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**O**BVIOUSLY DESIGNED as a textbook for vocational agriculture classes in high school, this book would also be excellent for young farmers getting started in farming if there were some effective means of having this kind of publication read by such individuals who need it.

The book has two almost equal parts. The first deals with the principles of sound farm financing and the second is essentially a discussion of the sources of agricultural credit and a description of agricultural credit institutions.

The first half has a useful admixture of farm management and farm finance. On the whole, it is the better done of the two. It deals with capital requirements, leasing, transferring the farm from father to son, appraisal, terms of loans, risks of using credit, and related questions. The authors evidently want to show young farmers how to make credit a successful tool instead of a financial handicap. They point out many of the pitfalls in agricultural finance that contributed to the financial ruin of a generation of farmers between the two wars. They probably overemphasize that the smart farmer did not go in debt unduly during periods of high prices, but bought his farm during lower prices. Where long-term indebtedness is involved it is always better to buy a fixed capital asset during low prices, but as a practical matter this would mean that a generation of young farmers might have to forego the purchase of farms. A young farmer cannot "forestall middle age" more than a few years while waiting for the business cycle to change. There is a growing body of opinion that the time for a young man to buy a farm or a home is when he is financially ready; then he can use this asset during his productive years. He might want to vary the terms of finance, percentage of equity, and method of repayment, depending upon the stage of the business cycle in which he buys.

The second part, dealing with agricultural credit institutions, is more descriptive than analytical. One has the impression that the chapters dealing with federal and quasi-federal lending agencies have been adapted largely from bulletins and press releases of the agencies themselves. This reviewer found himself wishing that the authors, so broadly experienced in farm finance,

had been more analytical, and at points even critical, of the operation of the Farm Credit Administration units.

Though the authors were obviously trying to be fair in their treatment of private lending agencies, the book points to limitations in the ability of private agencies to finance agriculture without calling attention to what may be equally dark spots in the history of the federal lending agencies. In places there is an undertone that the federal agencies have been the farmer's guardian, or even savior, against the selfish practices of private agencies. For example, while discussing sources of agricultural credit, the authors state "a farmer should avoid borrowing money from a lender who is in business for the purpose of making a profit at the borrower's expense by exercising his foreclosure rights at the slightest deviation from the terms of the contract." Then while discussing the big volume of federal land bank refinancing from 1933 through 1935, they say that 85 percent of the 2 billion dollars loaned by the land banks and commissioner was used by the borrowing farmers to pay outstanding debts and thereby avoid foreclosure. Few students of agricultural finance would let go unchallenged the inference that all of those farmers refinanced to avoid foreclosure. No mention is made of the foreclosure record of the federal land banks during the early 1930's. In some sections where these banks were the principal land owner in entire townships if not counties, some farmers may still be reluctant to classify them as the farmers' friend while leaving commercial banks and insurance companies outside the veil.

Again, while discussing commercial banks, the authors say, "Although banks have certain rights and privileges that permit them to operate at a profit, they are also subject to certain controls and restrictions imposed by law for the protection of their customers." This reviewer is not aware that there is anything wrong with operating at a profit. The authors do not discuss the regulating influence of competition among private lending agencies in the farm lending field. We read that "the operations of the farm credit institutions have been an important influence in reducing interest rates to farmers" and when the loans made by production

credit associations are discussed: "These developments have resulted in a generally improved credit service and saving of interest costs to farmers." No doubt the federal credit agencies had some influence in hastening the reduction of interest rates, but nearly every student of farm finance agrees that the rates would have lowered themselves during the last 15 years, without federal agencies in

the field, because of a cheapening of money rates and sheer competition among lenders.

In spite of these points of criticism the book is a valuable contribution in the vocational education field. It is well written, reads smoothly, and contains a great deal of worthwhile information which will be useful to the beginning student.

*Earl L. Butz*

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## Selected Recent Research Publications in Agricultural Economics Issued by the Bureau of Agricultural Economics and Cooperatively by the State Colleges<sup>1</sup>

BRODELL, ALBERT P., and CARPENTER, CHARLES G. HARVESTING HAY AND SILAGE. U. S. Bur. Agr. Econ., F. M. 79, 18 pp. June 1950.

