

# Index

- AAA production control programs, 23, 96–97, 108  
Agricultural Adjustment Acts, 264–65, 267–71, 291–93, 300  
Agricultural prices  
    British indexes, 261–62  
    instability of, 21–23  
    long-time trends, relative rise in, 5  
    wholesale prices, 5  
Agricultural production, stability of, 22–24  
Agricultural production and prices, 22  
Allen, R. G. D., 87, 90n, 92n, 116n  
Allen, R. H., 105n  
Anderson, E. F., 325n  
Average revenue, 93–96
- B**
- Bailey, C., 284n  
Barton, G. T., 18n  
Basis gains and losses, 230–33  
Baumann, R. V., 109n  
Beal, G. M., 183n  
Bean, L. H., 102, 142  
Beef  
    partial indifference surface, 63–67  
    per capita consumption, 134  
Beef cattle  
    demand curves, 118, 119, 131, 133, 141  
    price and production, 118, 119  
    cycles in, 42–45  
    raising and fattening returns, 306–7  
Been, R. O., 251n
- Beneke, R., 306n  
Berger, J., 74  
Brandow, G. E., 4n, 63n, 68n, 77, 78n, 175  
Breimyer, H. F., 47n  
Bryant, R., 306n  
Buchholz, H. E., 175n  
Burk, M. C., 17n  
Butter production and prices, 121–23
- C**
- Cobweb theorem, 35–39  
    continuous fluctuation, 35–37  
    convergent fluctuation, 37–39  
    divergent fluctuation, 37–38  
Cochran, W. G., 154n, 204n  
Cochrane, W. W., 78n, 251n  
Commercial family farms, 300–309  
    returns, operator and family labor, 301–5  
    significance, 305–9  
Commodity Credit Corporation, 269–74, 289–90  
    price-supported crop carryover, 273–74  
Commodity Exchange Authority, 240–43  
Consumer food expense, weekly, 14, 16  
Copper price and production, 118–20  
Corn  
    cost of production, 180–81  
    elasticity of demand, 69, 124–26  
    loan rate differences, 213–14

- Corn (*continued*)  
     price differentials, 213-19  
     price factors, 146  
     price surface, 213-20  
         geographic, 213-20  
         in time, 216-20  
     prices and related variables, 146  
     total under price support, 271
- Correlation  
     and causation, 154  
     intercorrelation, 152-54
- Cost distribution  
     analysis of, 244-48  
     direct payments, 245-46  
     government share, 244-46, 249  
     price supports, 245  
     principles, 249
- Costs of production  
     corn, 180-81  
     difficulty of determining, 180-84  
     milk, 181-83  
     relation to prices, 179-84  
     rice, 183
- Cotton  
     cost of production, 181  
     efficiency modifier, 287-89  
     long-run demand curve, 78-83  
     parity price indexes, 281-82  
     production inputs per bale, indexes,  
         288  
     supply curves, 109-10
- Crop production, acres needed in 1975,  
     19-20
- Cyclic price variations  
     beef cattle, 42-45  
     hog-corn ratio and spring farrowing,  
         41  
     hogs, 34-35, 39-42  
     length of hog cycle, 40-42  
     seasonal movements, 43-47
- D
- Daly, R., 18n, 27n  
 D'Avenant, C., 53n  
 Davis, J. S., 10n  
 Deflating prices, need for 1:1 relation-  
     ship, 127-28
- Demand  
     changes in, 10-11, 23-24  
     definition, 116-17  
     effect on prices and quantity, 316-21  
     future prospects, 17-18  
     income elasticity of, 83-84  
     inelastic, for farm products, 31-32
- shifts, vertical and horizontal, 314-  
     21  
     short-time elasticity of, 24-26  
     sources of, 28-31
- Demand curves  
     for beef, 130-33, 140  
     characteristics of, 188-92  
     for chicken, 133  
     constant but not unit elasticity, 192-  
         93  
     constant elasticity, 86-88  
     empirically derived, 188-92  
     for food, 25, 128  
     for lamb, 133  
     for pork, 12, 133, 136  
     "standard" total revenue curves,  
         193-94  
     straight-line, 318  
         arithmetic scales, 318  
         logarithmic scales, 319  
         reason for distinction, 319-20  
     for veal, 133
- Direct payments, 244-48  
     comparison with price supports, 244-  
         53  
     effect on total farm income, 250-53
- Discrete quantity and price series, 95
- Discretionary hedging, 233-39
- Distributed lags  
     Fisher, 75, 79, 83  
     formulas, 71-78  
     Koyck, 74n, 75-77  
     Nerlove, 70, 75, 78-83  
     Waugh, 78-83  
     Working, E., 74, 77, 79
- Donald, J. R., 79
- Durbin-Watson test, 208
- E
- Efficiency modifier, 285-89  
 Egbert, A. C., 18n
- Eggs  
     average seasonal production and  
         prices, 46  
     elasticity of demand, 68
- Elasticity  
     arc, 85  
     cross, 63  
     formula, 56-59  
     graphic representation, 59-61  
     income, 12-17, 83-84  
     long-time, 69-71, 78-83  
     middleman's margins, effect on, 62-  
         63

