Book Reviews

Atlantic Agricultural Unity: Is It Possible?

By John O. Coppock. McGraw-Hill Book Company, New York. 1966. 238 pages. $7.50.

THE TITLE OF Coppock's book should contain two questions: "Is it possible?" and "Is it necessary?" The degree to which agricultural unity in the Atlantic region is possible to achieve depends very much upon the degree to which it is deemed necessary.

The author argues persuasively that "no industrialized nation faces ruin because of its own farm problems or because of agricultural policies across its borders." As long as agricultural policies, no matter how "irrational," are kept within national boundaries there is little to complain about "except for the economic purist." But agricultural trade in temperate food products (the main category of agricultural commodities considered by Coppock) is important, and this is what gives rise to international concern about harmonizing national agricultural policies. Further, Coppock asserts that the Treaty of Rome called attention to the problems of international trade in temperate agricultural commodities in the Atlantic region and to the need for nations to follow less restrictive domestic policies.

After assessing the relative rates of growth in agricultural production and consumption under restrictive, high-price policies, Coppock concludes that the Western European countries will achieve a higher degree of agricultural self-sufficiency than they now possess. All this points to a deterioration in national resource use and conditions for international trade.

Why then haven't the nations of the Atlantic Community been willing to modify national agricultural policies toward a less protectionistic, freer trade situation? This question is never fully answered. I would like to suggest one possible answer that could come, but does not, from Coppock's framework of analysis. Trade in temperate zone agricultural commodities has progressed rather favorably in the last two decades. Further, although importing countries are likely to achieve a higher degree of total agricultural self-sufficiency in the future, this does not necessarily imply that the absolute level of trade will decline. And, as long as there are prospects for expansion in the absolute level of trade, it may not really be necessary or desirable for governments to go through the painful processes of radically altering agricultural policy structures. Arguments about what could exist do not seem to be overly compelling when what exists isn't really so bad.

Coppock is somewhat critical of the United States for pushing the Kennedy Round of trade negotiations when it has had what he considers to be a rather rigid and protectionistic set of agricultural policies and has shown little willingness to change or negotiate these policies. I think this is a distorted view of the agricultural policies of the United States, particularly as they relate to international trade. The United States has formulated and implemented policies which go a long way toward the ideal objectives for agricultural policy that Coppock sets forth. The United States has responsibly restrained agricultural output, and managed surplus stocks in such a way as to enable it to follow orderly pricing policies at home and abroad. Price and income support policy programs have been changed, in part, to disassociate income support for agriculture from the price mechanism through the use of direct payments. The result has been a market pricing policy geared to efficient producers. Thus, in recent years the United States has moved a long way toward the policy objectives Coppock would like to see achieved. This does not mean that the United States has achieved a "lily white" set of agricultural policies. It does, however, suggest that some of the next moves toward policy harmonization in the Atlantic Community might be made some of the Western European countries.

Martin E. Abel

Agricultural Production and the Economic Development of Japan, 1873-1922

By James I. Nakamura. Princeton University Press, Princeton, N.J. 1966. 257 pages. $7.50.

JAPAN'S ECONOMIC DEVELOPMENT has been considered unique. On the basis of government statistics, economists have regarded it as rapid, with a sudden increase in agricultural productivity in the middle 1880's and an extensive transfer of labor and capital to the nonagricultural sector. After a systematic reexamination of these statistics, Nakamura questions their accuracy and denies the validity of the conclusions based upon them. Consequently, as James W. Morley suggests in the foreword, this is a "revolutionary" study, dispelling "much of the mystery which surrounded Japan's miraculous 'take off' in the Meiji period" and requiring a revision of current views concerning the uniqueness of Japan's economic growth.

The author has three principal objectives: "first, to demonstrate that Japanese government statistics seriously understate the value of production in the early Meiji era and thereby to criticize previous estimates of Meiji national product which accepted these statistics with little or no modification; second, to work out new estimates of the growth rate of the Japanese economy and, more particularly, the growth rate of Japan's agricultural production from 1873-77 to 1918-22; and finally, to examine some of the implications of the new findings."

