



**AgEcon** SEARCH  
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

*The World's Largest Open Access Agricultural & Applied Economics Digital Library*

**This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.**

**Help ensure our sustainability.**

Give to AgEcon Search

AgEcon Search  
<http://ageconsearch.umn.edu>  
[aesearch@umn.edu](mailto:aesearch@umn.edu)

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

## BOOK REVIEWS

*Getting from Here to There: A Policy for the Post-Keynesian Age.*  
By W. W. ROSTOW. (Macmillan, London, 1979.) Pp. 271, ISBN  
0 333 25756 1.

In his Preface, Rostow states that this is a book about economic survival over the next quarter-century. The book was written within the context of the 1970s, and its rising raw material prices. It is written for the general reader rather than the professional economist and has a generally US orientation which, in places, limits its value for readers from other countries. Rostow, the economic historian, is careful to emphasise the forward-looking nature of the book and its policy orientation. He presents it as the ultimate member of a trio, of which the other two (Rostow 1975 and 1978) are in the historical tradition.

The framework for the analysis is provided by the Kondratieff cycles and Rostow's theoretical rationalisation of them. Kondratieff hypothesised, on the basis of observation, that capitalism oscillated round a stable trend while Rostow's theoretical explanation of the cycles centres on the causes and consequences of relatively high and relatively low prices of foodstuffs and raw materials (p. xiv). Rostow, drawing on the concepts provided in his *The Process of Economic Growth* (Rostow 1960), argues that he is presenting and testing an alternative to neo-Keynesian theory and that availability of such alternatives is important in the post-Keynesian age.

In his introduction to this Macmillan edition, Rostow recognises the US bias of the text and attempts some corrections for it. Here we are treated to a lucid and concise description of the post-war growth experience of the OECD countries. The focus is on the cause of the sluggish growth of those countries since 1974, which was seen to be slow growth of investment. Prior to 1974, the post-war period had been epitomised by a remarkable boom which was driven, in part, by a fall in the relative prices of energy, food and raw materials which led, for example, to a 24 per cent improvement in the terms of trade of Europe over 20 years. This process was abruptly reversed between 1972 and 1974, and the 'engine of the boom' was turned off. Rising commodity prices initiated a round of large money wage increases, and double digit inflation together with contractionary fiscal and monetary policies. These, in turn, led to recession and increased unemployment.

Rostow suggests that, with the built-in stabilisers of the Keynesian era in place, we were spared a depression as severe as that of the mid-1930s. He does, however, describe us as being in a post-Keynesian age in which changes in real prices mean that the engine of the post-war growth cannot be restarted. In this post-Keynesian age, neo-Keynesian concepts are described as being outmoded and clouding the vision of key policymakers and their advisers. To Rostow, the necessary corrective is increased investment to overcome problems posed by rising oil imports; decaying rail transport systems; water supply and soil erosion; air and water pollution; urban degeneration; a slackened rate of productivity increase and obsolescent industrial plant. In particular, he calls for a sharp

increase in US investment in research and development. The amount required is estimated to exceed that necessary to restore full employment. It is an investment necessary to adjust to a price revolution, hence the need for heightened research and development.

Three impediments to changes in investment are identified. They are: fear of inflation; inhibitions against increasing the role of government; and lack of an international consensus as to the nature of the problem and its solution.

As far as inflation is concerned, restrictive monetary and fiscal policies are not seen to be enough in a modern democratic society. Sustained incomes policies are necessary and for these a robust national consensus is needed. Rostow acknowledges the failures of the past but maintains that it is essential for nations to keep on trying.

An increase in government involvement in investment is acknowledged to be dangerous because of past overriding of efficiency by other objectives. Rostow argues that nations will not be able to afford to do this in the future and that governments should concentrate on high priority and essential tasks. One wonders if the small-government philosophies seen in a number of countries in recent years might not reflect some recognition of this.

The third obstacle, that of a lack of consensus, is seen as being most important of all. Rostow advances four conditions which he believes are required to create a genuine global partnership to attack the world's household problems. The first condition is sustained rapid growth and relatively full employment in the North. The second is the creation of a different conceptual foundation. Important in this respect is Rostow's suggestion that the North and the South are not playing a zero-sum game. Third, successful negotiations require a different structure and a different agenda emphasising jointness and commonality. Fourth, negotiations require a new cast of characters with the role of career diplomat being reduced and with the role of those bearing responsibilities domestically being increased.

