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A
SURVEY OF
AGRICULTURAL
ECONOMICS
LITERATURE
VOLUME 1

*Traditional Fields
of
Agricultural Economics,
1940s to 1970s*

LEE R. MARTIN

General editor and volume editor

*Published by the University of Minnesota Press
for the
American Agricultural Economics Association*

*A Survey of
Agricultural Economics
Literature: Volume 1,
Traditional Fields of
Agricultural Economics,
1940s to 1970s*

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General editor and volume editor

This is the first volume of a comprehensive three-volume work providing surveys of the literature in agricultural economics which has been published since the 1940s. This first volume contains reviews of the significant literature in seven broad subject areas generally regarded as the traditional fields of agricultural economics. The surveys were prepared by ten leading agricultural economists: Harald R. Jensen, Ben C. French, George E. Brandow, D. Gale Johnson, William G. Tomek, Kenneth L. Robinson, John R. Brake, Emanuel Melichar, Willis Peterson, and Yujiro Hayami.

The subjects covered are farm management and production economics, productive efficiency in agricultural marketing, policy for commercial agriculture, postwar policies relating to trade in agricultural products,

A Survey of Agricultural Economics Literature
VOLUME 1

The three volumes in *A Survey of Agricultural Economics Literature* have been prepared by and published for the American Agricultural Economics Association. The general editor of the survey volumes is Lee R. Martin.

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Volume 2, *Quantitative Methods in Agricultural Economics, 1940s to 1970s*. George G. Judge, Richard H. Day, S. R. Johnson, Gordon C. Rausser, and Lee R. Martin, editors.

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Natural Resources by Emery N. Castle, Maurice M. Kelso, Herbert H. Stoevener, and Joe B. Stevens.

Philosophic Foundations of Agricultural Economics Thought by Glenn L. Johnson.

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Foreword

In March 1968 C. E. Bishop, president of the American Agricultural Economics Association, appointed a committee to investigate the need for a major survey of the agricultural economics literature published from the 1940s to the 1970s. The committee found that an extensive assessment of this body of literature would indeed be of value to research workers, teachers, and extension workers and graduate students in agricultural economics; teachers, research workers, and graduate students in economics and economic statistics, sociology, geography, political science, and anthropology; and teachers, research workers, and graduate students in technical agriculture. In the end the committee was assigned the responsibility for planning the project and commissioning authors to prepare the papers.

The members of the committee were Glenn L. Johnson (Michigan State University), M. M. Kelso (University of Arizona), James E. Martin (Virginia Polytechnic Institute), M. L. Upchurch (Economic Research Service of the United States Department of Agriculture), and Lee R. Martin, chairman (University of Minnesota). Early in 1969 James E. Martin resigned from the committee, and several new members — John P. Doll (University of Missouri), Peter G. Helmberger (University of Wisconsin), J. Patrick Madden (Pennsylvania State University), and Edward W. Tyrczniewicz (University of Manitoba) — were appointed.

As its first step, the committee tentatively identified the fields to be covered and commissioned highly regarded members of the profession to draw

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up outlines of the coverage to be undertaken in the different fields. These outlines were used in the selection of economists to prepare the surveys and in negotiating agreements with prospective authors. Once the surveys were prepared, the committee again obtained assistance from highly competent members of the profession to make critical, constructive evaluations of each survey draft. In the case of the preparation of outlines and the review of papers, the committee sought to strike a representative balance among differing viewpoints in each field. For the preparation of the papers themselves, the committee obtained the services of outstanding agricultural economists with special competence in the respective fields.

In connection with the papers published in this volume, substantial assistance was provided by the following individuals:

PART I. Farm Management and Production Economics, 1946-70. *Preparation of outlines:* John P. Doll, Albert R. Hagan, Charles E. Harshbarger, and Joseph C. Headley. *Review of paper:* John P. Doll, Earl O. Heady, Glenn L. Johnson, and Max R. Langham.

PART II. The Analysis of Productive Efficiency in Agricultural Marketing: Models, Methods, and Progress. *Preparation of outlines:* Peter G. Helmberger and Frank J. Smith. *Review of paper:* Emerson M. Babb, Peter G. Helmberger, Harold M. Riley, and James D. Shaffer.