He demonstrates in fulfilling his first objective that Japanese farmers during the early Meiji period, from 1873 to 1885, in an effort to lighten the payment of land taxes underreported the area of their farms and the yields of their fields. They underreported their land area by means of concealment, misclassification, and undermeasurement. However, the Land Tax Law of 1884 reduced these evasions and added to the tax rolls a considerable acreage of land. About the same time, an improvement was made in the reporting of yields. These increases in acreage and yields in the middle 1880's account for the spurt which economic historians have taken for an acceleration of productivity. Nakamura concludes that annual agricultural growth rates of 1.9 and 2.4 percent advanced by Bruce F. Johnston and Kazushi Ohkawa are too high. He believes that it was 1.0 percent or approximately one-half of their estimates. Consequently, he would revise the growth rate of the Japanese economy as a whole between 1878-82 to 1913-17 from Ohkawa's 4.0 percent to 2.8 percent.

In his final chapter, Nakamura presents some implications of his corrected estimates. Since the economic growth rate was slower, he concludes that the transfer of labor from the agricultural to the nonagricultural was not as much as formerly contended and that the transfer of capital from one sector to the other came not so much from the increment of agricultural income as from the savings of the new landowning class created by the Meiji Restoration. In fact, he suggests that this revolution provided the matrix for subsequent economic growth.

In questioning the uniqueness of the Japanese economic experience, he has furnished the statesmen of developing nations with a more accurate description of their Asian model and a more realistic comprehension of economic development.

Robert G. Dunbar

British Agricultural Marketing, A Study in Government Policy

By V. S. Patvardhan. Asia Publishing House, New York. 1966. 156 pages. $7.50.

THE BOOK DESCRIBES the development of government's role in British agriculture from the 1920's through the 1950's. The role of government during this period changed from that of passive onlooker to active attempts to cope with problems of agriculture through public policy. The main problems of agriculture in Britain appear to have been the growing income disparity between the agricultural and other sectors of the economy and a desire to ensure some kind of balance between imports and home production.

Reliance of public policy on various commodity marketing schemes, however, created other problems. Among these were (1) high cost of production of certain commodities (e.g. milk, eggs, etc.) associated with small-scale production units; (2) oversupplies of some commodities; (3) high prices to consumers.

The book provides a good description of various commodity marketing schemes (for milk, potatoes, eggs, hops, wool, and tomatoes and cucumbers), functions, organizations, and operations of different commodity boards and other marketing organizations (e.g., Fatstock Marketing Corporation) in the United Kingdom. The lack of rigorous economic analysis of the effects of the board activities, however, limits the usefulness of the study to that of comparing similarities and differences in problems of agriculture in the United States with those in the United Kingdom as well as similarities and differences in the solutions sought.

Walter Miklius

On the Theory and Measurement of Technological Change

By Murray Brown. Cambridge University Press, New York. 214 pages. 1966. $8.50.

IT IS INCONTROVERTIBLE that technological change is only one of many factors which generate economic growth and affect the employment and the distribution of income. Yet, dividing these factors into separate measurable components is still a difficult problem. Consequently, measurement of technological change and the related underlying theories have become important areas of investigation in the recent literature of econometrics. To some extent, Brown makes his excellent book an outstanding contribution to this growing literature by bringing the basic material together. However, the emphasis of the book, as the author himself points out, is with the benefits to measurement provided by a theoretical framework rather than with the benefits to the theory provided by the measures of technological progress.

The book is divided into three parts. The first part is devoted to setting forth the basic theoretical frameworks which are essential for the discussion and interpretation of various measures of technological change developed in the second part of the book. In the third part, the author presents an empirical investigation of measuring the effects of technological change on output, employment, and distribution of income in the U.S. domestic private nonfarm sector from 1890 to 1960.

Qualitatively, technological change is simply the force or factor causing the shift of a production function. In order to clarify the notion of technological change within the quantitative measurement framework, the author defines the technology embedded in a production function in terms of four measurable properties: (1) the degree of efficiency of a technology, (2) the degree of returns to scale associated with the ruling technology, (3) the degree to which technology is capital or labor intensive, and (4) the degree of ease with which the technology permits capital to be substituted for labor. These four characteristics are referred to as "abstract technology" by the author. The first two characteristics are "neutral" technological change, because changes in these two characteristics do not affect the marginal rate of substitution of labor for capital. But changes in the last two characteristics do alter the marginal rate of substitution; therefore they belong to "nonneutral" technological change.

