises from that of David Landes, who has written the book on the subject that has without any doubt sold best. He says Europe, and especially Britain, was characterised by laissez-faire. I think I would stress that the difference par excellence between the European and the non-European state, and a very important element in fostering European growth, was mercantilism. This was abhorrent to Adam Smith and to many laissez-faire (neo-)classical economists. If I had to indicate whether laissez-faire or mercantilism was the economic policy that helped the West in rising, I would choose mercantilism. Do you think that would be a thesis that makes sense?

Schmoller said just that, a long time ago.²⁹ The German Historical School had it right. For some 100 to 130 years Holland was a very successful mercantilist state. Then England from the late seventeenth century right through to 1846, when it went over to laissez-faire, was also a highly effective mercantilist power.

You can look at it from the opposite side. Ken Pomeranz told me that in the last instance China did not have colonies, no colonial policy and no real foreign economic policy because government had other priorities. It did not

bother that people were trading, but on the other hand when Chinese traders were killed in Batavia or Manila, Chinese government did not declare war and did not mobilise its power.

Yes, the Chinese stayed inside their boundaries, keeping law and order. Ground rules for capitalism and credit were in place for mercantile activity and for moving goods and people around the country. The state maintained a very good network of canals and a very good stabilisation policy against agrarian crises. That is what they wanted: an ordered society. They were not willing to go beyond the borders and take on the foreigners because they knew they did not have the navy to do so.

But that is because they had not built one: they could have easily afforded to have a navy.

I am not so sure about that. I think that if one could actually measure the ratio of taxes to GDP collected by these great empires it was very low. Contrary to David Landes I suggest we are talking about weak and strong states, not about laissez-faire.

But even then, it has always struck me that the Kangxi emperor in China in 1712 declared—and nobody forced him to do so—that by far the most important taxes, the land taxes and the corvée, would be fixed at a certain ‘decent’ level and would never be increased.³⁰ Of course, there is a rhetorical element in this, but Chinese emperors never formally increased taxes in the eighteenth century, while there would have been a possibility, I think, to raise more money. So there is more to it than just constraints. Is it not the case that in China they had a different view on what governments should do, allow and forbid?

Their view is much closer to what David Landes implicitly means by a laissez-faire state. They wanted to leave well alone.

Anyhow, in Europe the history of taxes is the history of tax increases.

Yes it is. Taxes increase with state building. States became more powerful; law and order were imposed; property rights were being better defined and states were protecting themselves against foreigners.

China ends up, I think, with the worst of both worlds. Official, central taxation was insufficient to maintain or increase infrastructure and unofficial local charges and downright corruption payments went up steeply, which did not have any positive spin-offs.

That is a weak state with war-lordism, local predators who do not care about civil society.

During this interview we have referred to the ideas of some very influential people in the field of world history: Wallerstein, Braudel, Jones, Frank and Landes. You told me you are planning to write a book with an overview of what people have been saying about the idea of economic or material progress. Could you expand a little bit more on that? How does it fit in your whole career? Have you become a historian of ideas?

Ideas matter, but I haven't become an intellectual historian. Europeans have been thinking about the rest of the world since Herodotus. There is a lot of discussion about economies, as well as of societies, families, customs and culture. There is a very long tradition, which carries on through Christian universal history in the Middle Ages, when for very obvious reasons people were intensely interested in Islam. Then with the voyages of discovery a whole lot of imports come from the East into Europe and you obtain much more data in the form of artefacts, but also of knowledge. People begin to reflect. In the period we call the Enlightenment, the first great school of universal historians emerges, Montesquieu, Voltaire and Hume, interesting remarks from Adam Smith and vast tomes from the Göttingen School in Germany. All that really dies away with the French Revolution and the Napoleonic Wars. Thereafter, with the success of European imperialism the nineteenth-century view appears that these 'other cultures' and these 'other peoples' have *always* been backward. That was not the view of Herodotus who always compared the Greeks with the Persians and very often to the disadvantage of the Greeks.

It was not the view of Leibniz, or Voltaire, not even of Montesquieu, although he did say some rather strange things about peoples outside Europe.

Scholars are now beginning to think about material progress down through the centuries in different parts of the world. And in the late twentieth century, as a result of globalisation and as a result of the fact that the world is—in terms of time—small, young people have become very curious about other cultures.

Do you study this subject to get some ideas you can use in your own work about European Asian and global economic development? Or do you do this from another perspective, that of a historian of ideas who just happens to be interested what European people have been saying about other cultures?

An increasing number of people have recently been writing (or are at the moment writing) books on the history of material progress. I would like them to be more aware that there is a very long historical tradition of which they are just a recent part and which they should have read. Then they can place their own work within a 'European vision' of the rest of the world. The visions of some modern scholars are really Eurocentric, blinkered and ignorant. Had they read the historiography, they might have realised that they have to be very serious about what they were doing in the way Max Weber was.

