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BOOK REVIEWS

Attacking Rural Poverty: How Nonformal Education Can Help

By Philip H. Coombs and Manzoor Ahmed. The Johns Hopkins University Press, Baltimore, Md. 21218. 254 pages. 1974. \$15.

This research report on rural learning systems in less developed countries was prepared for the World Bank by the International Council for Educational Development. Twenty-five nonformal education programs in 15 countries of Africa, Asia, and Latin America were studied in depth and a large number of additional programs were examined in a more cursory manner. The authors define nonformal education as "any organized systematic educational activity carried on outside the framework of the formal system to provide selected types of learning to particular sub-groups of the population..." Thus every agency which carries a program to rural people would have a nonformal educational component. The authors found that such programs were fragmented, myopic in their conceptions of their missions, frequently competing with one another for scarce resources, unresponsive to local needs, and oblivious of existing local social organization. They were staffed with urban-oriented academic types who were as foreign to the local rural culture as the expatriate technical assistance experts who were supposed to help them.

The authors found a few programs that demonstrated higher cost-effectiveness than most. These programs had linkages with related development and educational activities, both horizontally at the field level and vertically to higher echelons for nourishment and backstopping.

The authors call for greater decentralization and greater equity in programs to help rural people. These can be achieved through the mobilization of existing resources, including rural people, less sophisticated technologies, and institutions already enjoying support from the local community and tied to local employment opportunities. To try to separate system and sector would slow educational progress and cripple its potential.

If the recommendations of Coombs and Ahmed are followed by the World Bank and other lending agencies, a new set of criteria will be applied to feasibility studies, project preparation, and evaluation. A new breed of implementers will have to be found who combine the vision of a generalist and the empathy of a brother with required technical competence (not necessarily achieved through formal education).

Jane M. Porter

In the Human Interest

By Lester Brown. W. W. Norton and Company, Inc. 558 Fifth Avenue, New York 10003. 190 pages. 1974. \$6.95.

It seems that the world is becoming increasingly aware that the ominous prophecy of Thomas Malthus could become a reality. The author of this book believes that whether the catastrophe will come about will depend on events within the next 10 years.

Lester Brown, who was formerly with USDA and is currently a Senior Fellow at the Overseas Development Council, predicts that in the near future the demand for food will exceed the world's capacity to produce the necessary amount. He attributes the impending predicament to the rich countries—particularly the United States—which use a large proportion of agricultural resources relative to the rest of the world. For example, to satisfy its material standard of living, this country needs nearly five times as much resources as are required to support India, Nigeria, or Colombia.

The author is sounding a call to avoid the crisis. What is needed to offset the gloomy trend is greater investment in tropical agriculture, irrigation, and better ways to distribute fuel and fertilizer.

Unfortunately, even if food production reaches a level surpassing demand, it may only be temporary. Distribution is likely to be misallocated, since the rich countries would be having surpluses and the poor countries would be having corresponding deficits. If this happens, the author believes that the 1980's will experience international trade problems of unmanageable proportions.

The crucial point in the author's strategy is to have the world population stabilized at a universal birthrate of 24 births per 1,000 persons by 1985, or a total of just under 6 billion people by the 21st century. Our planet cannot support more than that number without a serious curtailment of overall living standards.

In the past the call for the most efficient solution to balance supply and demand was to increase supply. What is now realized is that increasing supply is more difficult than curtailing demand. To facilitate any program to balance supply and demand, society must improve education and health care, income distribution, and full employment. According to Brown, the cost to achieve this would not be as staggering as one might imagine. The cost would be less than \$6 billion a year over the next 5 years—a price tag that is easily within the reach of the international community.

The author says little about objections to his plans, and there are a few. The developing countries do not go along with the "population programs"; indeed, as

witnessed from the speeches given by developing countries' delegates at the population conference recently held in Bucharest, the poorer countries do not even recognize that there is a population problem at all. Furthermore, the author has placed too much reliance on the prospect of achieving a "new social ethic"—a radical change in the norms and attitudes of the diverse peoples of the world. It seems certain that even if the changes could occur they will take longer than the short time the author plans.

Nevertheless, Brown's book points out the need for reform of the world's food policy as a necessary condition for stabilizing population, and the consequences if nothing is done.

Jack Ben-Rubin

Dansk Landbrug I 1985? [Danish Agriculture in 1985?]

By Frede Anderson, Hans P. Hansen, Poul Pilgaard, and Poul Erik Stryg. The Royal Veterinary and Agricultural College, Copenhagen. 384 pages. 1973. (Danish.)

In view of the instabilities which have afflicted the international agricultural economic community in recent years, forecasts of agricultural developments have been subjected to merciless attack by some agricultural economists who are bound by precise mathematical ground rules. Fortunately, the skilled researchers at Copenhagen's Economic Institute of the Royal Veterinary and Agricultural College in Copenhagen courageously published a needed, comprehensive projection study at this time—during the second year of Denmark's transition period as a member of the European Community (EC)—when unforeseen developments in both world prices of inputs and commodities and the supply and demand situation in the EC could have resulted in the delaying of good research, postponed by the common "let's wait and see" rationalization. These uncertainties are probably obvious to the authors, who have titled the report in the form of a question.