In light of these characteristics, both the Cobb-Douglas and constant elasticity of substitution (CES) production functions are examined and analyzed in great detail with respect to their properties and relationships of the variations in output, labor, capital, and technological change. The author discusses the concepts of short-run, long-run, and secular production processes and the distinction between the embodied and disembodied technological change.

Having explored various theoretical facets of technological change, the author turns to the problems of measuring technological change in the second part of the book. The limitation and applicability of productive index, Solow measure, and Salter measure of technological progress are evaluated. Then, the method of obtaining epochal estimates of parameters in the Cobb-Douglas and CES production functions and the finite differencing method of separating the effect on the change in output of the separate forces--changes in inputs, neutral technological change, and nonneutral technological change--are presented.

In part III, the author presents an empirical application of some of the measurement techniques developed in part II to the investigations of (1) the effect on economic growth in the United States of neutral and nonneutral technological progress, (2) the effects on employment of the change in output, the substitution of capital for labor, and technological progress, and (3) the effect on relative income shares of technological change and the relative supplies of capital and labor.

On the whole, the book is well organized with a very careful combination of theory, methodology, and empirical results. Although fully understanding the book requires mathematical reasoning and background, the book is clear, well written, and easy to read. The author develops his material in depth and with rigor. The quality of each chapter is high; many readers will find this book worthwhile.

William Y. Mo

Science and Economic Development: New Patterns of Living

By Richard L. Meier. The M.I.T. Press, Cambridge, Mass. Second Edition Revised and Updated (first paperback edition). 273 pages. 1966. $2.45.

THIS IS AN APPRAISAL of possible future development of new economic resources for the rapidly growing population, organized into five chapters titled: (1) The Present World Predicament, (2) New Foods, (3) New Fuels, (4) New Patterns of Living, and (5) Recapitulation. The book's appendix presents a challenge to several professions to solve some "unsolved, but apparently soluble, problems" which would make the feeding, clothing, and maintenance of increasing populations possible, thereby postponing the Malthusian dilemma at least temporarily. If modifications of present foods, fuels, and living conditions are made, according to the author, the earth could adequately support about 50 billion people. This study is somewhat marginal in its shelf appeal to most economists, but deserves a space on bookshelves of most research-oriented physical scientists and sociologists.

The author gives the reader some indication of the adjustment required in our present pattern of living in order to support a larger population. Changes would not only affect our consumption and living patterns, but our entire culture. A comprehensive picture is drawn of the possibilities of future economic development in the fields of foods and fuels with brief glances at problems of automation, birth control, clothing, communications, housing, industry, minimum adequate living standard, power, transportation, urbanization, and others.

The reviewer is of the opinion that the book loses something because of the attempt to be precise. Precision is admirable where it can be achieved or even approximated, but is open to criticism where it is subject to so many different variables. For example, an error of about 100 percent occurred in the projected estimate (table 23) made in the first edition of this book 10 years ago. It may have been more productive to give less precise yet directional forecasts of the future.

Some criticism also applies to data. The use of the metric system in most of the tables confuses the reader and should have been avoided. Many tables and figures appear without any reference or explanation as to their derivation. Some data are out of date.

This study fills a needed vacuum in scientific literature and is recommended to readers as a stimulating mental exercise and a good science-fiction work which may be much closer to the reality than we may realize or even want to admit.

Valentine Zabijaka

Consumer Demand in the United States, 1929-1970--Analyses and Projections

By H. S. Houthakker and Lester D. Taylor. Harvard University Press, Cambridge, Mass. 214 pages. 1966. $6.

THIS MONOGRAPH presents an econometric demand study for the detailed items of private consumption expenditures in the National Income Accounts. The authors analyzed more forces--changes in inputs, neutral technological change, and nonneutral technological change--are presented.

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THIS MONOGRAPH presents an econometric demand study for the detailed items of private consumption expenditures in the National Income Accounts. The authors analyzed more than 80 commodities over the 1929-61 period and projected them individually to 1970.

The book appeals to three types of users: those wanting 1970 projections of expenditures, those looking for models to be used in making other projections, and those concerned with the conceptual forefront of econometric analysis of time-series data. A major segment of the book is devoted to presentation of results. It includes one or two models for each item and charts giving actual and predicted values for 1929-70.

