5. How can centralized power and democratic control be made compatible?

There is little treatment of the various equity considerations that play such an important role in analysis of cooperative problems and the development of sound solutions.

This book is a convenient reference volume for cooperative employees and directors and for classroom use. Most of us would like to see someone come out with a textbook in this field and eagerly go through each new book hopefully asking the question, "Is this it?" and after the review dejectedly answering, "Not yet."

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At a time when the post-World War II period is considered long enough for many studies and chart books on postwar trends to be issued, the contrast of a book in which 80-year trends are laid before us is a rewarding experience. Lipsey set two goals for himself: to create price and quantity indexes of U.S. exports and imports, by commodity classes, quarters and years, for the period 1879 to 1923; and to analyze trends for the period 1879 to 1960. For the 1924-1960 period he generally accepted the U.S. Department of Commerce indexes.

The author pays special attention to trends in the trade of agricultural products. Nearly one-half of all charts pertain to agricultural trade aspects. As one would expect, U.S. manufactured export and import prices declined significantly relative to U.S. agricultural export prices until World War I. Wide swings but no trend characterize the interwar period, but since World War II manufactured export and import prices rose rapidly relative to agricultural export prices. Two of the main findings present a thought-provoking, apparent paradox:

In such commodities as cotton, grains, and meats it appeared that the wide extent and penetrability of the foreign market was a prerequisite for the rapid growth of American agriculture. . . . American economic growth was thus aided not only by the frequently cited size of the domestic market but by the opportunity the foreign market provided for rapid expansions in specialized fields of production.

In view of this, it may be surprising that exports and imports as a percentage of Gross National Product, in current dollars, have declined. This downward trend, however, is caused by the substantial decline in the ratio of export and import prices to domestic prices. Thus, exports and imports as a percentage of Gross National Product, in constant (1913) dollars, exhibit no trend.

Data for the years of World Wars I and II are not shown on the charts, but the 1930's posed a difficult problem, according to the author. They exact a
strong influence on estimated trends, because they stand nearer to the end than to the beginning of the 80-year period analyzed.

The book consists of six chapters of text with charts and text tables, comprising 137 pages. The chapters appear to be arranged in order of decreasing importance as felt by the author: Chapters 1 (on trends in prices and terms of trade) and 2 (on trends in values and quantities) contain the principal analytical findings, while Chapters 3 through 6 are primarily of a methodological nature.

In Chapter 3 the author relates the methodology of his index number construction. Chapter 4 is primarily a critical appraisal of unit value data derived from U.S. foreign trade statistics which opens valuable insights to the foreign trade price analyst. Chapter 5, on the sampling characteristics and accuracy of index numbers, only loosely interwoven with the other parts of the book, is in part an expansion of a paper the author presented in 1955. For this reviewer, who recently returned to index number and price analysis work, the chapter was most enjoyable refresher reading—a text which will make excellent reference material for students of price analysis.

In the final chapter, NBER Indexes are compared with others. That comparison is a reminder that any one index number series, no matter how painstakingly computed, is only one and never the only way of averaging and summarizing relative changes in economic phenomena. This reminder is particularly pertinent in connection with a study encompassing 80 years. Many comparisons over that span are necessarily very broad.

The book contains a wealth of reference material, often enriched with helpful observations. The bulk of the volume, 334 of its 487 pages, is made up of the Appendixes, mostly time series of the indexes. No one, who is concerned with our international trade more than ephemerally, can afford to ignore this book.

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Ottoson, Howard W. (Editor), Land Use Policy and Problems in the United States, Lincoln, University of Nebraska Press, 1963, pp. viii, 470. ($6.00)

The field of land economics has seen a flood of volumes containing edited conference papers in the last several years. The latest addition is a group of 18 papers prepared to mark the 100th anniversary of the signing of the Homestead Act. The theme is a review of the course of United States land policy and speculations on future trends and unresolved issues.

The first section presents a historical background. Thomas LeDuc contends that the policy of cheap land tended to retard economic development by attracting capital prematurely into land purchase rather than improvement. Paul Gates concludes that the Homestead laws contributed to the development of