- own-price, 63  
 point  
     definition, 52, 85-87  
     measurement, 52-56, 90-91  
 short-time, 67-68  
     demand, 24-26, 67-68  
     supply, 24  
 time, effect of, 67-71  
 total income and, 87-88
- Elasticity of demand  
 for beef, 78  
 definition, 52-53  
 for food, 24-26  
 graphic representation, 59-61  
 measurement of, 55-61, 70-71  
 for pork, 74, 78  
 for potatoes, 53-63
- Elasticity of supply  
 graphic representation, 110-11  
 long-time schedules, 102-4  
 short-time, 100-102
- Employment comparisons, with output, 31
- Endogenous variables, 167  
 Engel's Law, 15, 84, 131-32  
 Exogenous variables, 167  
 Export dumping, 198-200  
 Ezekiel, M., 34n, 141n, 159n, 168n, 175, 209n
- F**
- Farm commodity prices, 5-7  
 Farm income  
     affected by direct payment plan, 250-53  
     alternative measures of, 293-97  
     best measure of, 309  
     parity, alternative measures of, 297-309  
     parity price indexes, 265-69  
     per capita income parity ratios, 298-300  
     returns  
         hog-beef raising and fattening, 306-7  
         operator and family labor, 301-6  
 Farm output, 8-10  
     demand for, 31-33  
 Farm production potential, 18-20  
 Farmers  
     income per worker, 297  
     per capita income, 293-96  
     prices received, 269-70
- Fisher, I.
- distribution of lag, 75, 79, 83  
 "Ideal" formula, 260-61
- F**ood  
 consumption and income, 11-14  
 demand and supply schedules, 25-26  
 expenditures and income, 15-17
- Foote, R. J., 44n, 102n, 161n, 175  
 Forecasting farm prices, 26, 33  
 Fox, K. A., 44n, 141n, 159n, 167n, 168n, 170, 171n, 175, 209n  
 Friedman, J., 175  
 Futures contracts  
     and cash, 226-29  
     gains and losses, 230-33  
     hedging, 226-39  
         discretionary, 233-39  
         wheat, 234-38  
     objectives in trading, 225-26  
     prices  
         cash, changes in, 232  
         variations in, 229, 231  
     small speculators, 240-42
- G**
- Gale, H. F., 45n  
 Garrett, F. G., 208n  
 Goodsell, W., 302n  
 Goodwin, J. W., 110n  
 Graphic method of multiple curvilinear correlation, 141-58  
 advantages and limitations, 155-58  
 appraising the results, 150-51  
 correlation and causation, 154-55  
 illustration, 145-50  
 intercorrelation and gross and net regression, 152-54  
 principles of, 142-45
- Gross National Product  
 comparison with total nonconsumption outlays, 30  
 forecasting, 19, 27-31
- Grove, E. W., 264n, 294n
- H**
- Hale, R. F., 268n  
 Hamilton, E., 322n  
 Harlow, A. A., 41n, 208n  
 Harms, J., 284n  
 Hart, A. G., 91n  
 Heady, E. O., 19n, 109n  
 Hedging  
     cash and futures contracts, 225-26  
     discretionary, 233-39