In his Epilogue, Rostow poses, in the light of his analysis, the question: 'Can Democracy Survive?' While his response to this question is positive, he makes it clear that the challenges involved are substantial and call for considerable reorientation of attitudes and effort. In this respect, the book begs the question as to how the way we do things should be changed so as these challenges might be tackled. Many of the shifts in emphasis that Rostow prescribes and the changes he nominates would involve the imposition of significant losses on currently important and influential groups in society together with the creation of substantial gains for others. The issues of public choice raised by this redistribution are not confronted in any real way in the book and constitute an outstanding challenge for those who may choose to follow Rostow down the trail he has blazed.

In this book, Rostow is dealing with a fundamental issue which is of great concern to everyone. For the non-economist perhaps the important message is that the post-war pattern which has been so comfortably and rewardingly familiar has gone and that a process of restructuring and adjustment is necessary. While many economists may already be aware of the nature of this new challenge, an important and no doubt contentious message of the book is that of the obscurantist nature of the neo-

Keynesian paradigms. For agricultural and resource economists, the emphasis placed on the need to solve problems within their area of interest should be noted. Finally, for all readers, the book is a masterly treatment of the basic and enduring problems of the post-1973 world.

Those readers of this *Journal* who are looking for a broad setting for their work would do well to include this book in their reading.

WARREN MUSGRAVE

*University of New England,  
Armidale, N.S.W. 2351*

### *References*

- Rostow, W. W. (1960), *The Process of Economic Growth*, Clarendon Press, Oxford, 2nd edition.  
 — (1975), *How It All Began: Origins of the Modern Economy*, McGraw-Hill, New York.  
 — (1978), *The World Economy: History and Prospect*, Macmillan, London.

*Agriculture and Economic Growth in an Open Economy: The Case of Argentina.* By D. CAVALLO AND Y. MUNDLAK. Research Report No. 36 (International Food Policy Research Institute, Washington, D.C., 1982.) Pp. 162, ISBN 0 89629 037 9.

Argentina in the post-war period provides a most cogent example of the pitfalls of the policies of import substituting industrialisation pursued by many countries, including Australia, since the war. With an overwhelming comparative advantage in the production of pastoral and agricultural exportables, Argentina, mindful of the Depression experiences, determined to reduce its dependency on the vagaries of international markets and set about building an impressive industrial sector. The basic strategy was to transfer resources from the rural to the industrial sector through heavy tariffs on imports and differential exchange rate policies which effectively imposed a high tax on agricultural exports. The result was that over the period 1940-72 the annual rate of growth of production in the rural sector averaged 1.4 per cent while that of non-agricultural production rose by 3.7 per cent.

An evaluation of the consequences of these policies over the period 1950-71 is attempted in this study. Two-sector econometric models have been developed to simulate the performance on the Argentine economy under alternative policy assumptions. It is concluded that under a policy of trade liberalisation the economy would have performed worse than it actually did as the consequent fall in the real rate of exchange would have resulted in a decline in the non-agricultural sector greater than the increase in the agricultural sector.

The second simulation was for a policy of trade liberalisation combined with exchange management. Through exchange rate management the returns to agriculture increased considerably while prices of imported goods were slightly lower than actually experienced. The result was a 25 per cent increase in the output of the agricultural sector and a significant increase in non-agricultural output. The overall conclusion is that over the twenty-year period Argentine per caput income would have increased by about one-third under policies of trade liberalisation and exchange management.

This is a valuable study of the central issue of modern Argentine economic history, namely, the failure of the rural export sector to achieve productivity increases commensurate with its competitors in the world markets. However, it remains an inconvenient fact of life that it is much easier to simulate effective exchange rate management in an econometric model than it is to implement in real life in countries like Argentina.

Exchange rate adjustments have a significant and immediate impact on the cost of living because of Argentina's particular trade pattern. Exports consist predominantly of wage goods, such as meat and grains, while its imports are mainly raw materials and intermediate industrial inputs and capital goods required to sustain or expand the level of economic activity. Rises in living costs generate strong demands for wage increases which set off rounds of general price increases. The inflationary impact of increased agricultural prices is recognised in this study, and a food wage subsidy financed out of a tax on agricultural incomes is proposed as a means of countering excessive redistribution of income away from non-agriculture. One wonders whether, in practice, the exchange rate could be managed flexibly enough in the Argentine situation.

