Te'o I. J. Fairbairn, ed., *Island Entrepreneurs: Problems and Performances in the Pacific.* Honolulu: Pacific Islands Development Program, East-West Center, 1988; distributed by University of Hawaii Press. Pp. xiii, 288. US$10.00 paper.

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Written by eight people, most of whom are policy advisors or academics, *Island Entrepreneurs: Problems and Performances in the Pacific* concerns the small-scale indigenous business sector in the Pacific. It was inspired largely by a project of the Pacific Islands Development Program, which is under the auspices of the Standing Committee of the Pacific Islands Conference. Specifically, the project was designed to identify and analyze "the various socio-economic factors contributing to success or failure of indigenous business ventures" (p. 11). The project began in 1984 with field studies in seven selected Pacific Islands countries, in which more than 450 enterprise owners were interviewed along with government officials and leading figures from private enterprise and voluntary associations. The first regional workshop on indigenous businesses, held in Apia in 1986, was also sponsored by the project. It was attended by delegates from twenty Pacific countries and its recommendations form an appendix in the book. The remainder of the book comprises the main findings and conclusions from six of the case studies: those from the Cook Islands, Fiji, the Marshall Islands, Papua New Guinea, Tonga, and Western Samoa. They are supplemented by a chapter on business women, chapters on indigenous business development generally including introductory and overview chapters, and a chapter on small business in Australia.

Five of the thirteen chapters are written by the book's editor, Te'o I. J. Fairbairn, and his work provides the book's theoretical consistency. We meet the model entrepreneur early in the collection, carefully constructed from the late 1950s and early 1960s literature. Talcott Parsons puts in a reappearance along with McClelland's "N-achievement" factor. Even modernization gets a mention. Quite unscathed by theoretical developments of the last twenty years, "rational man" emerges alive, well, and all set to be quite at home in the small business world of the Pacific Islands in the 1990s.

The problem is, of course, that "rational man" is not a he, and neither does he or she behave in ways that the theories consider "rational." In the first instance, the theoretical assumption of the gender of the entrepreneur is persisted with despite the fact that the case studies in the book itself reveal that at least 20 percent of the Fijian entrepreneurs, one-third of those in the Cook Islands, and 17 percent in Tonga are women. The first multinational company controlled by a Pacific Islander is run by a woman, Nonetheless, the theory remains undeterred and persists in talking and thinking of the entrepreneur as "he," "him," and "his." This is even more remarkable in that, in one of the liveliest chapters in the book, S. Deacon Ritterbush and J. Pearson confront the particular business problems faced by women as they attempt to set up businesses or to expand their commercial farming, chicken breeding, soap, bread and clothing manufacture, and tourist and transport services.

In the second instance, the assumption of "economic rationality" sets up a dualism in relation to "traditionalism," which runs throughout the book. For Fairbairn, early in the introduction, the "problem of weak motivation" is linked with "the continued existence of value systems and preferences which are rooted in the traditional cultures" (p. 5), and so on to the conclusion, where we find that "the viability of indigenous business practices" is threatened by "traditional customary and community practices" (p. 273).

In traveling through the book, we learn that these "traditional cultures and practices" were in precolonial times capable of engendering and supporting a vigorous local and regional commerce. But having briefly described this, on the very next page John Hailey says that the "business ethos" is "often incompatible with the traditional Fijian communal society. Thus any attempt to encourage Fijians in business could be seen as a threat to traditional values and to a way of life" (p. 38). He adds in the conclusion to his chapter that "the future of Fijian business depends on whether the individual entrepreneurs can resolve the inherent contradictions between contemporary business practices . . . and communal commitments" (p. 51). Similarly, John Carroll remarks of the Marshall Islands, "stiff competition will continue between the profit requirements of the market economy and the reciprocity obligations of the traditional system" (p. 118).

Within the very substance of the case studies, however, a completely opposite picture emerges. We learn that Fijian entrepreneurs maintain strong links with their village and the local community in general and that the least successful commercial farmers are those most isolated from their communities (p. 40). In the Cook Islands, most of the entrepreneurs were active in church organizations, some holding executive positions in church administration, others serving as deacons. Several were active in the chamber of commerce and tourism, education boards, and sports clubs (p. 64), and few expressed concern at community or family obligations (p. 70). A successful Samoan entrepreneur is one who knows about and can take advantage of the matai traditions to increase business (p. 84). In Tonga, the entrepreneurs readily and willingly contribute a large part of their profits to churches and to family, *fua kavenga,* and while such businesses were not growing, neither were they declining nor nearing bankruptcy (p. 148). Some entrepreneurs had abandoned their traditional practices, but others knew that "by giving more you get more," and received back "tenfold" what they gave (p. 155). Most realized that neglecting social responsibilities would be harmful for their businesses (p. 151) and that community support was crucial for their success (p. 154).

This is scarcely surprising. Two of the key means of production, land and labor, remain the provenance of the noncapitalist political economy, and that is the reality that any would-be entrepreneur must first and continuously confront. In the Marshall Islands, most businesses operated with family members, more than half of whom were not paid, because they worked as part of their family responsibility or were occasionally given money or merchandise in lieu of wages (p. 125). Sixty percent of the work force employed by Fijian entrepreneurs was composed of relatives, and family labor was essential for the businesses to survive on low wages, long hours, and the avoidance of employee insurance and tax (p. 46). In some cases, family enterprises were more stable than those of the "model man" in terms of very rational things like profit, expansion, diversification, and the quit rate. Family members could be trusted, had an interest, and worked harder (p. 153).