- Hedging (*continued*)  
 gains and losses, 230-33  
 prices  
   cash, changes in, 230-32  
   variations in, 229, 231  
 protection afforded by, 226-33  
 two objectives, 225-26
- Hicks, J. R., 116n
- Hildreth, C., 208n
- Hines, F. K., 181n
- Hoglund, C. R., 105n
- Hogs  
   demand curve for, 97-99  
   elasticity of  
     demand, 74, 97-99  
     short-time supply, 100-102  
   prices, 34-35, 39-42, 97-99, 124-26  
   cyclic changes, 39-42  
   raising and fattening, 307  
   slaughtered, prices and revenue, 97  
   supply, 97-99  
     functions of, 109  
   total income from, 97-99
- Hole, E., 105n
- Hood, W. C., 159n, 167n
- Horne, M. K., Jr., 79n
- Houghton, C. T., 262n
- Howell, L. D., 196, 226
- I**
- Income  
   average family earnings, farm and industry, 301  
   average per capita, farm and non-farm, 294-97, 298-99  
   commercial family farms, 300-309  
   effect of crop size on total, 58-59  
   elasticity of demand, 83-84  
   factory vs. operator and family labor, 303-9  
   farm  
     best measure of, 309  
     comparison, 303  
   farm to nonfarm, 298  
   and food consumption, 12-13  
   and food expenditures, 14-18  
   per capita income parity ratios, 298, 299  
   per farm worker, 297  
 Income elasticity of the demand for food, 11-13, 18, 78, 83-84
- Index numbers, 257-63  
   British, of agricultural prices, 261-62  
   definition, 257  
   farm output and population, 8-10
- Fisher's "Ideal" formula, 260-61  
 formulas, 257-59  
   average of relatives, 258-60  
   ratio of aggregates, 257-58  
 Laspeyres formula, 258-61  
 Paasche formula, 259-61, 62  
 weight-base periods, 260-61  
 weighted averages, 257-60
- Indifference curves, 64-67
- Industrial prices, fluctuations in, 21-23
- Industrial production, fluctuations in, 22
- J**
- Jensen, E., 104
- Johnson, D. G., 197
- Judge, G. G., 175n
- Jureen, L., 12n, 167n
- K**
- Kaldor, D., 306
- Kause, C. A., 47n
- Klaman, S. B., 102
- Klein, L. R., 172-73
- Knight, F. H., 52n, 116n
- Koffsky, N. M., 261n, 275n, 294n
- Koopmans, T. C., 158n, 159n, 167n
- Koyck, L. M., 74n, 75-77
- Kozlik, A., 90n, 193
- Krenz, R. D., 109
- Kuznets, S., 45n
- L**
- Ladd, G. W., 77
- Laspeyres formula, 258-61, 275
- Leftwich, R. H., 95
- Long-time price movements, 4-7
- Lovasy, G., 196, 197
- Lowenstein, F., 79n
- M**
- McCalla, A. F., 201n
- McCord, F. A., 79n
- Maki, W., 41n
- Manderscheid, L. V., 132n, 150n
- Marginal revenue, 92-96
- Marschak, J., 159n
- Marshall, A., 57, 67, 102
- Maximum total revenue formula, 96

