

encouraged to turn more to study of that kind, making use of his knowledge of history to give an evaluation of the tenacity of basic economic, social, and political institutions in a given country. By tying such an evaluation to the analysis of contemporary developmental problems he can render a valuable service not likely to be performed by the staff of any official agency.

SANFORD A. MOSK.

University of California, Berkeley.

The Customs Union Issue. By JACOB VINER. (New York: Carnegie Endowment for International Peace, 1950. Pp. viii, 221. Index. \$2.50.)

Professor Viner has turned out a very useful little reference book dealing comprehensively with a topic of considerable current interest. In 139 pages of text, all of the significant aspects of the customs union are covered: its relation to the most-favored-nation principle, the political questions it raises, the special problems arising in connection with the Havana Charter, and the economic issues involved in customs unions. Each topic is well documented with references to the concrete experience of past customs unions. Following the text is a useful "List of Conventions, Decrees, Etc., Concerning Customs Unions," together with an extensive bibliography.

Perhaps the most interesting chapters are those dealing with the economics of customs unions (IV) and with the prospects for their adoption (VII). Professor Viner skillfully demonstrates how and why the customs union has become entangled in the free-trade-protection issue, thereby contributing greatly to the clarification of this particular problem. In brief, he shows that free traders may espouse customs unions because they focus attention on one possible outcome of such a union: a shift by one member of a union from supplies furnished by a high-cost domestic industry to a lower-cost source in another member of the union. But it is equally possible that a member may, as a consequence of union, shift its imports from a low-cost source in a third country to a higher-cost source in a member country. This will be the case if the common tariff after union effectively protects high-cost suppliers inside the union. Protectionists who favor customs unions generally have this trade-diverting effect in mind, rather than the trade-creating effect which occupies the attention of the free-trader.

Closely related to the presumed gains from increased trade is another gain which has been urged (by free-trader and protectionist alike) in favor of customs unions. This is the economies from enlarged production which are supposed to ensue with the removal of the tariff between

members. This possibility Professor Viner believes, justifiably in the reviewer's opinion, to be greatly exaggerated—on the ground that economies of scale are largely associated with the individual plant rather than an entire industry, that such economies are unlikely to be great once plants are of moderate size, and that even a small country can acquire plants of this efficient but moderate size.

Looking at the future prospects of customs unions, Professor Viner finds them rather dim. The obstacles to their creation, in the form of government planning and quantitative restrictions on trade, have greatly increased in recent years. (Witness the continuing difficulties of uniting the economies of the Benelux Union.) In any event, excessive concentration on the customs union as a solution for current pressing problems may well divert attention from such superior measures as "the balanced multilateral reduction of trade barriers on a non-discriminatory basis."

P. T. ELLSWORTH.

University of Wisconsin.

Rural Cuba. By LOWRY NELSON. (Minneapolis: University of Minnesota Press, 1950. Pp. x, 285. \$3.50.)

Nelson's study of rural Cuba is one of the most important contributions sociologists have made to the field of Latin-American studies. The research upon which the book is based was soundly planned; the gathering of the data and the analysis of the materials were carefully done; and the results and interpretations were skillfully and lucidly set forth. For many years to come *Rural Cuba* will be required reading for all who seriously attempt to understand Cuban society; and, indeed, it will stand high on the list of references for those wanting tested and reliable information about Latin America in general.

Nelson obtained the bulk of the materials for the volume while he was serving in Cuba as rural sociologist for the United States Department of State. While employed by that agency, and working under the technical direction of the Office of Foreign Agricultural Relations, United States Department of Agriculture, he spent from September, 1945, to September, 1946, in Cuba carrying on comprehensive studies and surveys of rural life in the island. During this period he traveled extensively throughout the length and breadth of the country observing first hand the relations of people to the land, the organization of neighborhood and community activities, the composition of the various social classes, the distinctions based upon rank, and many other aspects of rural society. In addition, in cooperation with the Ministry of Agriculture, he organized and directed careful surveys of eleven areas selected