However, the value of this study lies not only with the projections, but with the historic data as well. The analysis is divided into two 15-year periods, each subdivided into five sections. These consist of an analysis period (designated A1 to A5, 1956-70, and based on historic data), and a forecast period (P1 to P5, 1971-85). The country was geographically divided into 11 producing regions, and within each region all farms have been classified into four production groups. Thus, the researcher, exporter, or farm manager has a wide variety of data for a multiplicity of decisions—data pertaining to a specific crop or livestock product are available by farm sizes and regions for either of the two 15-year periods.

According to the definition provided, "The main objective of the present study has been to analyze the

resource use, production pattern, and marketing structure of Danish agriculture and on this basis to make forecasts of regional development in farm size, resource utilization, and production pattern up to 1985."

Some of the major assumptions applying to the projections are that (a) trends in technical and biological improvements affecting agriculture will continue; (b) prices of the factors of production during the projection period will trend upward at the average rate of increase in the analysis period (A1 to A5); (c) price projections are based on EC prices using a base 1968-72 period; (d) an increase in real per capita income is 3.2 percent annually.

Mathematically oriented economists will find the complex, highly technical recursive linear programming model as well as other models challenging. The recursive model employed is a multiperiod model which links individual subperiod models. Consequently, the model is, in this sense, a dynamic one. The model is constructed with the possibility of being linked to further studies, an important factor particularly if international price abnormalities in 1973/74 persist. In addition to production projections, the study provides extensive period analysis relating to agricultural incomes and use of agricultural inputs.

Some of the major conclusions of particular interest to those interested in practical developments in West European agriculture may be cited:

The model projects a continuation of a long range downtrend in the number of farms during the subperiod 1970/71-1972/73 through 1982/83-1984/85, from 134,000 to 89,000, with the decline most pronounced near urban and industrial centers where alternative opportunities are prevalent. Capital and labor scarcity are also important factors related to the farm sector. For field crops, area sown to barley, by far the most important grain, normally accounting for over 70 percent of total grain area, is projected to decline insignificantly by 1985 but will continue to be an important hog feed. Area sown to rye, oats, and grass crops is also projected to decline, while wheat shows a sharp increase in area.

The results applying to livestock and livestock products are especially important to U.S. interests since soybean meal is an important feed in the Danish hog industry, and the meal is largely crushed from U.S. soybeans. Soybeans represent the most important single commodity exported by the United States to Denmark. The projections indicate a strong increase in numbers of fatted hogs throughout the projection period, with a tapering of the rate of increase during the final subperiod. Broiler numbers are projected to increase as well. These results apparently are consistent with previous studies which forecast a rise in animal production reflecting, at the time, higher EC prices. Cow numbers are projected to continue a downtrend.

This comprehensive study, in this reviewer's opinion, should most appropriately be used by readers familiar with highly sophisticated econometric techniques.

Although there is a short English summary, the text is in Danish, which could limit total comprehension to an audience of 5 million! Nevertheless, researchers can weave through the tables with the assistance of a good dictionary.

Marshall H. Cohen

Praeger Library of U.S. Government Departments and Agencies, Praeger Publishers, Inc., 111 Fourth Avenue, New York 10003:

The Library of Congress

By Charles A. Goodrum. 292 pages. 1974. \$10.

The Department of Labor

By Jonathan Grossman. 309 pages. 1973. \$10.

The National Labor Relations Board

By Frank W. McCulloch and Tim Borstein. 200 pages. 1974. \$10.

The Office of Territorial Affairs

By Ruth G. VanCleve. 226 pages. 1974. \$10.

The Atomic Energy Commission

By Corbin Allardice and Edward R. Trapnell. 236 pages. 1974. \$10.

The authors of these studies have had firsthand experience in the agencies about which they are writing. Charles Goodrum was Assistant Director of Congressional Research of the Library of Congress; Jonathan Grossman is historian of the Department of Labor; Frank McCulloch was Chairman of the National Labor Relations Board from 1961 to 1970 and Tim Borstein was his special assistant from 1969 to 1970; Ruth G. VanCleve was Director of the Office of Territories from 1964 to 1969; Corbin Allardice was Executive Director of the Joint Congressional Committee on Atomic Energy from 1953 to 1955, and Edward Trapnell was Special Assistant to the General Manager of the Atomic Energy Commission.

While these agencies are not closely allied to the Department of Agriculture and to the field of agricultural economics, all may be related. The Library of Congress, as the largest library in the Western world, plays an important role for professional workers, as well as members of Congress, as a supplement to the National Agricultural Library. Goodrum has described the development of its collection, its service to Congress, the library world, the scholarly world, and the cultural life of the Nation.

The Office of Territorial Affairs has only a 40-year history as a unit within the Department of the Interior, but its roots go back to the Departments of State, War,

and Navy. Although agriculture has been important in the life of many of the territories administered by the Federal Government, little attention is given to it in the study by Ruth VanCleve. Moreover, the impact of the sugar and pineapple growers in the history of Hawaii is completely ignored.

