

## BOOK REVIEW

*Principles of Economics in Philippine Setting.* By Jose V. Gasin, Augusto Cesar Espiritu, Zosimo C. Ella. Manila: R. M. Garcia Publishing House, 1962.

This is a painful book to read as well as to review. While reading it, I was reminded of books in high school economics that I had to use as a student and which nearly dampened my personal enthusiasm for economics as a field of study. If I had to undergo an introductory economics course again and use this book, I might end up a would-have-been-economist. That Filipino students deserve an introductory text in economics is widely (in fact, acutely) felt. However, I think that the book under review sadly falls far short of the needs of students in introductory economics.

Except for some brief references to new institutions like the Central Bank, to recent economic legislation, to the citing of some statistics from the *Central Bank Statistical Bulletin*, and to an insufficient discussion of national income concepts, the content of what may pass for analytical and descriptive material is *circa* pre-World War II. Some introductory material on the necessity of being able to form judgments on certain issues is stressed at the beginning, and yet almost nothing is said about the important ingredients of the development process, which I think, should be the stress of a good introductory text in economics for Filipinos.

Instead the authors have indulged in spoon-feeding the readers with old-style pedagogical questions of "What is... this?" or "How is...this?" Generally, their answers to the questions are descriptive, unanalytical definitions of economic concepts of a by-gone era. A sampling of some of these may interest the reader. Ignoring all the significant revolution in economic analysis with the "rebirth" of aggregative economics, they still treat economics as a study divided into five branches: production, exchange, consumption, distribution, public finance. Production is still defined as "the creation of utilities," of which there are five forms: "form," "place," "time," "possession," and "service." Production is also classified as "material" and "non-material" or "immaterial"; capital into "free" or "specialized"; income levels into "liberal," "comfort," "decency," and "poverty levels." A longer listing is possible, but painful to do. And consider an interesting quotation from page 264:

"The demand for goods in the market is either elastic or inelastic. *Elastic demand refers to the demand for luxury goods the purchase of which greatly increases as the price rises. Inelastic demand is that kind of demand for necessity goods the purchase of which hardly increases with a fall in price and hardly decreases with a rise in the price.*" (Italics are those of the authors of the book.)

The direct association of demand elasticity concepts with certain types of goods is, of course, a grave error.

Aside from the many errors in analysis and definitions found in the book, it may be said that a student eager for economic learning will not go far in understanding the important principles of economics. So much description and so many of the economic terms the authors have grouped under the heading "Terms for Mastery" are nuisance even to a trained economist. Moreover, mere translation of the analysis of supply and demand for goods into demand and supply of "tomatoes" or of "chicos" is not sufficient to deserve the descriptive title economics in the Philippine setting.

The book is no better than the only other text in economics written by a Filipino, Andres V. Castillo. But Castillo, only on the basis of writing in 1949 and *alone*, certainly did a much better job. Too many cooks spoil the broth. In the case of bad textbooks, the broth spoils the youth.

In the meantime, college teachers of economic principles are well advised to use either Paul A. Samuelson's *Economics* or Frederic Benham's *Economics*, supplement it with Philippine materials, and enrich analysis by stressing analytical tools related to economic development.

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