- Mayer, L. V., 19n  
 Meat price differentials, 219, 221  
 Mighell, R. L., 105n  
 Milk price differentials, 222-24  
 Milk production  
     cost of, 181-83  
     response to price changes, 105  
 Moore, H. L., 53, 119  
 Multiple curvilinear correlation,  
     graphic method of, 141-58
- N
- Nerlove, M., 70n, 78, 79, 83
- P
- Paasche formula, 259-61, 275  
 Parity income  
     definition, 291-93  
     measure of, 309  
     recommendations, 309-10  
         measure of parity farm income, 312-13  
         more recent bases, 310-12  
         moving average price bases for  
             loan rates, 313  
         separate parity indexes, 310  
         weights derived from commercial  
             farms, 310  
 Parity modernized, 284-90  
 Parity price  
     basis for price supports, 289-90  
     index paid by farmers, 270  
     legal basis of, 264-70  
     parity formula, 265-70, 275-76  
         price bases, 267-67  
         weight bases, 268-69  
     percentages for CCC loan rate bases,  
         269-70  
         effects of, 270-74  
     seasonal variation, 266  
 Parity price indexes  
     appraisal, original uses, 275-84  
         adequacy of coverage, 276-79  
         alternative base periods, 283-84  
         formula type, 275-76  
         representativeness of price-base  
             period, 282-83  
         separate indexes, 279-82  
     appraisal, present uses, 284-90  
         CCC programs, 285  
         parity ratio, 284  
     calculation of, 265-69  
     commodities and farm areas, 278
- Pork
- farm input and output, 286-88  
     relative importance of components,  
         277
- Pearson, F. A., 94  
 Peterson, B. S., 268n  
 Population, U.S. and projections,  
     10-12, 19
- Potatoes
- costs of distribution, 248-49  
     crop size and total income, 54-59  
     elasticity of demand, 54-63  
     farm price and production, 54, 55, 61
- Price analysis  
     nonrandom economic data, 207-9  
     random elements, 209-10  
     "statistical significance," 204-7
- Price differentials  
     corn, 214-19, 220  
     meat, 219, 221  
     milk, 222-24  
     pork, 221
- Price discrimination, theory of, 197-202
- Price index  
     bases, 257-61  
     prices received and paid for farm  
         commodities, 269-70
- Price setting, bases for, 184-87
- Price stabilization  
     benefit to consumers, 194-97  
     effect of programs on income, 192-94  
     theory of, 195-97, 201-2
- Price supports, comparison with direct  
     payments, 244-53
- Prices, relation to cost of production,  
     183-84
- Production and prices  
     industrial, 22  
     vs. agricultural, 21-23
- Pubols, B. H., 102  
 Purcell, J. C., 132n, 150n
- R
- Randall, C. K., 261, 275  
 Regression, gross and net, 152-54  
 Retail costs, marketing bill and farm  
     share, 32

Robinson, J., 87n  
Rogow, A. A., 4n

## S

Seasonal patterns, graphic presentation of, 322-25  
Significance, tests of, 204-7  
Simon, M. S., 79n  
Simultaneous equation techniques, 159-75  
choosing equations and methods, 170-73  
criteria for choice, 173-75  
least-squares, 171-73  
methods, 166-70  
need for, 160-70  
principles, 166-69  
single or simultaneous equations, 170-71  
variables, 167-69  
Snedecor, G. W., 154n, 204n  
Starbird, I. R., 181n  
Stauber, B. R., 261n, 267n, 268n, 275, 276, 299n, 312n  
Stewart, B., 240n  
Stover, H. J., 68n, 101n  
Sulphur, annual price and quantity data, 120-22  
Supply  
changes in, 7-10  
future prospects, 18-20  
short-time elasticity of, 24  
Supply and demand  
changes in, 10-13  
elasticities of, 24-25  
two parts of the law, 119-20  
Supply and demand curves  
continuous cycles, 34-39  
correlated shifts in, 120-26

demand constant and supply fluctuating, 118  
effect on prices and quantity, 316-18  
one-way, 106-10  
relative shifts in, 17  
shifts, vertical and horizontal, 314-21  
supply constant and demand fluctuating, 119-20  
uncorrelated shifts in, 126

## T

Tedford, J. R., 77  
Thompson, M., 301n  
Thomsen, F. L., 87n, 102n, 199n, 200  
Time series, statistical analysis of, 203-10  
Tintner, G., 87n, 90n  
Tomek, W. G., 78n  
Tontz, R. L., 267n  
Total revenue curves, 87-94

## W

Wallace, H. A., 119  
Warren, G. F., 100  
Waugh, F. V., 78, 87n, 128-34, 146n, 195, 197  
Weaver, F. P., 325n  
Weight bases, 260-63, 268-69  
Wells, O. V., 100  
West, V. I., 175n  
Wheat, discretionary hedging, 233-38  
Wold, H., 167n  
Working, E. J., 24, 74, 79, 98n, 155, 156  
Working, H., 233n

## Y

Yule, G. U., 207, 208