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Among other flaws, to conclude that farm programs are futile because the larger farmers now show good incomes fails to take into account the contribution of present programs to those incomes.

There are offsetting sagacities. One is the observation that the question of rural values is not so much how to preserve them in the country as to establish their equivalents in the city. "One of the urgent tasks of contemporary industrial-city culture is to create within its own context compensatory values to replace those destroyed by the passing of the small family farm."

And the author points out that the Committee for Economic Development was mistaken in stating that surplus-producing resources in agriculture are small farmers, who produce little, instead of big capital, which produces much.

In sum, the book is readable and well worth reading. It is an interesting book, even though not a profound one.

Harold F. Breimyer

Farm Management Decisions

By Trimble R. Hedges. Prentice-Hall, Inc. 615 pages. 1963. \$9.

STUDENTS WILL NOT PROCEED FAR into this book before they realize the author writes from a background of extensive experience in teaching farm management. They will, however, proceed a good way before they encounter some of the important and basic economizing principles which are eventually discussed.

This book is, as the author suggests, written primarily for college and university students taking a first course in farm management. Prior acquaintance with economic principles, accounting, and technical agriculture, although not required for comprehension, would undoubtedly enrich the experience of working through the text.

The author divides his book into five parts: Problems and Procedures in Farm Management Decisions, Evaluating Farm Resources and Problems, Analyzing and Budgeting the Farm Business, Planning for Profitable Crop and Livestock Production, and Planning for Efficient Resource Use. This reviewer thinks coverage of this range of topics is adequate from the standpoint of both the book itself and a course to be developed around the book. The range of decision problems posed and the exemplification of steps leading to their analysis and solution should provide adequate

"grist for the mill" of any student or teacher of farm management. Much of the illustrative material, both management problems and data, pertains to specific irrigated areas of the West, particularly California. It is not difficult, however, to see the counterparts of these illustrations in other farming areas. Also, the author does supplement his work with a number of examples from types of farming not found in the West.

This text is probably more heavily empirical than most other farm management texts currently in use. The author has attempted to bring in the more formal decision principles in a gradual way throughout the text rather than in a systematic manner in an early section of the book. The latter procedure would have provided a meaningful framework within which to develop subsequent sections of the text. One result of the procedure actually used is that it is not until page 330 that one encounters the decision criteria for optimum allocation of limited resources in alternative uses. This section (pp. 329-335) is not as clear as other sections of the book. For example, the subhead on page 329 which reads "Farmers With Liquid Capital Shortages Obtain Maximum Profits by Equating Average Returns Per Dollar of Variable Inputs" is at best confusing and at worst inconsistent with conventional *marginal* economics.

Other sections of the text, dealing with such topics as "steps in the decision process," "the function of management," and "budgeting and analysis," are easily comprehended. Occasionally one needs to remember that the book is written to teach management and its responsibilities and not to deal objectively with problems of farm policy or general welfare. Otherwise the author's several brief excursions into the policy area might seem rather one-sided. For example (p. 19), in discussing controls such as acreage allotments, the author states: "At best, they introduce administrative procedures and regulations that require the farmer's time and represent interference with other management functions and duties."

Despite these shortcomings, the book is a substantial work on farm management. Coverage of the topic is quite complete and examples are good. Students will find other sources which give a more systematic and complete discussion of formal economizing principles. This, however, was not the primary objective of the book as the author stipulates in the preface. Students who work through

this book carefully will surely improve their proficiency in making farm management decisions.

W. B. Sundquist

Landmarks in Political Economy

Edited by Earl J. Hamilton, Albert Rees, and Harry G. Johnson. University of Chicago Press, Chicago. 1962. 2 volumes. \$2.45 each.

THE PROS AND CONS of burying bricks instead of gold at Fort Knox are among the issues discussed in some of the articles reprinted in *Landmarks in Political Economy*. Another article brings you up to date on the price of wheat—up to 1892, that is.

General economics sets the tone of this collection of articles, chosen to mark the 70th anniversary of the *Journal of Political Economy*. Because of the diversity of subjects covered, the table of contents could almost serve as a reading list for an advanced course in economic theory. Classical and neoclassical schools of thought predominate.

The list of authors of the 24 articles includes such well-known names as Veblen, Pareto, J. M. Clark, Viner, Knight, Samuelson, Schumpeter, Harberger, Stigler, Arrow, Friedman, and Lerner. Despite their later distinction, most of the authors had the academic rank of assistant professor or below when they wrote these articles.

The first article, "The Price of Wheat Since 1867," deals with agricultural economics. Many of the others are familiar to agricultural economists.

Monetary theory comes in for a fair amount of attention, comprising five articles. One of them, "The Failure of Monetary Policy To Prevent the Depression of 1929-32," gives the reader a historical perspective. Some are timely in evaluating the present gold and foreign trade situation.

Another four articles deal with business cycles, capital, savings, and investment. Samuelson's "A Synthesis of the Principle of Acceleration and the Multiplier" is among them. Price analyses are developed in three articles, including Knight's "Cost of Production and Price Over Long and Short Periods."

Utility, demand, and supply studies are subjects of five or six articles, including the one containing Sweezy's famous kinked demand curve. Another, a book in itself (covering 82 pages), is a history

of the development of utility theory between Smith and Slutsky. Friedman and Savage's classic "The Utility Analysis of Choices Involving Risk" also is in this group.

Most of the "landmarks" are masterpieces in their fields. They were carefully chosen and many are timeless in their application, though written over a span of 70 years. There are a few exceptions. This reviewer had the feeling that some did not merit inclusion, having outlived their usefulness. They are interesting museum pieces, but marks of time rather than milestones. Fortunately, not many fit this category. As a whole, the group concisely reviews basic economics; it serves as an excellent reference to many useful articles in the *Journal of Political Economy*.

Stephen J. Hiemstra

The Mexican Mesta; the Administration of Ranching in Colonial Mexico

By William H. Dusenberry. University of Illinois Press, Urbana. 253 pages. \$5.50.

RANCHING in the United States has been greatly influenced by Spanish-American ranching practices. An important Spanish-American ranching institution, the Mesta, described by Dusenberry in this book, which won the Agricultural History Society Book Award for 1962. His emphasis is on the early years of the Mexican Mesta, an administrative livestock organization introduced from Spain in 1537 and terminated in 1812. All large ranchers were members of the Mesta. The organization regulated ranching affairs and handled disputes concerning livestock. Many detailed examples of disputes and their settlement are listed.

The author has done an excellent job of gathering information, largely from Mexican archives, on an important agricultural institution. He makes clear that the Mesta was created and controlled by the colonial government. In addition, emphasis is given to governmental response to reports of violations of regulations. However, less attention is given to the character of the Mesta itself or to the role of its members in the organization. There are several chapters on the administration of Mesta regulations, but only one on the organization of the Mexican Mesta. A more equal balance would have made the study more informative to the nonspecialist.