

of the individual manager who must chart a course for his firm through the seas just mentioned. In doing so, the author contemplates such things as the role of the executive, optimization in managerial control, manipulation of the product line to take advantage of market changes, economies of scale, methods of determining profitability, and short-run methods for maximizing profit.

Section IV deals with the factors involved and some of the methods used in forecasting and long term business planning. In general, the factors are considered to be largely environmental in nature. Labor unions, anti-trust policies, taxation, cyclical fluctuations, long and short term trends in the gross national product, income trends, fund markets, and capital mobility are all discussed from the viewpoint of their impact on the planning function of the industrial manager.

In the preface the author implies that the book may be used by both executive managers and economic

analysts. This appears to be somewhat ambitious. The amount of ground covered and the amount of discussion devoted to each item would limit it to those who have not yet gained an insight into industrial economics as either managers or analysts. Its major value, therefore, is as an introductory text.

There are a number of possible criticisms that might be levied. A tendency toward excessive wordiness would be one. The definite "statements of fact" which should be challenged in many instances by the better students might be another. Yet, if such challenge were actually forthcoming, this might turn out to be the strongest point in the text. The assumption that upon finishing the text the student would be ready to attempt an industry study also seems to be misleading.

In general, however, the text is very well prepared, and as an overview of the subject of industrial economics it undoubtedly has a definite role in the academic world.

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## More on Agricultural Marketing . . .

### MARKETING OF AGRICULTURAL PRODUCTS, revised edition, by Richard L. Kohls.

(New York: The Macmillan Company, 1961. Pp. xiv, 424. \$7.50.)

My review of the first edition (1955) of this book appeared in the July, 1955, issue of this Journal. The second edition is substantially rewritten and generally improved. However, much of the comment of the first review still holds. It is a very readable but elementary treatment of agricultural marketing. It provides a good survey of the field, but little depth.

The second edition is 25 pages longer and the price is 42.8 per cent higher than the first. The summary chapter has been deleted and two chapters added. The chapters added deal with expanding demand and market organization. These changes correlate with changes in emphasis within agricultural marketing. While the data of the book were generally updated they still generally represent circumstances of the mid-fifties and before.

This book, like most marketing texts, is largely descriptive. It could well have been titled *Marketing Agricultural Products in the United States*. The fact that much of our marketing text material is descriptive with a narrow application to contemporary United States is impressed upon anyone who attempts to teach the subject to foreign students. This also raises the question of how much of what we teach to our American undergraduates today as "marketing" will be relevant to him 20 years from now. Is the field so devoid of analytical concepts and principles that it can be taught only in terms of contemporary description?

Much of the text material in agricultural marketing assumes perfect competition. Kohls does present a chapter titled *Competition in Food Marketing*, where some of the elementary ideas of imperfect competition are introduced and the distinction is made between

the competitive position of a typical farm firm and that of most other businesses in the United States operating under conditions of imperfect competition. However, these ideas are not used extensively in other sections of the book.

For example, the new chapter on demand expansion raises the question of the feasibility of advertising by farm groups. The analysis of the question could have been improved, in my opinion, by contrasting the position of firms operating under conditions of imperfect competition and those under something approaching perfect competition. The firm in imperfect competition has some control over supply and may be in a position to profit from increased sales, at no higher price, after the cost of advertising is deducted. On the other hand, the typical farm firm selling in a competitive market can profit from advertising only if prices are higher than they would have been without advertising. Neither the individual farmer nor the farm group can usually control or even influence supply. In this case the elasticity of supply is crucial in determining the effect of demand expansion efforts on price and, thus, the profitability of advertising. Kohls does not mention supply in discussing this question.

The second edition deserves a reexamination by teachers who passed up the first edition. Sections of it could well be used as supplementary material in general marketing courses. All those professionally engaged in food distribution would benefit from reading some general survey of agricultural marketing, and this is a good representative of the books available.

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