It is a pity the study stops at 1972. In many respects the economic strategy of Dr Martinez de Hoz, Economy Minister from 1976-1980, resembled the scenario of trade liberalisation and exchange rate management simulated by Cavallo and Mundlak. One suspects that the reasons for the lack of success of the Martinez de Hoz policies are to be illuminated more by the real world of Argentine politics and economic expectations than in econometric logic. To say this is in no way to detract from the value or virtuosity of the work of Cavallo and Mundlak. Their study adds empirical weight to the suggestion that the Argentine agricultural sector was very responsive to farm gate income and that the taxing of agricultural exports was a powerful disincentive to investment in the rural export sector. This is the factor identified as being responsible for the growing gap between the levels of agricultural technology in Argentina and her competitors in the world markets.

This useful study exposes rigorously the damaging consequences of a mistaken choice of policy options in an economy dependent on international markets for its vitality. At the same time as it demonstrates the usefulness of econometric analysis it also reveals the limits of econometric method. The deeper questions about the role of ideology and the power of economic interest groups in determining choice of policy must remain in the realm of the qualitative judgments of the historians of Argentina.

JOHN FOGARTY

*University of Melbourne,  
Parkville, Victoria 3052*

*Urban Food Marketing and Third World Rural Development.* By T. SCARLETT EPSTEIN. (Croom Helm, London 1982.) Pp. 260, ISBN 0 7099 0911 X.

As an economic anthropologist, Epstein likes to prod and stir development economists out of their preoccupation with exclusively quantitative analysis, and chides them for their insistence on single variable analysis

which relies on the *ceteris paribus* clause. She adopts a multidisciplinary approach which enables analysis with a wide range of socio-economic, political and cultural factors which impinge upon the growth and development process.

This contribution is in that mould. It is a pioneering study of a number of food markets in Papua New Guinea, undertaken in the late 1960s prior to independence, and completed since, after a long gestation period. It is exploratory, in its examination of the process of forming market prices in an economy in the early stages of development. It is also problem oriented, in that it seeks to determine appropriate policy measures to enable development of a country-wide system of food marketing to assist small producers and to reduce the high cost of importing foodstuffs.

Much of the book is taken up with an account of survey findings. These chapters, which describe the historical background of the markets, their characteristics and those of the participants, are intensely empirical and detailed, based as they are on interviews with some 7000 vendors and 15 000 buyers in five markets. Although enlivened with numerous case study cameos, they will probably appeal only to scholars with a close interest in Papua New Guinea. But in those set chapters, and the accompanying Appendixes, the author also explores survey methodology for the market place and underlines how difficult it is to obtain a comprehensive and representative picture of participant behaviour using sample surveys.

The markets are small and isolated from each other, and are either urban-based (with relatively wide sources of supply) or hinterland-based (with narrow local supply bases). On the supply side, the participants are producer/sellers in all five markets; there is no wholesaling, nor are there any intermediaries. Whilst there is a strong and growing influence of the urbanised modern sector on the demand side for food products, vendor behaviour remains heavily influenced by the non-monetary traditional economy and by its subsistence affluence. This is evident in the various categories of sellers identified by the author: trippers, marginalists and target operators, all with very limited dependence on the market, while the more market-oriented profiteers are still limited in numbers.

Price formation is similarly shown to be influenced by the traditional system of transactions. Vendors are described as being concerned with only two concepts of pricing: a desired price for a minimum sized bundle of goods, and a minimum acceptable price. The former is decided by informal consensus among the sellers as the market day begins. If enough buyers are not attracted by this price, some downward (never upward) adjustment may be made by increasing the bundle size, but only to a point which represents the minimum acceptable price. These adjustments vary with the type of vendor, but occur over a narrow range for all. Moreover they are not made with a view to clearing the market, even if the product is perishable. Thus, trade is undertaken largely without competition or bargaining.

On the broad premises that economic development inevitably involves increasing specialisation, and that the rate of development depends on the capacity of the agricultural sector to supply a growing surplus of marketed food, the author then argues the need for a vigorous system of internal exchange, which she sees as 'a webbed country-wide producer-

seller marketing schema'. Requirements for this are area specialisation based on comparative advantage. A network of buying stations is envisaged that will assure sales, offer acceptable prices and so remove risks for producers. These stations could also serve as points for wholesale distribution with storage, processing and preservation activities as required. Adequate infrastructure would have to be developed, market training provided, and consumer goods would have to be available at the markets to stimulate the demand for money.