The study employed a dynamic model which proved useful for a majority of the items. The dynamic model enabled the measurement of either habit formation (positive addition to consumption) or inventory adjustment (negative effect on consumption). For example, habit formation in the case of food consumption allows food consumption to continue expanding after income has leveled. The model was fitted using ordinary least squares except when autocorrelation was a problem. Then, the three-pass least squares technique was used. Monte Carlo experiments showed that the three-pass least squares technique resulted in less bias in fitting the dynamic model, but it was not as efficient as ordinary least squares. Several sections of the book were devoted to development of the model, testing its dynamic properties, and discussing projection problems.

Current dollar figures were divided by constant (1954) dollar data in deriving indexes of implicit price deflators. The deflators were used as price indexes, and constant dollar expenditures were used as estimates of consumption. Such indexes reflect shifting weights of various components over time, rather than the Laspeyres index method of fixed price weights for quantity indexes and fixed quantity weights for price indexes. Use of shifting weights has the advantage of ensuring that price times quantity equals expenditures. But it glosses over the problem of interaction of price and quantity. The interaction is imputed to either price or quantity, depending on method of estimation. The results of using the dynamic model indicated that consumption was generally more affected by habit than by prices. This conclusion was attributed to our increasingly affluent society, but perhaps use of implicit price indexes was partly responsible. Switching to purchase of higher valued items during 1929-61 may be one reason that the price variables were not statistically significant for many items. In fact, the model for food yielded a positive price elasticity.

The study was conducted under contract with the U.S. Bureau of Labor Statistics. The principal source of data was the Survey of Current Business, U.S. Department of Commerce. Additional unpublished detail was provided by the Office of Business Economics, USDC. These data were revised in 1965 on the basis of 1958 census data. At that time, OBE redefined the concept of total personal consumption expenditures, the most important independent variable in the analysis and the control total used in the 1970 projection. Personal interest payments and transfers abroad were eliminated from personal consumption expenditures. These revisions plus use of later data may warrant users to rerun the basic models when possible. The 1970 projections spring from initial conditions in 1961 (without adjustment for errors) which depend heavily on relationships derived from the 1954 census.

Revised data show that the percentage of total expenditures going for food in 1961 amounted to 21.5 percent rather than the 20.9 percent used in this study. This percentage was projected to decline to 19.6 percent in 1970, but it did so in 1966. The revised data were published for 1929-65 in a supplement to the Survey of Current Business in August 1966. Detailed implicit price deflators were included in the new report but some of the data used by Houthakker and Taylor have never been published. For example, published data for off-premise food expenditures include alcoholic beverages. But this study excluded alcoholic beverages from food. Even though this definition of food is often the more desirable, it makes application or rerun of the model difficult since the historic data used were not included in the monograph.

All in all, the book appears to be an excellent econometric analysis. But I feel that the authors were overstating the usefulness of the dynamic model when they concluded that the days of the static approach to demand analysis appeared to be numbered.

Stephen J. Hiemstra

The Economics of Health

Herbert E. Klarman. Columbia University Press, New York. 200 pages. 1965. $3.95.

ANY SOLUTION to health problems would serve to help people in rural areas who are at a disadvantage in receiving adequate health care because of low incomes and limited access to medical facilities.

The object of this book is to interest economists in the health field and to encourage the use of economic principles and techniques to resolve problems in the health industry. The author was commissioned by the Ford Foundation to explore the new concept of health economics. This concept is much broader than medical economics since it is not solely restricted to analyzing costs of medical care, but includes analysis of conditions helpful to medical research, the economic costs of diseases, and returns from investment in medical education and training.

The author rightly states that more economic answers are needed to prevent impending crises such as the inadequate supply of trained personnel to accommodate the rising demand for medical attention. However, this reviewer takes issue with the author's reasoning that economists have ignored the field of health and medical services because its special characteristics are exceptions to the economic propositions that explain the behavior of the market. Economists for years have been analyzing extreme cases of imperfect markets and arriving at meaningful and useful results.

