

Part IV, which deals with "the results of credit control" is a comparatively short discussion of the quantity of credit and the quality of credit from the standpoint of sound bank policy. Here the author gives his final conclusions but the reader is perhaps inclined to wish that this part of the study had been developed more fully. With respect to the quantity of credit, Mr. Hardy concludes that "the ideal solution of the credit managers' problem is neutral money—that is, stabilization of the relationship between the supply of currency (including bank deposits) and the demand for currency, meaning by demand for currency, not the turnover, but the quantity of money and bank deposits which the country is willing to carry idle in pocket and till money balances, operating funds, and "investment deposits" (page 324). In his conclusion on the quality of credit the author argues against the traditional view that commercial banks should maintain a liquid position by making only commercial loans of short maturity and states that fixed capital instruments which are readily salable are as liquid as any loan. However, he points out in a striking manner that no loans are liquid in the face of demands on the banks as a whole. Bank failures are referred to briefly and some suggestions made for safeguards in our banking system. An appendix of statistical data and one of reading references are included.

This book is written in clear, direct style and presents a careful and sound analysis which is a valuable contribution to our knowledge of banking policy.

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Die Getreidewirtschaft in den Trockengebieten Russlands. Stand und Aussichten, by B. Bruzkus, W. v. Poletika und A. v. Ugrimoff, Professoren am Russischen Wissenschaftlichen Institut zu Berlin. Berlin, 1932. 138 p. with 10 maps and 2 charts. Berichte über Landwirtschaft. Herausg. im Reichsministerium für Ernährung u. Landwirtschaft. Neue Folge, 67. Sonderheft.

The book published by the German Ministry of Agriculture and written by three Russian specialists is very timely. It discusses present conditions and the outlook for the future of grain production in the arid regions of Russia. The plan to extend the wheat crop area on unoccupied lands in arid regions of Soviet Russia has received great publicity and has influenced substantially the world wheat market. For this reason alone it is of importance to study objectively the conditions in which this plan has to be executed, and its outlook for the future. The fact that the book is a result of the work of specialists in three different lines makes it particularly interesting. One of the authors (W. v. Poletika) analyses in detail the climatic and geobotanic conditions of the Russian steppes, with special reference to the Asiatic part, where expansion of the wheat area has been mostly projected. He demonstrates that in spite of the east-west extension of the belt, the condition of temperature and rainfall are very far from uniform, contrary to the belief of American authorities (see C. F. Marbut "Russia and the United States in the World War Market," *The Geographical Review*, Vol. XXI, No. 1, January, 1931, p. 8). A considerable part of the black soil belt and practically all of the chestnut-brown

soils in the Asiatic area of the Russian steppes receive less than 12 inches of rain during the year, of which only about 2 inches fall in the spring months (March-May). This makes crop farming in a greater part of the Asiatic steppe area very precarious. He points, also, to the extremely continental climate of the area with very cold and snowless winters. These characteristics of climate put much narrower limits to the extension of crops in this area than might be suggested by the qualities of its soils. However, the analysis of the soils in the Asiatic steppes by another specialist (A. v. Ugrimoff) indicates that the quality of the black-and-chestnut soils here is lower than in the European steppes, because of a larger proportion of salted lands (so called solonchaki and solontsy) which can not be cultivated.

