

The worldwide impact of Friedrich List's ideas

by Elke Fimmen

Friedrich List—politische Wirkungsgeschichte des Vordenkers der europäischen Integration

by Prof. Dr. Eugen Wendler

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Eugen Wendler's book, which in English would be titled *Friedrich List—The History of the Political Effect of the Forerunner of European Integration* was brought out for the occasion of Friedrich List's 200th birthday on Aug. 6, 1989. Friedrich List was a German who became one of the great "American System" economists in the early 19th century, after spending years in the United States, and working, upon his return to Germany, to forge the institutions of a modern industrial nation there.

Despite one serious flaw—Professor Wendler's mistaken thesis that List was a forerunner of today's European integration movement—this book is well worth reading for anyone with a knowledge of the German language, and merits translation into other languages soon, as well as a paperback edition inside the Federal Republic of Germany, to make it accessible to a wider public. The author sketches an impressive picture of List's international impact, not only in his own lifetime, but also the influence of his ideas after his death.

Wendler writes that he wants to give new stimulus, with his work, to the discovery of List's life and his ideas of national economy, and to reduce the large deficit of information even among students of economic science. This deficit unfortunately exists not only in the academic arena, but also among politicians and captains of industry, who nowadays see their well-being in savage monetaristic adventures instead of, as List demanded, concerning themselves with "the growth of the productive powers of the nation."

The book is subdivided into four thematic areas: The first is concerned with List's influence upon contemporary thinking and statesmen, while Parts 2 and 3 deal with List's influence upon later economic theorists and statesmen, with particular regard to his influence in Asia. In Part 4, Professor Wendler interprets List as the champion of European integration. This last notion, however, does not stand up to serious

scrutiny: List explicitly *defended* the nation-state, which today's "Single European Market 1992" plan will undermine, and *attacked* the harmful effects of free trade, which is the dominant ideology behind the current integration push.

List's impact in Eastern Europe, Asia

Because of the ferment now in the Soviet bloc and China, but also, because the impact of List's economic theories there is so little known, the chapter on List's influences on the eastern countries and on Asia deserves special mention. This is where List's importance even today for developing nations, as the opponent of the Adam Smith-modeled free trade system, becomes particularly clear. Wendler points out that a considerable amount of List's influence can likewise be found to this day in Ibero-America, and apologizes for his inability to follow this up for lack of time and finances.

List's importance for Hungary, Romania, and even Russia, however, is very well documented: This reaches from his direct personal influence upon the Hungarian freedom fighter Lajos Kossuth (1802-94), through the Romanian economist and politician Aurelian (1833-1909) and finally to the Russian statesman Sergei Witte (1849-1915), whose economic modernization program could have preserved Russia very well before the horror of the Bolshevik Revolution. In all these examples it is shown, that List's ideas for the buildup of an independent manufacturing power, combined with his demand for individual freedom and education for the entire populace, are universally valid.

List is appreciated also in Asia for his ideas, which have significantly shaped the economic development of Japan, India, and also China. Wendler points this out in the example of India, and explains that it was precisely the battle against British colonial domination, which caused the Indian freedom fighters as early as the last century to seize upon the doctrines of the strongest adversary of British free trade and colonial politics. They used List's *National System of Political-Economy* in order to develop their own concept for India.

Regarding List's influence on China, it would certainly be worthwhile to follow up still further the direct influence of List's ideas on the founder of the Chinese state, Sun Yat-sen. Beyond doubt, Sun Yat-sen's economic buildup program for China—with its special emphasis on development of infrastructure and of railroad systems as well as the necessity of their own industrial buildup—corresponds to List's ideas. Wendler does mention the economic theorist and politician Ma Yinchu, who was already propagating List's ideas in China in the 1920s, as well as Wang Kai Hua, who translated the *National System of Political-Economy* into Chinese in 1925.

List's self-conception, namely to serve both fatherland and mankind with his ideas, becomes beautifully clear through all these examples. For, as Friedrich List said, a nation's greatest wealth is the intellectual capital of its population. And that can only be achieved through contact with the writings of the greatest German economic theorist.