PART III. Policy for Commercial Agriculture, 1945-71. *Preparation of outlines:* James T. Bonnen, John A. Schnittker, Vernon L. Sorenson, and Arley D. Waldo. *Review of paper:* Willard W. Cochrane, David MacFarlane, Lauren K. Soth, and Luther G. Tweeten.

PART IV. Postwar Policies Relating to Trade in Agricultural Products. *Preparation of outlines:* Martin E. Abel and James P. Houck. *Review of paper:* T. K. Warley, Larry J. Wipf, and Lawrence W. Witt.

PART V. Agricultural Price Analysis and Outlook. *Preparation of outlines:* James P. Houck, Lester V. Manderscheid, and Edward W. Tyrchniewicz. *Review of paper:* James P. Houck, Richard A. King, and Edward W. Tyrchniewicz.

PART VI. Agricultural Finance and Capital Markets. *Preparation of outlines:* Chester B. Baker, William H. Heneberry, John A. Hopkin, and George D. Irwin. *Review of paper:* Peter J. Barry, Fred Garlock, George D. Irwin, Lawrence A. Jones, Warren F. Lee, and John B. Penson.

PART VII. Technical Change in Agriculture. *Preparation of outlines:* Vernon W. Ruttan. *Review of paper:* Zvi Griliches and Vernon W. Ruttan.

This list includes only the official reviewers who acted on behalf of the association and the committee. Many other individuals who assisted the authors of the papers in various ways are cited in the notes preceding each paper. The authors were urged to incorporate into their papers the comments and suggestions provided by the respective reviewers, but final decisions about the content of the papers were left to the discretion of the authors.

The Committee on Publication of Postwar Literature Review arranged for publication of the three-volume set of literature reviews. The members of this committee are Emerson M. Babb (chairman), J. P. Madden, and John C. Redman. Neil Harl provided valuable assistance in the publication phase to both committees.

On behalf of the members of the association and the Literature Review Committee I wish to express sincere gratitude to the authors of the papers in this volume and to the advisors, reviewers, and others who participated in the planning and implementation of the project as a whole.

Finally, I would like to direct readers' attention to current literature reviews of some closely related fields of agricultural economics—reviews that both complement and supplement the reviews in this volume and the two companion volumes. The following reviews have been published in an Australian journal, *Review of Marketing and Agricultural Economics*:

G. Weinschenck, W. Henrichsmeyer, and F. Aldinger (1969). "The Theory of Spatial Equilibrium and Optimal Location in Agriculture: A Survey." 37:3-70.

Ulf Renborg (1970). "Growth of the Agricultural Firm: Problems and Theories." 38:51-101.

John L. Dillon (1971). "An Expository Review of Bernoullian Decision Theory in Agriculture: Is Utility Futility?" 39:3-80.

Roger W. Gray and David J. S. Rutledge (1971). "The Economics of Commodity Futures Markets: A Survey." 39:57-113.

Harold F. Breimyer (1973). "The Economics of Agricultural Marketing: A Survey." 41:115-165.

Jock R. Anderson (1974). "Simulation: Methodology and Application in Agricultural Economics." 42:3-55.

An additional article commissioned by the *Review of Marketing and Agricultural Economics* but not yet published is "Public Utility Pricing" by David Gallagher.

Another important set of literature reviews in agricultural economics is being published in the British *Journal of Agricultural Economics*. To date the following review articles have been published:

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- G. H. Peters (1973). "Land Use Studies in Britain: A Review of the Literature with Special Reference to Applications of Cost-Benefit Analysis." 21:171-214.
- T. E. Josling (1974). "Agricultural Policies in Developed Countries: A Review." 25:229-264.
- C. S. Barnard (1975). "Data in Agriculture. A Review with Special Reference to Farm Management Research, Policy and Advice in Britain." 26:289-333.
- D. I. Bateman (1976). "Agricultural Marketing: A Review of the Literature of Marketing Theory and Selected Applications." 27:171-225.

Also worthy of note is Marguerite C. Burk's "Survey of Interpretations of Consumer Behavior by Social Scientists in the Postwar Period," *Journal of Farm Economics* 49:1-31.

Lee R. Martin
Survey Editor

October 1976