Even if he has appeared to be wrong in various ways, he could not have done much better at the time and I think nobody can really blame him for not having done better.

There are also other historians like Toynbee, Wells, Dawson and Sorokin who made a serious attempt to come to grips with other civilisations. It takes time, and I think a lot of what has been written since the war about the economic history of underdevelopment has been remarkably ignorant of their work. I think the first breakthrough actually comes with Braudel. In Anglo-Saxon economic history he has not been given the place he actually deserves. If you read those three volumes on material life, the market economy and capitalism, there is a serious attempt to understand other civilisations.³¹

I think he is brilliant in posing the right questions, although I am not quite sure what he thinks the answers are.

He perhaps started the resurgence in global economic history. Then we get the books of Jones. The first one was good but the second one is excellent.³² But there have been a number of books in which the attempts have not been scholarly and that do not deserve to be treated very seriously. Some scholars just read sections of Mark Elvin on China and then think that is enough.

Some people have only read Mark Elvin on China and to cap it do not understand him. I think we have got a fine view of your career: from a Little Englander to an economic historian of Europe to a global historian and now even as somebody who studies the history of global ideas.

That is what some of my friends call 'megalomania,' and others 'senility'!

I would call it 'development.'

Notes

- 1 See for example P.K. O'Brien and C. Keyder, *Economic Growth in Britain and France, 1770–1914: Two Paths to the Twentieth Century* (London: Allen & Unwin, 1978); P.K. O'Brien, 'Do We Have a Typology for the Study of European Industrialization in the XIXth Century?', *Journal of European Economic History* 15 (1986) 291–333; P.K. O'Brien, 'Introduction: Modern Conceptions of the Industrial Revolution' in: P.K. O'Brien and R. Quinault (eds.), *The Industrial Revolution and British Society* (Cambridge: Cambridge University Press, 1993) 1–30; P.K. O'Brien, 'Path Dependency, or Why Britain Became an Industrialised and Urbanised Economy Long Before France', *Economic History Review* XLIX (1996) 213–248 and P.K. O'Brien (ed.), *Industrialisation: Critical Perspectives on the World Economy* (London: Routledge, 1998).
- 2 See for example M. Bloch, 'Pour une histoire comparée des sociétés Européennes', *Revue de Synthèse Historique* 46 (1928) 15–50.
- 3 D.C. Coleman, 'Proto-industrialization: A Concept too Many', *Economic History Review*, 2nd series 36 (1983) 435–448.
- 4 For an overview see P.K. O'Brien, 'European Economic Development: The Contribution of the Periphery', *Economic History Review*, 2nd series 35 (1982) 1–18; P.K. O'Brien, 'The Foundations of European Industrialization: From the Perspective of the World' in: J. Casas Pardo (ed.), *Economic Effects of the European Expansion, 1492–1824* (Stuttgart: Steiner Verlag, 1992) 462–502; P.K. O'Brien and L. Prados de la Escosura, 'Balance Sheets for the Acquisition, Retention and Loss of European Empires Overseas', *Itinerario* 23:3 (1999) 25–52. See also idem (eds.), *The Costs and Benefits of European Imperialism from the Conquest of Ceuta, 1415 to the Treaty of Lusaka, 1974*, special issue, *Revista de Historia Económica* 16 (1980) 1–42, published in Madrid in 1998.
- 5 I.M. Wallerstein, *The Modern World-system I: Capitalist Agriculture and the Origins of the European World Economy in the Sixteenth Century* (New York: Academic Press Inc., 1974).
- 6 See note 32.
- 7 See for example P.K. O'Brien and S.L. Engerman, 'Exports and the Growth of the British Economy from the Glorious Revolution to the Peace of Amiens' in: B. Solow (ed.), *Slavery and the Rise of the Atlantic System* (Cambridge: Cambridge University Press, 1991) 177–209.
- 8 T.S. Ashton, *The Industrial Revolution, 1760–1820* (Oxford: Oxford University Press, 1948).