While the author's broad schema is attractive in principle and deserves close consideration, two major problems would have to be addressed before it could be translated into policy. The first and most fundamental is the problem of interpreting food market signals correctly, that is, ensuring that supply and demand will be in balance as closely as possible. This requires accurate anticipation of demand on the part of producers, and their advisers, to enable appropriate resource allocation for particular crops. There are, in addition, notable difficulties of supply co-ordination when producers comprise a large number of small farmers scattered over a wide area. Anticipating signals wrongly will lead either to low returns to producers and loss of confidence if producer prices are allowed to reflect market prices, or, if prices are held at levels attractive to producers, large losses for the supporting government agency. The perishability of many of the food items makes such support all the more risky.

The second major discouragement to such intracountry flows of food products in Papua New Guinea is the high cost of internal transportation. With only limited potential for road linkages, reliance has had to be placed on air and sea transport for food products in the past. Both have proved very expensive (the former prohibitively so), and have eliminated the local comparative advantage for many of the products vis-a-vis other domestic locations and imports.

These difficulties have been revealed in strong relief in the course of past efforts by the Fresh Food Marketing Corporation to develop domestic sources of food supplies for Port Moresby, the focus of the food deficit/import problem in Papua New Guinea. The experience of this Corporation could provide valuable insights into the difficulties of implementing a schema such as the one suggested by the author, and deserves more than the cursory reference awarded it in the last pages of the book.

The close typeset and small print of the book do not make for easy reading. Also, it was not rigorously proof-read and typographical errors are numerous. But in terms of content, it is a useful addition to our knowledge of a neglected aspect of development in Papua New Guinea, and to the limited international literature on food marketing in developing countries.

R. T. SHAND

*Australian National University,  
Canberra, A.C.T. 2600*

*Livestock Production Systems and Livestock Development in Tropical Africa*. By HANS E. JAHNKE. (Keiler Wissenschaftsverlag Vauk, Kiel, W. Germany, 1982.) Pp. 241, ISBN 3 92255 312 5.

The book is devoted to the late Hans Ruthenberg, whose *Farming Systems in the Tropics* must be one of the greatest integrating texts on tropical agriculture ever written. Although Jahnke's work runs a poor second to Ruthenberg's because of its light economic content, it does contain masses of up-to-date, original and relevant data. It will prove useful to applied economists, extension workers and development planners at both project and policy levels.

The book has three main parts—'facts and figures', descriptions of various livestock systems, and issues on planning livestock production at the macro level.

Three chapters are given to what I've termed 'facts and figures'. The first deals with livestock types and numbers, features of the major ecological zones and the areas infested with tsetse fly. Next, the livestock sector's contribution to GDP in a number of countries, and livestock productivity indicators by ecological zone are presented. In the third chapter of this group, data on the performance of efforts aimed at livestock development are given and the general issue of livestock production systems and their development is introduced.

The second part of the book, which deals with different livestock systems, will appeal most to economists. It provides the essential biological basis for sound economic analysis and planning. There are five chapters. They cover the livestock production systems of: rangeland, the crop-livestock areas in both the lowlands and the highlands, ranching, and landless systems. Each chapter has three components—general characteristics of the system, its production and productivity, and the scope for development. There is no economic analysis of the feasibility of exploiting the development possibilities. There is a real need for farm management economists to take the valuable data Jahnke has provided in these five chapters as a starting point for the application of their speciality. They could then appraise and rank various development options and provide planners and policy makers with some solid numbers on which to base their decisions. I stress the need for an initial farm management orientation because this approach requires that the analyst and farm-level planner understand the biology of each system and its human aspects, as well as having mastery of the appropriate tools of economic analyses and planning. A strength of Ruthenberg's classic work is that he integrated biological and farm management data.

In the final part, Jahnke has a brief chapter titled: 'Conclusions for livestock development planning'. He raises, but does not attempt fully to resolve important issues, such as the place of livestock in a region's or a country's development program, traditional versus new systems, expansion versus improvement, continuous versus discontinuous development, selective versus comprehensive approaches, and the need for more data to permit monitoring of progress.

The task for all the people involved in increasing livestock production in Tropical Africa is daunting. To quote the author (p. 219):

. . . the targets for livestock development in Tropical Africa are set between a twofold and threefold production increase between 1975



and the year 2000. They are modest targets in the sense that they only aim at keeping pace with demand and at maintaining self-sufficiency ratios. They are ambitious targets in the sense that they aim far above the performance levels achieved in the past.

There is no reason to believe that the implied dramatic increases in the growth rates of production could happen in an automatic and autonomous process within the production systems. Rather the targets call for huge organised efforts to act on these production systems. Investment requirements alone are estimated to increase tenfold over the level in the past. The size of the development task is closely related to the size of the planning task to mobilise the resources, to identify development paths, to determine priorities and to direct efforts on all levels.

