

who have become habituated to looking at the region in essentially liberal democratic terms, it is a useful corrective.

Tulane University

ROLAND H. EBEL

Food Supply and Inflation in Latin America. By MATTHEW EDEL. New York, 1969. Frederick A. Praeger. Praeger Special Studies in International Economics and Development. Tables. Figures. Notes. Appendix. Bibliography. Pp. xii, 214. \$12.50.

For Latin American "structuralists," the main "source" of inflation in Latin America is shifting and increasing demands coupled with substantial supply rigidities. One group lays particular stress on the role of agricultural "bottlenecks" and their effects on food prices, wages, the exchange rate, etc. The bottlenecks, in turn, are produced in archaic, agrarian institutions and highly skewed land distribution patterns. The remedy, then, is land reform.

How much is there to this hypothesis? A good deal, says Matthew Edel, after extensive, empirical examination. One could feel more confident in his conclusions, had his analysis been more careful and rigorous. His data on relative food prices and rates of demand and supply growth clearly show the "adequacy" of agricultural development in some countries (Brazil, Mexico, and Venezuela) and its inadequacy in others (Argentina, Chile, Colombia, Peru, and Uruguay). However, his food demand and supply functions are questionable. He uses the exogenous variable, quantity consumed, as the dependent variable in the demand functions. This procedure introduces statistical inconsistency. The supply functions are basically short-run and cannot greatly clarify the response of agriculture to persistent rises in demand.

The most important but weakest link in the analysis concerns the effects of food price increases on the general price level. Did relative price changes merely *accompany* inflation? Did they "cause" inflation, and if so, to what degree? Or did rises in relative food prices result from harmful feedbacks to agriculture, e.g., a reduction during the inflationary process of funds available for investment in farming? This is rough terrain. While a fairly complex model is indicated here, Edel falls back on *ad hoc* casual empiricism like that of the ECLA *Survey*. This is insufficient to establish the causal links posited by the structuralists. A couple of slips are especially irritating. The Brazilian currency is not the *peso* (p. 78), and the increase of coffee

production in 1965 emphatically did not help Brazil's stabilization effort or increase her export earnings (p. 78).

Finally, Edel analyzes the sources of agricultural stagnation, bringing together a great deal of material (mostly secondary) in a very interesting and useful fashion. But again the conclusions are not nearly so clear as he appears to think. Nothing indicates that faster agricultural growth has been associated with better land distribution patterns. Why has Brazil's agriculture performed adequately and Argentina's inadequately? Not because of the former's improved tenure system.

The case for land reform—as Edel points out—can be made quite independently of the “adequacy” criterion in the restricted structuralist sense. Agriculture's ability to meet rising demands without price increases may be important for short-run stabilization programs, but this criterion is much too partial to evaluate agriculture's overall performance.

The appeal of structuralism has been its simplicity. Exactly because the model is so simple, it is also short on policy tools. This makes it ultimately not very helpful for governments. The futility of structuralism comes through, albeit obliquely, in Edel's very useful if somewhat unpolished study.

Rice University

GORDON SMITH

Modernization and Coercion. By MARIO BARRERA. Berkeley, 1969. University of California. Institute of International Studies. Politics of Modernization Series. Tables. Figures. Notes. Appendices. Bibliography. Pp. vii, 58. Paper. \$1.50.

Developmental Processes in Chilean Local Government. By PETER S. CLEAVES. Berkeley, 1969. University of California. Institute of International Studies. Politics of Modernization Series. Tables. Figures. Notes. Bibliography. Pp. vii, 63. Paper. \$1.50.

Social Stratification in Peru. By MAGALI SARFATTI LARSON and ARLENE EISEN BERGMAN. Berkeley, 1969. University of California. Institute of International Studies. Politics of Modernization Series. Tables. Notes. Appendices. Bibliography. Pp. ix, 407. Paper. \$3.50.

Latin America: The Hegemonic Crisis and the Military Coup. By JOSÉ NUN. Berkeley, 1969. University of California. Institute