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Review of *Agricultural Policy, Agribusiness, and Rent-Seeking Behavior* By Andrew Schmitz, Hartley Furtan, and Katherine Baylis

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Agricultural Policy, Agribusiness, and Rent-Seeking Behavior. By Andrew Schmitz, Hartley Furtan, and Katherine Baylis. Toronto: University of Toronto Press, 2002. xxvi + 512 pp. Figures, tables, references, index. \$125.00 cloth.

This excellent text is suitable for senior undergraduate students and graduate students in agricultural economics and agribusiness. Its underlying premise is that the formation of agricultural policy is driven by rent-seeking behavior and that agribusiness is an important participant in the policy process. The book goes on to contrast agricultural policies in Canada and the United States through this rent-seeking lens.

Although its title's emphasis on rent-seeking and agribusiness is somewhat misleading, the volume offers an excellent economic analysis of agricultural policy. Rent-seeking is a dominant theme but certainly not the book's focus, unless policy and rent-seeking are simply seen as tautologous. Agribusiness receives little attention other than being identified as a major player in rent-seeking and lobbying activity. Despite this weakness, this is one of the best and most comprehensive texts on the economics of agricultural policy currently available.

Sixteen chapters are grouped into seven distinct sections, the opening ones providing the background, theory, and framework for the rest of the book. The first section discusses the history, institutions, and legal framework of agricultural policy, while the second examines the economics of rent-seeking behavior and the theory of public choice. An excellent treatment of international trade and marketing, including a discussion of ideas from new institutional economics and the relevance of those ideas to agricultural policy and rent-seeking behavior, comprises the third section. The middle sections offer a comparative discussion of key agricultural policies in Canada and the United States, including price and income stabilization policies, supply management, and crop insurance. These side-by-side contrasts between the two countries should find a welcome audience among students in both Canada and the United States. Canadian students can develop an understanding of US policies that profoundly influence and dominate world agricultural trade. American students can contrast US policy approaches with those of a similar country and thereby increase their awareness of other approaches. The closing sections deal with structural issues involving input markets, farm structure, agricultural productivity, public research, regulation, the environment, food quality, and food safety. This attempt to round out the policy discussion on a topical and forward-looking note is not entirely successful, lacking as it does the depth and clarity exhibited earlier.

At its conclusion, the book returns to the question asked in the opening chapter: What is the goal of agriculture policy? The authors earlier suggested that "Paarlberg puts it well when he states that a problem well defined is a problem half-solved." By this measure the authors have made a significant and lasting contribution to the profession of agricultural economics. **Brian T. Oleson**, *Department of Agribusiness, University of Manitoba*.