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The venture as a whole does not strike this reviewer as being a particularly successful one. For a systematic treatment of the factors responsible for economic development, such standard texts as those by Higgins and by Meier and Baldwin seem superior. The case studies exhibit a wide degree of variability with respect to scope and content, though doubtless instructors and others interested in particular countries will find some of them very useful.

Professor Enke, well known for his writings in theory and international trade, has produced a comprehensive work on economic development designed as a one-semester text for the "intelligent reader who has had a really sound introductory course in economic theory, and thoroughly understands its content."

The book is dedicated to several broad propositions. Western countries are failing to achieve their goals of economic progress in the underdeveloped areas because they are trying to *buy* development through financial assistance. Officials who make economic policy (in both the giving and receiving countries) must learn more about economic principles and must apply them in the development process, else we will continue to fail, and will fall further behind our adversaries in the cold war. In applying these principles, stress must be laid on the vital connection between economic growth and personal freedom.

There are 28 chapters altogether, plus an appendix on industrialization through greater productivity in agriculture, another on certain aspects of India's third 5-year plan, and an extensive bibliography. Altogether these run the book to nearly 600 pages. The chapters are organized under six broad headings: (1) environment for development, (2) innovations and development, (3) accumulation and use of capital, (4) labor and development, (5) development through trade, and (6) prospects for development.

Most of the materials presented by Professor Enke fall within the conventional bounds of economics, but this is not true of his treatment of labor and development, where he has chapters on birth control, education, and public health. Like Professor Bruton, he believes that the economist cannot go it alone in the field of economic development. "He must work with agricultural and industrial experts and—above all—with political scientists and social anthropologists. The most useful people in the area of economic development

are moral philosophers with youthful idealism."

Virtually every topic relating to economic development gets some attention. There is a presentation of Harrod-Domar-type models and a critique of Rostow's "stages." There are discussions of agricultural versus industrial expansion; the role of taxation and banking systems; the relation of international trade and capital movements to development; and a review of U.S. economic aid and military assistance programs. The final chapter contains a sobering appraisal of development prospects, as well as reaffirmation of Enke's belief in the indivisibility of economic and political freedom and the need for making it the cornerstone of the development policies of the Western nations.

This book should prove very satisfactory as a text, especially where the need is to combine comprehensiveness with a solid body of theory. It should also be useful as a general reference for teachers, researchers, and policymakers. It is hard to think of anyone in these categories who will not find new and stimulating material in many of Enke's chapters. The needs and interests of individuals will vary, but this reviewer found the chapters on international trade and capital movements especially helpful.

J. K. Galbraith's slim volume grew out of lectures given at five university centers in India while he was U.S. Ambassador to that country. They are addressed to an educated but unspecialized audience, and stress in simple terms the critical importance of effective government, education, and social justice as prerequisites to economic progress in many of the underdeveloped countries. There is also a lecture on the nature of planning and one in praise of the corporation as an instrument of economic development, which may surprise some of the critics of *The Affluent Society*. Galbraith writes in his usual felicitous style, and may well have more influence on policymakers and planners in some underdeveloped areas than the authors of more pretentious tracts.

J. P. Cavin

### *Scarcity and Growth*

By Harold J. Barnett and Chandler Morse. Johns Hopkins Press, Baltimore. 288 pages. 1963. \$5.50.

**I**F ANY BOOK can give our "dismal" science of economics a brighter look, it is this one. Students of development economics will recognize its pathbreaking nature at once. Quite apart

from its impact on the profession is its promise that lack of resources in many areas of the world may not be an unscalable obstacle in the quest for a higher standard of living and a fuller life.

The book is excellent in both its analytical and empirical aspects. Its analysis thoroughly examines both the Malthusian and Ricardian scarcity models and shows their limitations for a dynamic and developing economy, such as that of the United States. The graphical analysis is especially ingenious, presenting a new basis for the further study of growth and development.

The authors distill from the experience of America's "conservation movement" an essence hitherto unknown. In doing so they provide a much-needed rationale to lead economists and conservationists into communication instead of mere exhortation.

An interesting sidelight is the authors' extensive list of consultants, more than 60, which reads like a Who's Who of economics. This listing is an outstanding compliment to the professional staff of the USDA. Only four of the Nation's leading universities—Chicago, Cornell, Harvard, and Princeton—outdo the USDA in its contribution. The book, in turn, will surely enhance the reputation of all contributing parties. *Resources for the Future* must be congratulated for having sponsored this study.

The chief limitation of the book stems from its exclusive attention to the development pattern of the United States. For this reason it may be said to deal with a special case rather than a general one. It does not really answer the question whether any economy whatever may join the list of the "progressive economies" exemplified by the United States. This criticism, of course, applies only to the empirical aspect of the work and suggests that the authors have pioneered in a type of analysis which, hopefully, will be applied to other economies in the near future.

*Frank T. Bachmura*

### *Local Subsidies for Industries*

By John E. Moes. University of North Carolina Press, Chapel Hill, N.C. 252 pages. 1962. \$6.

**L**OCAL AND AREA industrialization has long been sought by towns and cities. Chambers of commerce and formally organized devel-