For agronomists the part of the book from page 82 to page 112 may be of interest. This discusses the practices of agriculture in arid regions developed in the agricultural experimental stations of Russia during the several decades of their existence (since 1880) which points to the possibility, with simple means at the disposition of peasants, to raise the yield per acre. Finally, Mr. B. Brutzkus analyses the activity of the "grain factories" organized by the Soviet Government during recent years with the purpose of expanding the wheat crop area, especially on unoccupied lands in the eastern arid regions of the steppe. He points out the interesting fact that the development of "grain factories," contrary to original planning was least in the arid regions of the Asiatic steppe (Kazakhstan) and of the Lower Volga. Only one-fifth of their crop area in 1931 was in these arid regions with an abundance of unoccupied lands. Much the greater part of the crop area was in the less arid and more populated regions of the European Russia (The Middle Volga region, North Caucasus and even the Ukraine). This points to the fact that grain factories were organized not only on free lands unoccupied by peasants but also on lands which were and could be cultivated by peasants. Some of them were directly taken from peasants. There was not an addition of a new crop area but a supplanting of peasant farming by state farming. Such a tendency became particularly marked after 1929-30 since which time the government has been less guided in its policy by the interests of the peasantry and has, indeed, waged an open struggle against the well-to-do peasants. Brutzkus demonstrates that the state grain factories, in spite of their machine technique, appear to be no more resistant to the droughts of the arid regions than are peasant farms. In 1931 the drought greatly affected the state grain farms in the eastern regions, and several of them were abandoned and, in general, the area under the state farms in Kazakhstan (central Asia) and Lower Volga was substantially curtailed in 1932. The opinion of Professor Brutzkus is that colonization of the arid steppe by peasants, combining crop production with animal husbandry, has a better outlook than the development there of the one-sided state grain farms. At the same time, it requires less financial outlay by the state. The type of farming aimed at the one-sided production of small grains is particularly unstable and unsuited to the natural conditions of the arid steppe in Asiatic Russia. And so, from the author's point of view, the plan to extend greatly the crop area of the arid regions of the Russian steppe in the form of huge state grain farms can not be recognized as successful at

the present time or as having good prospects for the future. It does not mean, he says, that these regions can not be used for crops generally. The pre-war colonization of the arid regions of central Asia has shown that peasant colonists can penetrate with their crops far into the arid regions. But this process must go rather slowly and it is impossible to expect a rapid growth of the grain production in Russia by the extension of the crop area on new lands. And the better lands with more favorable climatic conditions are already occupied even in the Asiatic part of Russia.

These conclusions are of special interest for the reviewer because they confirm his own conclusions from his study of the wheat problem in Russia,¹ especially because the conclusions of the authors are based upon a detailed study of the natural conditions and agronomic practices in the arid regions of Russia, problems which the reviewer could not analyze at sufficient length in his own study. The book gives plenty of objective and valuable information about dry farming in Russia, information which previously was not accessible to the people not reading the Russian language. For this reason the book should be welcomed by American readers.

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The Tariff on Sugar, by Lippert S. Ellis. Freeport, Illinois: The Rawleigh Foundation. 1933. Pp. 190. \$0.50.

This publication is a monograph, popular in style and content rather than technical. A statement in the preface by Haldor R. Mohat, Director of the Rawleigh Foundation which provided the funds for the study, gives the reader a cue to the thread running through the monograph. This statement reads: "His (the author's) findings and conclusions are interesting and impressive. It is hoped that this may offer some practical aid to those interesting in solving the farm problem." An editor's introduction, signed by John R. Commons, Benjamin H. Hibbard and Walter A. Morton, is in the nature of a summary and one gathers at once that the results of the study are not favorable to the tariff on sugar as it effects either the mass of American farmers or the mass of American consumers. Emphasis is given to the point that the sugar problem is not local but world wide.

Chapter 1 includes a discussion of world sugar production over three-fourths of a century. Changes in production incident to the war are particularly noted. There was a great stimulus to the production of cane sugar and a falling off in beet sugar. After the war beet sugar production rapidly increased and this, coupled with the large cane sugar production, led to huge world supplies and ruinously low prices. Four means of bringing about greater stability are enumerated. (1) Stabilization of production. (2) Restriction of production. (3) Campaigns for increasing consumption, and (4) The lowering of tariffs and excise duties on cane sugar. The author leads on to infer that all of these have been tried except the last.

Chapter 2 takes up the history of the sugar tariff in the United States and calls attention to 142 years of import duties, with the exception of a short period from July 1, 1792 to October 1, 1794. The effect of the free entry of sugar into the United States on production in Hawaii, Porto

¹ See *Agricultural Russia and the Wheat Problem*. Stanford University, California, 1932.