

opment polemics with some sensible conclusions. His comparative exercises (featuring New Zealand, Ghana, India, and the "Tiger" economies) force him to the conclusion that basic good government and productivity growth in domestic food production have counted for a great deal in the past fifty years. Unfortunately, neither of these topics attract much of his attention in the body of the text. As for the impact of colonialism, Fieldhouse's view is mixed: the imperial powers did not usually nurture the economic potential of their colonies very well, but neither did they do a great deal of harm. Benighted as they were, their overall influence has tended always to be overestimated.

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*Institutions in the Transport and Communications Industries: State and Private Actors in the Making of Institutional Patterns, 1859–1990.* Edited by Lena Andersson-Skog and Olle Krantz. Canton, MA: Science History Publications, 1999. Pp. xix, 359. \$49.95.

Improvements in transport and communications infrastructure are a key component of the economic development process. The vast capital cost of many types of infrastructure, the common need to exercise eminent domain, and the lobbying efforts of those associated with different modes together ensure both that governments are often involved in financing and regulating infrastructure, and that such infrastructure is not inevitably called forth whenever social benefits exceed social costs.

Economic historians can gain considerable insight into cross-country differences in growth rates by examining how diverse institutions have shaped transport systems. Unfortunately, transport history has often been poorly integrated with the wider field of economic history. The links among institutions, infrastructure, and growth have thus received less attention than they deserve. The present volume, consisting of papers first presented at a conference in Sweden in 1996, is a sign of the increased effort devoted to these causal links in recent years. Happily, the contributors include several specialists in transport history as well as several nonspecialists. Unfortunately, the state of the field is reflected in the fact that only one part of one paper looks at communications rather than transport.

The editors recognize that there is no common approach in the papers, as is perhaps to be expected in any emerging area of inquiry. Despite this, the authors make commendable (and uncommon) efforts to refer, when appropriate, to other papers in the collection, thus avoiding unnecessary duplication. The first four papers take on the difficult task of comparing institutions and their effects across countries. Peter J. Lyth compares the evolution of airline regulation in the United States and Europe. Frank Ben Tipton, Martin Braach-Maksvytis, and Susan Newell argue that government bureaucracies in both Germany and Japan were not the farsighted meritocratic technocracies they are often portrayed as; in fact they juggled the demands of local interests, elevated political above economic considerations, betrayed fears of change, and proved willing to compromise with fascists. These authors find that the two countries have differed more in historiography than in history.

Colleen Dunlavy describes the divergent histories of shareholder rights in Germany and the United States. While the earliest railways in both countries began with graduated voting, so that those with large blocks of shares had fewer votes than shares, the United States moved quickly to the one-share-one-vote model. The creation of nonvoting shares, and the selection process for boards of directors, further tipped the balance of power in American corporations toward a few large shareholders. Dunlavy hypothesizes that this, more than differences in legal structure, contributed to the preference for merger over collusion in later

nineteenth-century America. Rainer Fremdling discusses early experiments in both Prussia and the Netherlands with the now-fashionable idea of allowing competing services on a common rail line. While early Prussian law allowed this, Fremdling finds only one case in which one railway threatened its use in order to encourage another to carry through traffic. The Dutch achieved some price reductions from competition in the late nineteenth century, but halfhearted government support vanished in the face of collusion. (In a later chapter, Terry R. Gourvish describes the early English experience with such competition; complaints of accidents and delays caused the government to turn away from regulating railways like roads or canals by 1830, in favor of combined management of track and train). Fremdling concludes that governments must ensure the possibility of entry.

The next five papers trace institutional developments in a single country over many decades. Gourvish surveys two centuries of railway regulation in Britain, arguing that the key issue is not public versus private ownership, but whether there is competitive pressure and a clear sense of public policy goals. Gerald W. Crompton focuses on postwar railway nationalization, attributing it primarily to a public perception that private firms would not make necessary investments. (He does not note that privatizers deployed similar arguments against government ownership decades later). John Armstrong notes that the nature of coastal shipping, with much lower capital requirements, no need for eminent domain, and at least the appearance of competition, encouraged a less severe regulatory attitude; still, the government regulated safety and labor relations quite closely, and attempts to regulate training and limit loads failed only due to the political power of shipping interests. Andreas Kunz traces the development of river steamships in mid-nineteenth-century Germany. Antonio Gómez-Mendoza critiques interwar complaints by Spanish railways that they suffered from truck-based competition (he accuses them instead of inefficiency and underinvestment); the Spanish trucking industry was small, and higher rates could hardly have helped the railways compete in any case.

The final five papers focus on Sweden. Lena Andersson-Skog discusses why the institutions developed for railways were later applied to telecommunications, with quite different results. Gunnar Falkemark argues that policy processes, such as those leading to the Denmark-Sweden link, are biased against environmental concerns. Other papers look at transport subsidies, Scandinavian Airlines, and an attempt to derive a model of the Swedish institutional regime.

The editors conclude with a call for much more comparison of institutions and infrastructure across time and space. I echo their call, and urge the further consideration of the links to economic growth. The papers in this volume are broad in scope, and point the way to more detailed research.

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*Analytic Narratives.* By Robert H. Bates, Avner Greif, Margaret Levi, Jean-Laurent Rosenthal, and Barry R. Weingast. Princeton, NJ: Princeton University Press, 1998. Pp. x, 249. \$50.00, cloth; \$19.95, paper.

Economic man is omniscient, consistent, acquisitive, timeless, and nameless. Historical man is often a particular person, shaped by unrepeatable events, and often shaping them as well. With the advent of the New Economic History these two conceptions of humanity drew apart, but the New Institutional Economics holds out the prospect of convergence. This pioneering book shows the way, and is greatly to be welcomed. It covers five episodes,