Estimates, by States, the form in which 1948 hay crop was fed or sold, and extent of use of field forage harvesters and stationary cutters for harvesting different kinds of silage.

CHURCH, DONALD E. EFFECT OF INCREASES IN FREIGHT RATES ON AGRICULTURAL PRODUCTS. U. S. Dept. Agr. Cir. 847, 39 pp., illus. April 1950. (RMA.) [Printed.]

Shows that an increase in transportation costs by a uniform percentage tends to decrease prices at nearby markets and to increase them at distant markets.

COOK, HUGH L., and HUSSEMANN, DOROTHY L. CONSUMER ACCEPTANCE OF DRY MILKS IN QUANTITY COOKERY. Wis. Expt. Sta. Res. Bul. 164, 32 pp., illus. Madison. January 1950. (BAE cooperating; RMA.) [Printed.]

Shows that the use of dry whole milk or nonfat dry milk solids, in certain dishes, increased their milk solids content without significantly decreasing the preference for the dishes.

CROWE, GRADY B. MECHANICAL COTTON PICKER OPERATION IN THE YAZOO-MISSISSIPPI DELTA. Miss. Agr. Expt. Sta. Bul. 465, 20 pp. State College. July 1949. (RMA report.) [Printed.]

Informs as to costs and performance of one-row spindle-type, mechanical cotton harvesters under farm conditions; their operating efficiency compared with hand labor; and costs of machine and hand picking.

FOLSOM, JOSIAH C. WAGE CEILING IN FLORIDA CITRUS GROVES, SEASON OF 1934-44. 12 pp. Bur. Agr. Econ. July 1950.

Control of wage rates was reasonably satisfactory, despite limited adjustment services and publicity. Pickers for the larger packinghouses averaged \$30 a week; those for smaller houses, \$25 or less.

FOOTE, R. J., and SCHOLL, J. C., under the direction of L. H. BEAN and C. E. BURKHEAD. ANALYSIS OF CROP-WEATHER RELATIONSHIPS (PROGRESS REPORT.) Bur. Agr. Econ. 22 pp., illus. June 1950. (RMA.)

Discusses certain aspects of research now done or in progress on a study of the year-to-year changes in market supplies due to changes in yields per acre. Illustrates the methods to be used in presenting crop and weather data.

FUQUA, ORVILLE. FARM REAL ESTATE ACTIVITY IN TWELVE WESTERN COUNTIES, 1941-48. 53 pp., illus. Bur. Agr. Econ. June 1950.

Outlines voluntary transfers in the 12 counties, and break-down by individual counties.

GAINES, JAMES P., and CROWE, GRADY B. WORK-STOCK VS. TRACTORS IN THE YAZOO-MISSISSIPPI DELTA. Miss. Agr. Expt. Sta. Bul. 470, 10 pp. March 1950. (RMA, BAE cooperating.) [Printed.]

Shows that large tractors are cheapest source of power on farms with 60 acres or more in crops; and that medium-sized tractors can replace economically at least three mules on cotton farms with 30 to 60 acres of cropland.

HAY, DONALD G., and JOHN, M. E. RURAL ORGANIZATION OF BRADFORD COUNTY, PENNSYLVANIA. Pa. Agr. Expt. Sta. Bul. 524, 38 pp., illus. State College. April 1950. (BAE cooperating.) [Printed.]

Representative types of rural organizations in the northeastern general farming belt are found here. The report shows that greater emphasis is needed on membership relations, on program planning, and on coordination of activities.

HOLMAAS, ARTHUR J. AGRICULTURAL WAGE STABILIZATION IN WORLD WAR II. U. S. Dept. Agr. Agr. Monog. 1, 140 pp. 1950. [Printed.]

One of the war records monographs which present the history of the Government's activities in World War II.

<sup>1</sup>Printed reports are indicated as such. All others are processed. State publications may be obtained from the issuing agencies of the respective States.