The health industry has numerous characteristics which distinguish it from more perfect markets. The difficulty in analyzing the market is increased when, as the author points out, normative economists try to include the formulation of goals and priorities for public policy. The author does a good job in highlighting some of the characteristics contributing to this difficulty, such as that the profit motive in the medical industry is not relevant as an explanation of economic behavior, and that the health industry is a mixture of consumption and investment. Health and medical services are consumption activities, but preventive medicine is an investment activity.

The usefulness of the book is enhanced by the construction of an index of health care costs. This index serves to adjust the data on health expenditures to reflect improvements in the quality of health services. The book has an excellent and extensive bibliography for those who wish to pursue the economics of health further.

Jack Ben-Rubin

What's Ahead for the Family Farm?

By The National Farm Institute. Iowa State University Press, Ames. 156 pages. 1966. $3.50.

THIS VOLUME brings together papers by 14 highly qualified speakers at the conference on this important farm policy issue sponsored by the National Farm Institute early in 1966. The conference proceedings include panel discussions of questions related to the papers. A careful study of this book permits the reader to become a full participant in the meeting.

The book is timely. There is a need to discuss all aspects of the future of the family farm, since the subject is controversial, with a broad spectrum of opinions. In this respect, the National Farm Institute has commendably achieved its objective.

The authors, all concerned with the development of a sound agricultural industry, present their appraisals of the important aspects influencing the future family farm development in an objective and well-documented manner. The family farm is properly defined and examined with respect to changing structure of agriculture over the next 15 years. Technological and business knowledge needs, supply and source needs, market structure needs, and the expected supply of and demand for agricultural commodities in the domestic and world markets are among the topics explored. International as well as domestic influences on the development of the U.S. agricultural economy provide the proper setting for the comprehensive examination of the needs and potentials of the future family farm.

The two papers contributed by Congressmen (representative of the two major political parties) were devoid of politics and demonstrated their keen understanding of the present and future problems of the family farm. Their constructive suggestions for strengthening farm programs should be given serious consideration by everyone concerned with agricultural policy.

The successful farm operator of the future will be required to make appreciable increases in capital input and to become much more scientifically oriented with respect to farm supplies and services. All farm supply and service organizations will have to gear their operations to meet these new farm operator demands, or go out of business. The chapters dealing with the input side of agriculture are fortified with the kind of practical experience that makes this book "must" reading for anyone concerned with family farm development and policy.

The concluding section of the book examines the changing structure of markets for farm products to accommodate the new demands by businessmen farmers, affluent domestic consumers, and changing world conditions. These chapters clearly indicate the challenges and opportunities for those agricultural marketing firms that choose to accommodate change.

This publication should contribute to a better understanding of the major family farm policy issues.

E. L. Baum

Revolving Finance in Agricultural Cooperatives

By Henry E. Erdman and Grace H. Larsen. Mimir Publishers Inc., Madison. 117 pages. 1965. $3.50.

FARMER COOPERATIVES have used the revolving fund as one of their primary sources of equity capital. The revolving fund can be defined as "a plan by which members of a cooperative currently supply capital to the association in some way proportional to the volume of business they do with it, while periodically funds in excess of capital needs are returned to contributors in the order of their contribution."

Erdman, who has devoted a half century to the study of marketing and cooperative organizations, and his co-author trace the historical development of cooperative revolving funds and discuss their role and possibilities under current conditions.

The process of obtaining investment capital in proportion to membership patronage is of early origin. It may have been used by some of the coöperative cheese associations of New York and other States in the 1850's. The retirement in cash of the oldest outstanding equities, however, developed slowly. It was first adopted by a fruit marketing association in the State of Washington early in 1912, but nearly 20 years passed before revolving finance gained general acceptance. This delay was due mainly to legal complications, the presence of more immediate problems diverting management's attention, and the violent economic changes of the period that upset financial plans.

Erdman and Larsen conclude that cooperative revolving funds are and will continue to be useful as a method of financing farmer cooperatives. The concept of revolving finance, however, should be flexible and, when applied to a particular cooperative business, its form should be adapted to specific and changing needs. The most suitable term of years for revolving the funds will vary among cooperatives.

