system of swap loans among central banks and the nascent freedom of capital movement limited the need for IMF intervention. James traces the collapse of Bretton Woods to imperfect surveillance and incompatible policy positions of members and concludes that international institutions could not cope with the currency instability created by U.S. inflationary policies from the mid-1960s.

Floating was adopted, according to James, because it required the fewest rules for its operation, providing temporary relief, but then enormous costs became more apparent. The revision of the IMF Articles of Agreement in the late 1970s set out a new framework in lieu of a system of rules, with the principle of universal surveillance over the exchange rate policies of members as its centerpiece.

James comments that "the provisions of Article IV with regard to exchange rate policy represented more of a pious code filled with a hope of liberalization than a serious attempt to change countries' policies by specific intervention on the part of the Fund" (p. 273). He notes that surveillance in fact occurred in other forums—at the Bank for International Settlements and the G-10 central bank governors—and that "[i]n the second half of the 1970s it appeared to many that the most important forum for the exercise of international surveillance lay not with the multilateral IMF, but rather with the . . . device of the 'summit,' excluding multilateral institutions, excluding oil producers, excluding the EC, and including only our 'small group'" (p. 277).

But the wish to return to more adequate management of the world monetary system, James argues, led to central bank adoption of monetary targets, and the establishment of the European Monetary System. He believes the debt crisis of 1982 propelled the IMF back into a more prominent role in the international monetary system. According to him, the IMF helped improve the functioning of markets by increasing the amount of economic knowledge and acting as a lender of last resort to middle-income countries. He cites the United States as a country that had the illusion that it could ignore the IMF and be indifferent to the international value of the dollar. It learned otherwise, in his (debatable) view, by the appreciation of the dollar between 1981 and 1985, which taught that a measure of international cooperation can help adjustment to the market.

The study includes valuable discussions of regionalism, the long-term debt problems of low-income countries, the transformation of centrally planned economies, ten propositions on which there is a consensus among both industrial and developing countries, and four spheres of action of international organizations.

Although parts of the study are undeniably admirable, the whole leaves something to be desired. There is no overall assessment either of the role of the IMF or when, if ever, monetary cooperation was a force for world order. The IMF seems hapless during most of the half century of its existence, ignored by the major countries, scrapping with other international institutions, and justifying its current raison d'être as a data collector and source of policy advice. Yet James never establishes that IMF policy advice averts crises or commands the support of the countries to whom it is addressed. It is clearly not an independent power center. It is regrettable that James did not provide his own summation of how readers should view the essence of his work. Was he inhibited because the work was commissioned?

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The Global Impact of the Great Depression. By Dietmar Rothermund. London: Routledge, 1996. Pp. ix, 180. £40.00, cloth; £11.99, paper.

This is an interesting little book. Dietmar Rothermund describes the Depression-era experience of the Third World peasantry, a group that has been largely ignored in the

Depression literature. Further, he develops a fairly complex argument to explain why peasants suffered throughout the region, but more in some countries than others.

World prices of various agricultural goods fell during the interwar period; first as supply grew faster than demand, then as demand fell in the 1930s (aided by protectionism). Rothermund argues that these price declines had a spillover effect on the action of international traders; in any case the price of rice and cotton collapsed as well despite much less evidence of overproduction.

Yet such price declines alone could only hurt peasants to the extent that they relied on foreign sales. Peasants suffered even more because of the worldwide contraction of credit. Although the world of the rural moneylender may seem quite separate from that of international bankers, Rothermund argues that these credit markets were in fact integrated to a considerable degree. Moreover, Third World peasants were generally indebted before the Depression began and thus suffered along the lines of Irving Fisher's debt-deflation crisis: the real value of their debts rose with deflation (at the same time as export prices collapsed). Rural moneylenders reacted to both their own difficulties in borrowing and the increased indebtedness of their clients by limiting the issuance of new debt while redoubling efforts to collect on old debt.

Rothermund adds a key political element. Governments differed significantly in their monetary policy and thus the extent of deflation. Colonial governments tended to be the worst offenders here because policy was aimed at stimulating growth in Europe. Governments also differed significantly to the extent that they taxed peasants or their land directly; peasant indebtedness was strongly correlated with their tax burden. There were differences also in laws governing creditors and debtors. Finally, governments differed in the extent to which they placated the urban working class with agricultural pricing or tariffs that further hurt the peasantry (Rothermund notes that urban workers generally fared much better than peasants during the Third World Depression).

