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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.

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

opment groups are actively engaged in pursuit of local industries through means ranging from highly colored come-on brochures to specific and effective subsidies. For some time, Moes has studied local industrialization and its achievement through various types of subsidies. In this book, he makes his case for development through policies of local, area, and State subsidization.

In the first chapter of the book, the author provides his rationale through a "theoretical justification of subsidies." His final point in the justification is along the line that wage scales cannot be lowered and that only a system of wage subsidies can create a competitive labor market. In considering local subsidies, Moes is not specifically concerned with national economic growth, and he dismisses the general contention that one community's gain might be another's loss. He points out that it is impossible to prevent relocation in the essentially market-oriented locational matrix of industry. Local areas through subsidies are competing for new industries. Examples of what subsidization means to local areas are well documented, and the cases presented have paid off handsomely in furnishing local jobs and payroll. It is more or less the author's position that whatever industrialization costs in local subsidies, the returns make it more than worth while.

Mr. Moes recognizes that most economic literature on industry location refutes his arguments. However, he sticks to his premise that subsidization "may serve to offset imperfections in the market instead of constituting unwarranted interference with a perfect allocation mechanism." Students of local and area economic development should study this book. It probably is the "bible" of those who advocate local and area subsidies as a means of inducing economic development.

John H. Southern

The Strategy for Agricultural Development

By S. R. Sen. Taplinger Publishing Co., New York, for Asian Publishing House. 324 pages. 1962. \$7.

THE AUTHOR, S. R. Sen, is amply qualified by professional experience to write on the subject of economic development. He is currently the Joint Secretary of the Planning Commission of the Government of India. Prior to this assignment he held the post of Deputy Economic and Statistical Advisor to the Government of India.