This false dichotomization of "tradition" and "modernity" is predicated on a view of tradition as static and complete. But from the studies themselves we find, for instance, that while entrepreneurs in general crucially understood that their success was dependent on their ability to mobilize community support through established networks and thus found the reciprocity of their obligations helpful, 54 percent of business women in Tonga found that their social obligations had an inverse impact on their businesses (p. 200). The salient theoretical point is that tradition is changing, plastic and unfinished. It also is heterogeneous, and may be experienced and created quite differently by men and women.

Nor is it simply "tradition" that Pacific women found disabling, for patriarchy has a continuity and a unity that once again makes nonsense of tradition's theoretical division from modernity. Ritterbush and Pearson found that men were favored over women for training, incentive programs, and loans, and they encountered chauvinism from men in lending institutions as well (pp. 201-202). In addition land, the most prevalent and often only available form of collateral, is governed by land laws that generally favor men (p. 203).

Again, on the issue of the control of land, tradition has found a way of accommodating the market quite happily, an extraordinarily significant development since in a country like Western Samoa, for instance, more than 80 percent of the land is controlled by nonmarket mechanisms. If a system could be devised whereby businesses and their lenders are assured of fixed land tenure, less expensive and more secure finance could be obtained. And such is the malleability of tradition that in Tonga the informal leasing of land or the illegal purchase of land leases has been a fact of life for some time (p. 157), in a manner reminiscent of the New Guinea Highlands in the 1970s (see Good and Donaldson 1980: 24-28). Similarly in Papua New Guinea, the problem of collateral for loans was addressed by the Papua New Guinea Development Bank in the late 1960s through a policy of lending on "assured usage rights" (Donaldson and Good 1988:88); today in Goroka, Finney comments, many people think that some business leaders control too much land (p. 186). Likewise, the Yalavou beef scheme in Fiji, described by Laisenia Qarase (pp. 236-237)--initiated to increase participation in commercial agriculture and to ease balance of payments problems--involves the coordination of training, advice and regular technical and financial help, and the provision of loans, land, infrastructure, and technical assistance, calling to mind the New Guinea Highlands cattle projects in the early 1970s (see Donaldson and Good 1980).

One of the consistent themes of the book is the scarcity of capital, the paucity of lending institutions and the difficulties entrepreneurs encounter in mobilizing the savings of others. Fairbairn suggests that mobilizations such as occur in the New Guinea Highlands through indigenous "development corporations" may not be applicable elsewhere in the Pacific (p. 272). Their achievements, described in some detail by Kenneth Good and me ten years ago (Good and Donaldson 1980:38-53), are, however, as impressive as those of the cooperatives--which another contributor suggests may be helpful--were not (see Donaldson and Good 1980).

I was rather surprised then to learn that people like me ("writers oriented from the perspective of the neo-Marxist dependency school," in Finney's words) either "ignored or explained away" the formation of the development corporations and that we were of the opinion that "Gorokan entrepreneurs were creatures of Colonialism, produced solely by the intervention of outside capital" (p. 188). I had argued (in 1984), in the conclusion to an exhaustive study of the Eastern Highlands between 1930 and 1950, that following white invasion and settlement, "the bigmen, their political power retained, their wealth enhanced, and their control over village labour maintained, would probably have invented cash-cropping and local government councils if they had not been thrust upon them" (Donaldson 1984:218). But for Finney, our "point of view, which seems to have run the course of its brief popularity in Papua New Guinea's academic circles, ignored the cultural roots of Gorokan entrepreneurship" (p. 187), even though we had traced its roots back to the first peopling of that place (Donaldson and Good 1988).

In one thing, though, Finney is dead right. "The crucial question . . . is whether the new economic structure [in the Eastern Highlands] is promoting the formation of a permanent capitalist class" (p. 188). He writes that two prominent business leaders of the sixties have died and their business assets either have been split up among their many heirs and supporters or have been dissipated while contending parties fought over them. On the other hand, a younger brother of one of the most successful entrepreneurs is doing very well, after a helping hand (pp. 188-189). Classes are reproduced through families and corporations, and the laws that keep them intact. The real test will be the fate of the development corporations themselves. Have the rural capitalists found a vehicle that can travel through time, or will tradition, with all the power of its fluidity, dissolve them? Will tradition prove to be an eminently rational and reasonable response by little people in little countries to the massive and pervasive power of the "invisible hand" and its long arms, international capital and foreign states ? Perhaps, as Ritterbush concludes, "Where the disbursement of business profits among many individuals is commonplace, the well being of the people rests with the people, not with the government or foreign nations" (p. 160). Perhaps, too, Western male rationality isn't quite so appealing as those who seem proud to possess it would like to think it is.

I don't think that the blunt instrument of modernization theory and neoclassical economics, and the limiting dualism of tradition and modernity, can do justice to the village political economy, its sexual and political hierarchy, its obligations, and forms of ownership and control --that is, to the fluidity and dynamism of specific modes of production. Still less can it manage to explore the complex effects and subtle interdeterminations--that is, the articulation between these modes and that of global capitalism itself. That said, I am always pleased to read empirical studies of our part of the world since there never seems to be enough of them and even those whose policy making is genuinely directed to the welfare of most people are too often forced to work by hunch and intuition alone. I'm also pleased to see a book that seeks to address the Pacific Islands as an entity, for that, in the longer term, indeed may be the only feasible way forward.

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