My recent observations in Nigeria lead me to the conclusion that the aim of a twofold or threefold increase in ruminant production over 25 years in Tropical Africa, even with 'huge organised efforts', is just a wild, pie in the sky, dream!

In conclusion, Jahnke says (p. 228):

To improve the planning base for livestock development has been the aim of this study. Modesty about the achievement is called for.

Rather than beating his breast, I believe the author is entitled to stick his chest out a bit for what has been a good pioneering achievement.

J. P. MAKEHAM

*University of New England,  
Armidale, N.S.W. 2351*

### Reference

Ruthenberg, H. (1980), *Farming Systems in the Tropics*, Clarendon Press, Oxford, 3rd edition.

*Farm Accounting and Management*. By FORD STURROCK, Seventh Edition. (Pitman: London, 1982.) Pp. 300, ISBN 0 273 01765 9.

*Farm Business Management: Successful Decisions in a Changing Environment*. By PETER H. CALKINS and DENNIS D. DUPIETRE, (Macmillan: New York, 1983). Pp. 442, ISBN 0 02 318320 9.

Farm business management—clerkin' or decidin' and doin'? *Farm Accounting and Management* by Sturrock (U.K.) is a book which emphasises the clerking approach to farm business management. *Farm Business Management—Successful Decisions in a Changing Environment*, by Calkins and DuPietre (U.S.A.), is more in the deciding and doing school of farm business management, and covers the breadth of the standard issues affecting farmers' decisions and actions.

Sturrock's text, now in its seventh edition since 1947, has the first 12 chapters (out of 22) devoted largely to record keeping and book keeping aspects of farm business life. In the further chapters, budgeting, planning, machinery, linear programming, capital budgeting and taxation are all covered, fairly briefly. As well, microcomputers get a nod, and there is a not-enormously useful chapter on farm planning in the tropics. Sturrock explains and shows in an elementary way how to go about keeping

records and doing a few business-like sums, and introduces key concepts and planning techniques in a brief but applied and useful manner.

*Farm Business Management* is a different product. It is divided into four parts—The Ideal World, Approximating the Real World, Improving the Approximation, and The Real World—progressing, as the authors put it, ‘from the clearest vision of how production decisions ought to be made, through intermediate stages, to an appreciation of how the farm manager must operate on the complexities of the real world’ (p.vii). So, after the rules of the game are spelt out and tools for budgeting, planning and analysis are explained, the realities of risk, capital investment and financial management are brought in.

*Farm Business Management* is written for a US college audience. The authors’ stated position (p.vii) is that, in times of rapid change, it is crucial that students graduating from colleges and universities to work in agriculture have a clear understanding of the principles of farm management without becoming bogged down in details. They assert that ‘the emphasis in college courses in the 1980s should be on the application of consistent tools to a constantly changing production environment’ (p.vii). They go on: ‘it is understanding, above all, that is important as students acquire skills as farm managers. Thus, in addition to presenting a how-to book we also address the questions what and why’ (p.vii).

It is an extremely difficult task to explain adequately farm management (or any) principles without the depth engendered by detail and, simultaneously to answer satisfactorily the ‘why?’. This is a good attempt to do so. The clarity of the writing makes the explanations very accessible. The moderately curious and questioning reader will want, and will be able, to make good use of the reading list given at the end of each chapter. A deficiency of the book is that there is insufficient consideration given to the biological and technological aspects of farm planning leading to inadequate integration of scientific and economic principles with the analytical tools. This is necessary if the discipline of farm business management is truly to be a bountiful marriage of agricultural science and economics.

A small part of this book is concerned with the outside-the-farm-gate influences on farm management decisions. Whilst all aspects of US agricultural policies are not necessarily relevant to Australian farming, there are some apparent similarities. For instance, the authors introduce the chapter on farmer responses to government programs with the quote:

I have heard of various kinds of government, such as oligarchies, monarchies, and democracies, but this is the first time I have ever heard of a farmocracy (p. 280).

These two books should meet the requirements and investment criteria of Australia’s agricultural college courses and libraries, the US book more so because its emphasis is not only on deciding and doing, but doing so in a changing environment.

L. R. MALCOLM

*University of Melbourne,  
Parkville, Victoria 3052*

*Assessing the Social Costs of Oil Spills: The Amoco-Cadiz Case Study.*  
By U.S. DEPARTMENT OF COMMERCE, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION. (Washington, D.C. 1983.) Pp. 144.

