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## *Agricultural Policy Under Economic Development*

By Earl O. Heady. Iowa State University Press, Ames. 682 pages. 1962. \$10.50.

**E**ARL HEADY has made a major contribution by thoroughly reviewing U.S. agricultural policy against the long-run economic development trends of the agricultural sector. In pursuing a major thesis, he clearly demonstrates that some U.S. agricultural programs have resulted in less than a "Pareto-better" position because they have attempted short-run solutions to long-term problems.

The title is somewhat misleading as "the main focus of the analysis is on agriculture in the highly developed economy of the United States. However, the analysis of the basic interrelationships of agriculture and the total economy under economic growth is relevant regardless of the stage of development." A major theme of the work is the search for policy which will answer the question, "How can agriculture continue to contribute to national economic growth and consumer welfare without being penalized in income for doing so?"

After considering some of the underlying changes which have occurred, and are expected, in the demand and supply picture for agriculture, Heady turns to consider the trends in the performance of the agricultural sector compared with the performance of the rest of the economy. He examines the competitive structure of agriculture which, coupled with inelastic demand for agricultural products, results in great gains for the consumer but not for agriculture. The author deepens the analyses through consideration of the supply of resources used in agriculture and how the inflexibility of labor, land, and capital lead to inelastic supply responses. Study of expenditure patterns and demand potential demonstrates that in the United States there is little possibility in the next few decades that demand increases alone

will be sufficient to provide equitable returns to those in the agricultural sector.

Essential chapters follow which develop the criteria for policy and consider Games, Goals, and Political Processes before a synthesizing chapter presenting the Modern Need in Development and Policy. Heady concludes that "efficient policy would use such a time goal (a decade or two) hoping to bring agriculture into rough resource balance by this time but averting regional or area change at rates which are inconsistent with abilities of people and communities to adjust." The economic nature of different compensation and supply control policies is then examined. The following four chapters discuss ways policy may effect labor mobility, particularly through education, and ways it may effect the use of inputs, such as capital and land. Public policy on research and development is considered separately. The final chapter places the problems of U.S. agriculture in the perspective of world development. Particular emphasis is given to U.S. food and other aid programs in relation to the two economically separate questions of U.S. surplus disposal and development aid for low income countries.

A strength of the book is that the argument is pursued on two levels throughout, one by use of simple equations and the other through verbal means, thus permitting the reader to proceed at the level he prefers.

While feeling that the content of the work is of major value, this reviewer noted some shortcomings. From the point of view of economic development theory, it is disappointing to find that most of the mathematical formulations lack the specific time reference of dynamic systems. Turning to matters of style, the book could have been made less cumbersome by tighter discussions and a reduction in some of the illustrative material (e.g., chapter six on the structure of U.S. agriculture.) Unfortunately, also, the usefulness of the many excellent references is reduced because they are not cited in the customary way. Lack of references (p. 44, line 13, and Table 2.3, for example) occasionally mars the work. An augmented table of contents and a list of tables would have considerably increased the usefulness of the book, particularly for reference purposes.

This major review of United States agricultural policy is likely to be of greatest value for graduate students, members of the profession, and adminis-

trators who are concerned either with policy or with agricultural development.

Robert D. Stevens

*The Public Lands: Studies in the History of the Public Domain*

Edited by Vernon Carstensen. The University of Wisconsin Press, Madison. 522 pages. 1963. \$6.75.

PRIVATE CITIZENS and public officials alike have a continuing interest in the history, disposal, extent, character, and use made of the publicly owned and administered lands. *The Public Lands: Studies in the History of the Public Domain* contains about 60 of the best historical articles on the public lands that have appeared in journal form since 1905. These articles provide a revealing review of significant plans and events in the disposal of public land to private citizens and corporations, in grants to railroads and States, and in the management of the remainder for public purposes.

May 20, 1962, marked the centennial of one of the most important land laws of the United States—The Homestead Act of 1862. The articles in *The Public Lands* impress the reader with the endless public actions since 1784, first, to encourage settlement and development of the public domain, and more recently, to provide for proper management of these lands. Not all the public plans to provide farms for the vast multitude of home seekers were successful. Yet, looking back today through the significant articles in *The Public Lands* there appear to have been enough honest successes over the two centuries of history to more than offset the failures and injustices. The public land disposal system illustrates the unchanging verities of good and bad in human behavior.

As expressed by Dr. Carstensen in the Introduction, "The land grabs . . . represent a . . . part of the story, but not the whole story. . . . The part . . . that involves the vast number of land-seekers who got their land without violating either the spirit or the letter of the law . . . is the part that provided a lure so strong that it drew millions of people across the Atlantic."

In like manner, Dean Eugene Davenport of the College of Agriculture, University of Illinois, in 1915, discussed the distribution of the public domain, recognized the waste and abuse, and then added, "but we have these farms, these cities, these