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AS ONE of a series designed to fit a need that is not satisfactorily filled by either the usual textbook or the highly technical treatise, this book packs the essentials of a large and complex subject into small space.

It is a good book. Economists will find little new in the way of facts and theories; it represents an application of some generally accepted economic principles to the problem of location. But the presentation is fresh and the writing is clear. Consequently, by many readers, the complex interrelationships of the numerous factors affecting the location of industries, growth of cities, and differences in the nature and speed of development of regions, will be better understood. Theories and practices of land use, rent, substitutability of the factors of production, wages and labor problems, and other matters that cut across economic life as a whole—as well as such noneconomic considerations as national defense—will have an added meaning.

Attention is directed toward the set of considerations which determines the location of an individual business firm. Procurement, processing, and distribution costs are distinguished. The concept of transfer costs, which embraces all transportation and communication costs and includes procurement and distribution, is introduced. Transfer costs are shown to be a complicated skein. It is indicated why, in a modern economy, early stages of production show a tendency to be material oriented, late stages market oriented, and intermediate stages usually "footloose"—located at some transshipment point or junction. This leads into a discussion of market and supply areas in relation to transfer costs.

Attention next centers on how lack of complete mobility of the factors of production brings about geographical differences in costs of processing, economies of scale, and land-use competition; why there are geographical differences in labor costs and their influence on location. Interrelationships of costs of processing and transfer are shown to explain the economic structure of some typical communities.

The static approach is then abandoned as locational change and adjustment are considered. These are classified as seasonal, cyclical, secular,

and structural. A theory of regional development is advanced and the reasons our regions developed differently are examined. Discussions of rural-urban migration and agricultural problem areas will be familiar to agricultural economists.

Next comes an outline of the locational effects of political boundaries. Similarities and dissimilarities between interregional and international trade are indicated, and internal trade barriers are named as an obstacle to the movement of goods and the mobility of factors within this country. This part is probably the briefest in relation to the scope of the subject matter; the student will need additional reading, particularly in the field of international trade.

In the final part *Locational Objective and Public Policy*, the author shows that in the United States, the Government exerts considerable influence on the location of economic activity although most of it is indirect and often unintentional and aimless; for example, the divergence between the sources of public revenues and the places in which they are spent. The objectives of public policy are discussed with respect to location. Flexibility, balance and stability, and military security and power, are considered as alternatives. It is shown that in the real world it would be economically unsound and probably politically unsafe to pursue consistently any one of these alternatives without regard to the others. The emphasis on governmental information services as contributing to locational flexibility reminds agricultural economists of the long-established agricultural outlook work of the Department of Agriculture.

Not all economists will be in full agreement with the treatment given some subjects—as the tendency to minimize somewhat geographical price discrimination, including the basing-point system. Treatment of some important topics is very brief—perhaps necessary in a handbook. Teachers and students, and researchers in general economics, economic geography, agricultural economics, marketing, and transportation, will find the volume useful. Businessmen and public officials, especially legislators and others in policy-making positions, can find much of value in books of this kind.

Bennett S. White, Jr.