of the application of research methodology to the study of complicated problems of interrelationship arising from the use of land in rural areas under New England or similar conditions.

David Rozman

University of Massachusetts


Announcement of this book coming so soon after the author’s resignation as Chairman of the Council of Economic Advisers naturally whetted the anticipation of readers who wanted “inside information” regarding his differences with the President. However, this is not a “grudge” book. Those who know Dr. Nourse knew it would not be. Others who may pick it up looking for “revelations” will soon forget their disappointment in the lucid and reasoned treatment it accords pressing economic problems of the day. The author’s philosophy is illustrated by his observation in the introduction that “the economist-citizen must keep faith with his principles rather than ‘follow the party line.’”

The title given the book is made clear in the opening chapter, where it is pointed out that decisions we make now and in the next few years will play a leading role in deciding our future. The author is concerned about those decisions. He refers to the growth in organized strength of labor, agriculture, and management. He observes that “The danger in group power is high-lighted by the fact that each of these interest groups—workers, farmers, businessmen—when it craves something bigger or faster than its members can get through the power of private organizations, shows an increasing willingness to turn to government as the agency to give it to them.” He warns that groups grasping for power may create a “Frankenstein” in the form of governmental control. He, therefore, places much emphasis on self-discipline.

Against this backdrop, he presents in separate chapters reviews of developments in agriculture, labor, and business. Group leaders and citizens generally will do well to review dispassionately the points covered in this analysis.

Two chapters concentrate on inflation, its dangers and curbs. Again the spotlight focuses on the importance of accepting responsibility associated with power. Another chapter deals with militarism and our national life. The final chapter bears the intriguing title “Was 1950 Our Lost Weekend?” It examines steps taken and those which need to be taken in the situation which confronts the nation today.

The book is intended for the intelligent, serious reader. It does not present a series of dogmatic conclusions for acceptance or rejection. Instead it reviews fundamentals which citizens need to recognize in arriving at judg-
ments. The author has drawn upon his excellent command of language in providing a most readable and clear treatment. This book deserves all of the attention it is receiving and more.

O. B. Jesness

University of Minnesota


Although many departments of agricultural economics teach a course called agricultural prices, the subject is by no means clearly defined. It is not distinct from marketing, for any realistic description of farm price determination must refer to the setting in which prices are made. It is closely related to equilibrium theory, since prices are the focal point of an analysis of a competitive market economy. It can hardly ignore the dynamics of our economy and perforce touches on the area of business cycles, monetary theory and the like, and usually something on statistical methods needs to be included. What to put in a course on agricultural prices and how to relate it to other subjects taught in the department is a major problem for the instructor.

Messrs. Waite and Trelogan, I think, have selected the right guiding principle in writing this text for a course in agricultural prices. They concern themselves primarily with variation in prices of farm products both through time and in markets at any given time. They correctly contend that variation is the most important characteristic of prices from the standpoint of entrepreneurial decisions, and they might have added that price change is so dramatic and pervasive that many students require some explanation of it before they are content to proceed to other aspects of price. The authors confine themselves largely to principles having fairly general application to prices of farm products, and when they go into detail about the marketing or other aspects of a particular commodity they do so only for purposes of illustration.

Topics related directly to price variation include the general price level, price flexibility, demand for and supply of farm products, prices in related markets and for different grades and varieties, prices at successive stages of marketing, and seasonal variation of prices. Price formation is introduced with the conventional supply-demand cross, and this is followed by an excellent little discussion of the influence and importance of dealers' reactions. There are descriptions of futures markets and of the pricing of factors of production, and the book closes with chapters on price control and price policy. An appendix on methods of price analysis deals in simple terms with index numbers, computation of trend and of seasonal indices, and derivation of demand curves.