Individual cooperatives will also differ in the degree that a revolving program is emphasized in their capital structure. In combination with revolving capital, a cooperative's financial structure might, according to the authors, include long-term unamortized mortgages, preferred stock, or other nonvoting securities. The book is not entirely clear in its reference to "permanent debt financing" and it mixes terms usually applied to equity capital with those more frequently used in describing debt capital. Permanent debt capital or credit is not generally available to cooperatives from institutional lenders. Equity capital in the form of preferred stock or some comparable security may be relatively permanent when compared with revolving capital. But it is not permanent when compared to the equity capital of proprietary business in the form of common stock traded in the stock market. Despite the usefulness of revolving funds in cooperatives, many cooperatives are finding it increasingly difficult to do their entire job of financing with revolving funds.

Individual lenders, including nonoperating owners of farms, are an important source of credit to farmers. The authors conclude that these individuals should not be overlooked as a likely market for cooperative-type issues of preferred stock or certificates of indebtedness. Here the authors appear to have disregarded a basic difficulty confronting farmer cooperatives in raising equity capital. Cooperatives, unlike noncooperative businesses, are not able to offer the incentive of capital gain on their stock sales to offset the risk of loss of value. The need for funds on farms and good corporation stocks with growth possibilities offer strong competition for the funds of potential investors, both members and nonmembers. Besides, since any earnings in excess of regular dividends usually are received by cooperative members or patrons in the form of patronage refunds, these individuals will probably continue to supply most of the equity capital.

In addition to a satisfactory term for the revolving cycle, Erdman and Larsen point out that all revolving funds should include some procedure for informing a member of his interest in the fund, adequate provision in legal instruments for the revolving fund plan, and member and employee education to make this financial plan understood and supported.

This book is intentionally limited in scope and makes its greatest contribution in the historical phase. Nearly two-thirds of the book is devoted to a documented history of the revolving fund plan.

Chapter 6 is entitled "Adjusting Revolving Fund Plans to Meet Current Needs." Possibly it should have been broadened by citing more views and studies, such as Russell C. Engberg's Financing Farmer Cooperatives, to illustrate the current and effective use of revolving funds by individual cooperatives. Nevertheless, the material that is covered makes this work an interestingly presented and useful addition to readings on cooperative finance.

Glenn E. Heitz
G. Robert Butell

An Appraisement of Agricultural Cooperation in Ireland

By Joseph G. Knapp. Government Publications Sales Office, Dublin. 115 pages. 1964. $0.75.

An Analysis of Agricultural Co-operation in England

By Joseph G. Knapp. Agricultural Central Co-operative Association, London. 242 pages. 1965. $2.

IT IS NOT THE objective of this review to give readers a detailed account of the organization and history of agricultural cooperatives in England and Ireland. For such an account, the reader must turn to the two detailed reports which Knapp provided to those who asked him to make these critical analyses. Their request was, "We would wish you to carry out a general appraisal of the position of the cooperative movement in this country and indicate what you think might be done to strengthen it and increase its influence in the agricultural sphere generally."

Because Knapp's analysis is thorough, his reports make a major contribution to an understanding of the basic role of cooperatives in agriculture. The length of these documents makes each of them literally a small book on agricultural cooperation. Both of them reflect the thinking of Knapp on the role of agricultural cooperatives in national economies. He describes this role as that of being "a force to assist farmers in their adjustments to an expanding and changing world." He suggests ways in which agricultural cooperatives in England and Ireland, and in other countries as well, can facilitate this adjustment.

Knapp's first recommendation, made to the leaders of Ireland's agricultural cooperative, is that "steps should be taken to reinvigorate the IAOS (Irish Agricultural Organization Society) as the mother of cooperatives which should provide leadership and the technical services that are necessary to help farmers build strong cooperative organizations capable of meeting the needs of agriculture." This recommendation is based upon the assumption that IAOS should represent the voice of agriculture, not only in the cooperative movement, but in everything which concerns the farm people of Ireland. The second basic recommendation is made to the leaders of ACCA (Agricultural Central Cooperative Association) in England. He indicates the direction he believes this reorganization should take--a direction which "would make clear the government's confidence in the cooperative form of organization." Again the reviewer must point out that these recommendations can be fully understood only if the reader studies these documents in detail.