Since Rothermund is largely able to take the origins of the Depression in the West as exogenous, he is not severely limited by the lack of scholarly consensus on the causes of the Depression. He is cautiously eclectic in his treatment of the Depression in North America and Europe. He accepts that the Depression began in the United States, though transmission to Europe was aided by weaknesses there. He recognizes that neither monetary nor Keynesian explanations are entirely satisfactory. Given the role of credit in his story, he not surprisingly sides with those who blame the collapse of the gold standard for much of the damage. Laudably, he recognizes a role for demography and worsening income distribution. Sadly, he ignores the role played by the time path of technological innovation.

In any case, Rothermund should have focused more clearly on the Third World. He has little new to say about either the gold standard (though one rarely hears such praise of William Jennings Bryan) or debt and reparations but devotes a chapter to each (and then one each to the Depression in America and Europe). He might have noted that the Depression of the 1930s was quite different from nineteenth-century depressions in that when the developed world reduced imports in nineteenth-century contractions it simultaneously expanded foreign investment; only in the 1930s was the Third World hit with a simultaneous contraction of markets and finance. The last chapters of the book, in which the rise of fascism, German and Japanese recovery, and the postwar rise of the United States receive treatment, are also largely tangential to his main arguments.

The inevitable result is that the middle chapters of the book, in which case studies of the various Third World regions are performed, are thin: twelve pages on Latin America, ten on China and Japan, six on southeast Asia. Even India, the author's area of specialization, receives only eleven. These chapters focus almost exclusively on political developments. Detailed evidence of, for example, rural credit contraction, is all too sparse.

Rothermund attributes the end of the Depression in the Third World to rearmament. Yet there is evidence that many Third World countries began their recovery long before this occurred in North America or Europe. This recovery is perhaps difficult to explain within the standard macroeconomic theories of the Depression; I would argue that it is easier to understand within the sort of technological argument I and others have put forward. In any case, early recovery suggests that the choices facing Third World governments may not have been quite as bleak as he suggests (his much too favorite phrase is "on the horns of a dilemma").

Still, our profession needs scholars who are willing and able to uncover new aspects of important events, describe the intersection of various causal forces, and engage in comparative economic history. For attempting all three tasks in one short book, Rothermund deserves applause. One must hope that this book stimulates more detailed research.

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Child Labour in Historical Perspective 1800–1985: Case Studies From Europe, Japan and Colombia. Edited by Hugh Cunningham and Pier Paolo Viazzo. Italy: UNICEF International Child Development Centre, 1996. Pp. 105. $9.00.

This book gives a clear and concise introduction to the main issues of child labor ranging from the role of industrialization to the impact of schooling legislation on the employment of children. The editors' choice of historical and contemporary case studies helps to bridge the gap in the literature between child labor in Britain during the Industrial Revolution and child labor in developing countries today. The objective of the book, however, as stated by Hugh Cunningham and Pièr Paolo Viazzo—"to seek a better understanding of the social and economic factors and policy measures that have proved instrumental in ending child labour in industrialized countries"—is not achieved (p. 8). The book never explains why child labor declined after industrialization in Great Britain and Belgium. Consequently, it offers no insight into how developing countries today should eliminate child labor from the labor force. This does not mean, however, that the book is uninformative. In fact, it is extremely important because it illuminates the ineffectiveness of legislation in curbing the employment of children. Cunningham and Viazzo have ingeniously demonstrated that child labor laws and compulsory education laws are not the keys for ending the exploitation of children. This lesson is particularly instructive for developmentalists and policy makers. Henceforth, the authors fulfill a different objective, that of showing that the causes of child labor are numerous and vary from country to country and that policy measures have not been effective in reducing child labor.

Every case study, except Belgium, cleverly challenges the view of many historians and economic historians that "legislation alone can put an end to this ancient form of exploitation of children" (p. 9). Cunningham develops an insightful argument in the case study on Britain that places mandatory schooling laws into proper perspective. He argues that simply passing laws to require children to go to school is not enough. In order for these laws to be effective, they must be enforced and parents must be convinced the returns to education exceed the wage the children received from work or they will not send them to school. This implies that education laws should have been particularly effective in Japan because the government had a compulsory education law relatively early (in 1872) in its economic development; society believed that education was important for every child's development. Osamu Saito shows using data on Yamanashi, that primary school enrollment did not decrease children's participation in market employment. Although education was important to Japanese parents, he reminds us that formal schooling was not the only way