- 9 K. Pomeranz, 'From "Early Modern" to "Modern" and Back Again: Levels, Trends and Economic Transformation in the 18th–19th Century Eurasia', paper presented at the All–U.C. Group in Economic History Conference 'On the Origins of the Modern World: Comparative Perspectives from the Edge of the Millennium', University of California, Davis 15–17 October 1999.
- 10 E.A. Wrigley, *Continuity, Chance and Change: The Character of the Industrial Revolution in England* (Cambridge: Cambridge University Press, 1988) 115.
- 11 For the concepts 'Smithian' and 'Schumpeterian growth' see J. Mokyr, *The Lever of Riches: Technological Creativity and Economic Progress* (New York and Oxford: Oxford University Press, 1990) 3–16.
- 12 E.L. Jones, *The European Miracle: Environments, Economies and Geopolitics in the History of Europe and Asia* (Cambridge: Cambridge University Press, 1981). The reference to the Little Englander point of view is in the 'Introduction' to the second edition, XVI–XIX.
- 13 P. Bairoch, *Revolutions industrielle et sous-développement* (Paris: Sedes, 1963) 140–143.
- 14 A. Gunder Frank, *ReOrient, Global Economy in the Asian Age* (Berkeley, Los Angeles and London: University of California Press, 1998); J.A. Goldstone, 'The Problem of the "Early Modern World"', *Journal of Social and Economic History of the Orient* 41 (1998) 249–284; and K. Pomeranz, *The Great Divergence: China, Europe and the Making of the Modern World Economy* (Princeton: Princeton University Press, 2000).
- 15 See K.N. Chaudhuri, *Asia before Europe: Economy and Civilisation of the Indian Ocean from the Rise of Islam to 1750* (Cambridge: Cambridge University Press, 1990).
- 16 See for example P.K. O'Brien, *The Revolution in Egypt's Economic System* (Oxford and New York: Oxford University Press, 1966).
- 17 Jones, *The European Miracle*; E.L. Jones, *Growth Recurring: Economic Change in World History* (Oxford: Oxford University Press, 1988).
- 18 For Frank's criticism see for example his *ReOrient*, 41–42. For O'Brien's ideas on imperialism see P.K. O'Brien, 'The Costs and Benefits of British Imperialism, 1846–1914', *Past & Present* 120 (1988) 163–200 and P.K. O'Brien, 'Intercontinental Trade and the Development of the Third World since the Industrial Revolution', *Journal of World History* 8 (1997) 75–134.
- 19 B.K. Gills and A.G. Frank (eds.), *The World System: Five Hundred Years or Five Thousand?* (London: Routledge 1993).
- 20 M. Elvin, *The Pattern of the Chinese Past* (Stanford: Stanford University Press, 1973) chapter 17.

- 21 D.S. Landes, *The Wealth and Poverty of Nations: Why Some Are So Rich and Some So Poor* (New York: W.W. Norton & Company, 1998) 516.
- 22 See Elvin, *The Pattern of the Chinese Past*, 284–316. For the ideas of Needham see H.F. Cohen, *The Scientific Revolution: A Historiographical Inquiry* (Chicago: University of Chicago Press, 1994) 418–482.
- 23 Mokyr, *The Lever of Riches*, 209–238. So did Needham, see note 22.
- 24 K. Deng, *Chinese Maritime Activities and Socioeconomic Development* (Westport, CT: Greenwood, 1997).
- 25 On British taxes see P.K. O'Brien and P.A. Hunt, 'England 1485–1815' in: R. Bonney (ed.), *The Rise of the Fiscal State in Europe* (Oxford: Oxford University Press, 1999) 53–100; P.K. O'Brien, 'The Political Economy of British Taxation, 1660–1815', *Economic History Review* 41 (1988) 1–32. For the role of laissez-faire in British industrialisation see P.K. O'Brien, 'Political Preconditions for the Industrial Revolution' in: O'Brien and Quinault, *The Industrial Revolution and British Society*, 124–155 and P.K. O'Brien, T. Griffiths and P. Hunt, 'Political Components of the Industrial Revolution: Parliament and the English Cotton Textile Industry, 1660–1774', *Economic History Review* 44 (1991) 395–423.
- 26 See for example R. Bin Wong, *China Transformed: Historical Change and the Limits of European Experience* (Cornell: Cornell University Press, 1997) and P.E. Will, 'Développement quantitatif et développement qualitatif en Chine a la fin de l'époque imperiale', *Annales HSS* 49 (1994) 863–902.
- 27 W. Sombart, *Kapitalismus und Krieg* (München 1913). For a recent analysis of the relation between war, statemaking, and economic development see L. Weiss and J.M. Hobson, *States and Economic Development: A Comparative Historical Analysis* (Cambridge: Cambridge University Press, 1995) chapters 3 and 4.
- 28 C. Tilly, *Coercion, Capital, and European States, AD 990–1990* (Cambridge, MA: Basil Blackwell, 1990).
- 29 See for example K. Schmoller, 'Der Merkantilssystem in seiner historischen Bedeutung' in: K. Schmoller, *Umrissen und Untersuchungen zur Verfassungs-, Verwaltungs- und Wirtschaftsgeschichte* (Leipzig: Duncker, 1898).
- 30 See for this decision I.C.Y. Hsu, *The Rise of Modern China* (Oxford: Oxford University Press, 1983) 59–61.
- 31 F. Braudel, *Civilisation matérielle, économie et capitalisme XVe–XVIIIe siècle* (Paris: Armand Colin, 1979).
- 32 See note 17.