This publication is a product of the U.S. Department of Commerce and is an indirect consequence of the wrecking of the oil tanker, Amoco Cadiz, off the coast of Brittany, France, in March 1978. The book contains seven chapters and numerous tables and figures but is presented in such a manner that, having read chapter one, the introduction and summary, busy readers with an interest in only specific aspects of the case can select further chapters for perusal accordingly.

The overall objectives of the study were to estimate the total net economic costs of the oil spill and to estimate the distribution of such costs according to geographic area. Other objectives were to obtain information on the cost effectiveness of physical measures for reducing damages from spilled oil and to estimate its physical and ecological effects.

In chapter one, a brief description of the circumstances of the grounding of the vessel and the scale of the spill is given. The authors go on to define 'costs' in the context of the study and rightly state that the estimation of economic costs should be in terms of social costs, including those measured by market prices, as well as non-quantifiable environmental costs. They include a delineation of the analytical problem, listing the issues considered as follows: cleanup costs, marine resources, recreation, the tourist industry, other costs and the distribution of costs.

In chapter two, emergency response, clean-up and restoration are considered and comprehensive tables of results are presented. It is interesting to note that the largest single quantifiable social cost resulting from the disaster was the clean-up expenditure by France.

In chapter three, marine resources are discussed, with special reference to the fishing industry. Of general interest in this chapter is the outline of the framework for estimating the social costs to marine resources, which could be applied to most man-induced disasters and to the effects of natural phenomena, such as flood or drought. In chapters four and five, recreation and tourism are considered in some detail. As in the preceding chapters, comprehensive tables are provided.

Chapter six is a short chapter on 'other costs' which include: value of the lost cargo and tanker, research costs, and damages to agriculture and human health. The section on agriculture is very brief and devoid of implications for other studies.

In chapter seven, the distribution of costs to Brittany, France, and the rest of the world are discussed. It was found that, in 1978 terms, the costs to Brittany were \$US 38-53m, to France as a whole the costs were \$US 152-255m and to the rest of the world, \$US 44-60m. Thus, the total social costs of the oil spill to the world were an estimated \$US 195-284m.

In this report a comprehensive analysis of oil spills, encompassing many issues, is presented. In the summary there is a useful resumé of 'lessons to be learned' from and implications of the disaster, giving an indication of the needed baselines and simplified analytical methods for other such studies. The authors go a long way toward realising their objectives. However, full realisation is not possible due to problems in determining the optimal program for reducing the damage from oil spills, and the difficulties associated with data collection.

The findings of the study are limited by the specific nature of the subject matter. While some of the concepts discussed will have wider use for other man-induced environmental problems, there is little of specific interest to agricultural economists offered in this book. The book, however, does have a general interest value and provides an example of an applied benefit-cost analysis.

SARAH LUMLEY

*LaTrobe University,  
Bundoora, Victoria 3083*

*Economic Theory of Co-operative Enterprises: Selected Readings.* By LIAM KENNEDY (ed.). (Plunkett Foundation for Co-operative Studies, Oxford, 1982.) Pp. 150, ISBN 0 85042 054 7.

This collection of six papers, four of which have been published previously, is intended to provide an introduction to 'the formal study of co-operation' (p. 6). The target market is (British and Irish) 'students of economics, agricultural economics, business studies, and advanced co-operative studies' (p. 6).

The book is more an exposure than an introduction to the formal study of co-operation. This is probably inevitable, given the variety of contexts in which co-operatives emerge. The book is composed of three papers dealing with worker co-operatives, one dealing with credit unions, one with agricultural co-operatives (both purchasing and marketing), and one presenting a general economic model of co-operatives. The last of these papers is the fifth paper in the book, despite its unique relevance to the declared purpose of the book. It has not been published previously and is the only identifiable justification for acquiring the book.

The other papers are quite variable in their analytical sophistication, a fact which increases the difficulty the target market will have in assimilating the content of this collection. An unhelpful sequencing of the papers, their variable sophistication and focus, and an inconsistent Note and Reference style signal an editorial job of indifferent quality.

The reader who has an interest in one or other of the types of co-operative represented in this book would be better advised to search the relevant literature than to read this collection. Those readers who doubt that the similarities between alternative types of co-operatives are such as to justify study of the 'co-operative movement' will find confirmation in this collection.

VIC WRIGHT

*University of New England,  
Armidale, N.S.W. 2351*