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The Economics of Agriculture. By R. L. COHEN. Introduction by C. W. Guillebaud. Pittman Publishing Corporation, New York and London. 202 pages. (Cambridge Economic Handbooks—10)

HOSE who believe a brief, elementary book dealing with the economics of agriculture some day can be written may draw hope from this book. Economists interested in securing a general view of the field or teaching a first-year course in economics of agriculture, should find it a valuable aid. It was published in 1940 as part of the distinguished series of Cambridge Economic Handbooks and is now issued for the first time by an American publisher. Other books in the series include *Money* by D. H. Robertson, *Supply and Demand* by Henderson, and *The Structure of Competitive Industry* by E. A. G. Robinson.

The Economics of Agriculture represents an application of the tools of economic theory to agriculture. "... it assumes some knowledge of economic principles ... It is concerned, to a large extent, to point out differences between the economics of agriculture and those of industry." It is divided into three sections: (1) The statics of agricultural economics including an analysis of farm production, farm size, and the organization of marketing, (2) dynamics of agriculture, including the reaction of supply and demand, trends in earnings, and the instability of agriculture, and (3) reasons for and economic consequences of State intervention.

The emphasis on dynamics and the discussion of the role of the State lend interest and give desirable balance. The chapter on size of farms is noteworthy in presenting a well-rounded discussion infrequently found in textbooks on farm management or agricultural economics.

A defect of the book lies in its failure to develop the principle of variable proportions. Diminishing returns are explained in Ricardian terms: "It is because of this cooperation between nature and man—that the more intensive cultivation of the soil leads to diminishing returns." This setting up of diminishing returns as a metaphysical law of agriculture rather than a general principle of production leads to confusion in this and some of the later chapters. For example, in Chapter 6 agriculture is separated from other industries be-

cause expansion in agricultural output will mean diminishing returns, whereas in other industries increasing returns are likely to prevail. In the United States, of course, because of technological advance, both agriculture and industry have lowered rather than raised costs per unit with increased output. In the absence of technological changes, any industry that is operating under competitive conditions would be expected to evidence diminishing returns as output increases.

Miss Cohen presents a rather comprehensive analysis of supply curve but does not develop comparable analysis of demand curve for agricultural products. Many will feel that the attention devoted to the marketing and consumption of agricultural products is insufficient.

This reviewer would question certain uses of terminology. In the introductory chapter Miss Cohen says that "little attention is paid to problems of farm management." This implies a much narrower definition of farm management than is now generally accepted in the United States. Farm management is commonly accepted as paralleling that sector of economics dealing with the theory of the firm or the principles of production, including both the individual and the aggregative aspects. Then the use of the term, government interference, as a synonym for government intervention has unfortunate connotations in the American vocabulary.

Despite these limitations, in this reviewer's opinion, the book is a good concise introduction to the economics of agriculture. It attempts at all stages to apply the techniques of economic analysis. By emphasizing the dynamic as well as the static aspects and discussing the role of the State, it gives the broad comprehensive view of the field which is so desirable in an elementary book on the subject. Most agricultural economists probably will find it an interesting and profitable review of the basic principles of economics applied to agriculture.

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