Allardice and Trapnell have written an interesting account of the history and current operation of the Atomic Energy Commission. While they mention the fact that scientists are using radiation in solving practical problems in agriculture, they do not give further explanation of research by industry or the Agricultural Research Service of USDA.

Grossman's *Department of Labor* traces the development of the idea of a Department of Labor from 1867 down to the present, with chapters on its current activities. Here again, unfortunately, only passing mention is made of relations with USDA and the agriculture sector of the economy.

The authors of *The National Labor Relations Board* have also followed the pattern of discussing the agency within the bounds of its "industrial bill of rights," with no mention of congressional proposals to include farm labor within the agency's scope or to establish a parallel board for agricultural labor.

Nonetheless, the accounts discuss the historical background of each agency and the present functions and interrelationships. They give an understanding for those who cross agency lines as they study or work in the total Government picture.

Vivian Wiser

*Credit Systems for Small-Scale Farmers:
Case Histories from Mexico*

By Simon Williams and James A. Miller. University of Texas at Austin, Studies in Latin American Business No. 14 (Calvin P. Blair, editor). 260 pages. 1973. \$5.

Successful Mexican commercial farmers—whose tomatoes and cucumbers North Americans enjoy eating during the cold winter months—have been able to get private financing, aided by deliberate credit orienting policies of the Central Bank. In contrast, credit has flowed sporadically and inadequately to the masses of small freeholders and ejidatarios (farmers on collective landholdings, the ejidos). This is so in spite of the existence of a complex structure of private banks, usurious money lenders, credit advanced by suppliers of materials needed for production, at least five government farm credit institutions, and philanthropic guarantors of loans.

The Williams-Miller treatise dissects current experience in working within the Mexican credit system. It is basically a casebook which shows (a) how the main public and private institutions work, (b) where and how they have succeeded or failed to increase productivity and farmer income, and (c) the type of catalytic impact

on rural and community development the schemes have had under a variety of crop, market, land tenure, and loan guaranty conditions.

The prime purpose of the book is to identify elements of the Mexican farm credit experience, which could be adapted for transfer to other developing countries. This objective is well achieved in chapter 17, which presents 10 annotated commandments for formulation of workable small-farmer credit systems. Here they are:

1. Before initiation of the actual flow of credit, time and money have to be provided so as to learn how to relate effectively to the people that are to be served.
2. Budgets and management plans must allow for ongoing special training of the field staff.
3. The staff is to be considered as professionals, not missionary do-gooders.
4. Whenever large geographic areas and types of farming are covered, large differences in performance of different parts of the credit institution will have to be expected.
5. Size of funds and sources of renewal credit must be large enough to cover the costs of success.
6. Credit extended for production and marketing practices must be ample enough to allow for adequate profit on investment.
7. Credit systems must provide for close supervision all the way from lending in cash or kind to recovery of principal and interest.
8. The policies guiding management of the credit system should reflect caution towards "self-help," since allowing campesinos prematurely to pursue "their own course"—set by people of far greater sophistication—can be destructive and irresponsible.
9. The amount of credit extended to each client should adequately cover conventional agricultural production inputs and such *personal needs* as food, clothing, medical costs, education, and the multitude of expenses (weddings, funerals, fiestas) which must be met in the culture of Mexico. This type of "consumer credit," often overlooked, is especially crucial in the early years of a credit program when the borrower is not yet able to generate his own savings. Without such consumer credit the peasant cannot readily escape the usurious money lender and his control over the quality of life of the rural poor.
10. Last but not least is the need for the credit system to integrate production and marketing, either

within its own capability or by suitable arrangements with other institutions and agencies.

The authors note (p. 253):

The striking difference between public credit programs and those run by large private agribusinesses of Mexico lies precisely in the area of marketing emphasis. The private programs all result from a need for raw materials, produced under close technical supervision to assure quality and quantity at a price acceptable to both parties. In turn, farmers are attracted into such schemes because they are helped in the effective use of what credit buys and are assured of a market and a profit. Historically, public credit banks have encouraged production without careful regard to marketing follow-up. This negligence has meant widespread losses by the farmer and by the lending institution and also has resulted in cynicism toward repayment of debts and criticism of the effectiveness of the banks.

In Mexico private agribusinesses (primarily in the processed-food industry) with effective production-marketing credit systems have laid themselves open to threat, perhaps inevitable when agrarian reform lies at the heart of political ideology. As small-scale farmers have entered into such private credit programs and have benefitted materially, leaders of farmer organizations have made them aware of other gains not achievable through company activity: the emotional satisfaction of managing their own affairs rather than being locked into a controlled production program on their lands, and an increase in income from more direct participation in the profits of the agribusinesses themselves, even to the point of taking over ownership (see chapter 16). The industry in Mexico has not acted overtly upon the long-range implications of the threat. Naturally, public credit institutions are free of such concerns.

The simplicity of presentation of the 10 commandments is deceiving. They sound like "common sense," a commodity which is hard to come by anywhere in the world. Bankers and concerned citizens, interested in the processes of rural development, should have a copy of this book. At \$5 it is among the few remaining bargains in our inflation-ridden economy.

Frank Meissner