In his analysis of these two century-old cooperative societies, Knapp presents his own mature thinking about the role of agricultural cooperatives in the economy and life of any society. This is not to say that he used the opportunity to study the experience of these two cooperatives merely to present his own viewpoint. Although he has dedicated his professional career to working with and for cooperatives, he is not a prejudiced pleader for cooperatives. He is, as he has long been, a dedicated student and an authority on agricultural cooperatives as a necessary part of any national society which depends on the prosperity of its agriculture and of those who constitute the agricultural sector of that society.

It is probably because agricultural cooperatives in Ireland and England never attempted to wield great political influence that they have never experienced a debacle such as occurred after the Farmers' Alliance upheaval in the United States in the late 1880's and early 1890's. Knapp does not, however, designate these as weaknesses on the part of these two cooperatives. Rather, he believes that the principal weakness of these two European agricultural cooperatives is that they have in some ways become too institutionalized to meet the issues incident to the changing role of agriculture in the now universal price and market economy of the western world. Another weakness, he believes, is the inadequacy of "agricultural supply or purchasing cooperatives." While he does not say so, this weakness probably stems from Sir Horace Plunkett's philosophy of the inherent goodness of the rural way of life. Today agriculture is a part of the world price and market economy, and one of its major concerns must be how to become more effective in this economy.

Knapp points out that agricultural cooperatives in Ireland were in the beginning a grass roots or people's movement--a country life movement. They were not primarily marketing organizations, nor were they systematically tied in with other social institutions. There was no systematic instruction on this subject in institutions of higher learning, and no adequate tie-in with government agencies. There was no research on cooperatives by either of these institutions. One of his most forthright recommendations is that such relationships or types of cooperation be established. This is a plea that the leaders of agricultural cooperatives in both of these countries, rather than following the early history of agricultural cooperatives, pit themselves against leaders and agencies of other segments of society and expend their energies and their thoughts on making agriculture a more efficient part of the national economy. To illustrate his points he uses the experiences of the United States, where the Farmer Cooperative Service of the U.S. Department of Agriculture is an integral and respected part of the Federal Government. His recommendations to the leaders of agricultural cooperatives in England and Ireland are not, however, based primarily on a plea that they follow American experiences. They are based on a detailed analysis of their own organizations and experiences.

Knapp interviewed personnel in every echelon of agricultural cooperatives, from top management to farmers. The value of these personal interviews is probably best illustrated in appendix A of his report on agricultural cooperatives in England, in which he records 33 diagnostic questions which he asked managers of cooperatives. The answers they gave provided valuable information to Knapp, but even more important was the fact that they stimulated, one might say forced, the managers of cooperatives to make critical analyses.

I can conclude this review no more aptly than by quoting from the Irish Times which said, concerning Knapp's report and recommendations, that "the hope must be that it marks a new era in the cooperative movement, an era in which the spirit of Sir Horace Plunkett will find a new expression; in which the countrywide system of co-ops will at long last become a people's movement operating for the common good of farmers and practicing the principle of mutual help. . . . All these objects, while far from achievement, have been given a fillip by Dr. Knapp."

Carl C. Taylor

Rural Recreation for Profit

By Clodus R. Smith, Lloyd E. Partain, and James R. Champlin. Interstate Printers and Publishers Inc., Danville, Ill. 303 pages. 1966. $6.95.

THE AUTHORS STATE that this book was written for the use of rural landowners and others who may be concerned with recreational enterprises as profit bearing ventures. In suggesting the widespread feasibility of rural recreational enterprises, the authors may be overzealous. The extent to which these ventures can be profitable is a question not satisfactorily answered in this book. However, many practical suggestions are given which should help many operators improve their profit positions.

Information is presented in a plain and understandable manner on how to plan, develop, operate, and manage various types of recreational enterprises. Seven types of enterprises are portrayed from the viewpoint of demand, income potential, profitable additions, resource requirements, and management problems. Worthwhile suggestions are given regarding the selection of a recreational enterprise and on planning, developing, maintaining, and managing the selected enterprise.

After each of the 14 chapters, there is a bibliography relating to the material presented in that chapter. In addition, one chapter is devoted to explaining the various technical and financial assistance programs that are available from Federal agencies for those developing and operating recreational enterprises. These references alone, without the other valuable suggestions, make this book a worthwhile source of information for anyone who is planning to operate or is operating a rural recreational enterprise.

Ronald Bird