

from the start is far less plausible, since much of Richardson's attack on beneficiaries and trade unions accorded with backwoods Tory prejudice anyway. Johansson ignores the extent to which this was the basis for an alliance between Richardson and Bill Birch in 1991.

It is striking that most of the alternative scenarios presented have the country finishing up largely where it is anyway. In seeking to question 'determinism' they reinforce it. The major lesson of this collection, however, is that if counterfactual history is thought to be worthwhile the construction of scenarios requires a great deal of care. And a minor quibble is that the cover bears no relationship to any of the scenarios discussed.

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Age of Enterprise: Rediscovering the New Zealand Entrepreneur 1880–1910. By Ian Hunter. Auckland University Press, Auckland, 2007. viii + 280pp. NZ price: \$50.00. ISBN 978-1-86940-381-2.

NEW ZEALAND'S 'AGE OF ENTERPRISE' 1880–1910 was the heyday for small enterprise; this is the resounding lesson Ian Hunter provides in this book. Economic development in the colony was founded on small-scale, social network-based enterprises. With great clarity and an engaging style, this book affirms in a more comprehensive manner what diffuse work by economic historians such as Simon Ville, Steve Jones, Grant Fleming and others had already suspected: that economic growth in the colonial era was driven by entrepreneurial activity.

Of necessity, the study of wide-ranging entrepreneurial ventures concentrates research on structural aspects of a developing economy rather than aggregative, macroeconomic factors. In taking a mostly structural perspective the author offers convincing evidence in support of a long-held view associated with Gary Hawke's who has argued that there was no real macroeconomic 'depression' in New Zealand during the 1880s. However, this book is not a systematic, analytical economic history. Therefore the space devoted to macroeconomic issues is surprising. That the real economy in the 1880s and beyond was boosted by 'entrepreneurial fervour [which] deepened and expanded New Zealand's infant economy' (p.14) and that macroeconomic (especially financial) conditions were not booming, are surely propositions that can be held simultaneously? One thing is certain: the macroeconomic data are inconclusive. For instance, economists may legitimately read the £605,000 spent on public works from 1884 to 1887 (p.22) as countercyclical expenditure — as a substitute for unemployment relief in a troubled economy.

Chapter one offers a potted history of ideas on the entrepreneur and entrepreneurship which might be excused if the author's chosen audience is meant to be a more popular one. Be that as it may, this chapter does not do justice to nineteenth-century thought on the subject. There are many inaccuracies. Given space limitations I cite one example. The statement that Adam Smith and other classical political economists believed 'true wealth was generated from the land' (p.11) is an historical travesty. Smith was not a physiocrat; for him specialization in manufacturing industries created wealth.

The general business and industry context for the 'age of enterprise' is outlined in chapters two and three. Strong population growth, ongoing urbanization, government infrastructure spending and tax policy (taxes on profits were not levied up to 1896 and were low thereafter) all nurtured entrepreneurship. Financial stringencies, if not a financial crisis in the 1880s transmitted from abroad, constrained the development of New Zealand's financial markets and restricted bank lending. Chapter Seven demonstrates

that in fact entrepreneurs rarely used public share flotation or bank credit; they mostly relied on their own financial resources (pp.149–51).

A qualitative model is introduced in Chapter Four aimed at distinguishing particular individuals as entrepreneurs. It draws on Knight's and Schumpeter's contributions to the theory of entrepreneurship in the early twentieth century. Proprietorship, decision-making ability in allocating resources to areas of highest return and innovative behaviour all figure in this model. There is no explicit role accorded to leadership ability in effecting economic change, and this will disappoint Schumpeterians. More crucially, there is no dimension in the model relating directly to profit opportunities. Profit is surely a key entrepreneurial incentive but the term does not appear in the book's index. Furthermore, in all the macroeconomic data presented there are no estimates of the profit share in national income relative to other income shares. Readers must also contend with a confused discussion denying that the 'price' of entrepreneurs has a bearing on the supply of these individuals and maintaining that the entrepreneurial drive to innovate and differentiate products is not referenced in any way to 'price' (read: profit) (pp.247–8).

Chapter Six makes a convincing case for the importance of migrant entrepreneurs. Many examples are adduced. In addition, geographical barriers, locally insulated business networks, prior industry knowledge (and luck?) also contributed to the success of particular individuals. The international orientation of New Zealand entrepreneurs associated with major innovations such as refrigeration is underscored in Chapter Eight. Entrepreneur-centred networks in the agricultural sector, especially in processing, were vital to economic development.

There is an outstanding study of the life cycle of entrepreneurs in Chapter Nine. The case analysis here and elsewhere in the book draws upon a group of 133 individuals whose details are listed in an appendix (pp.253–6). There are only a few women and one Maori among them. Some seem to have been born too late to have made an impact in the period 1880–1910. Many others are missing *dramatis personae* who, while not part of the case work, feature in earlier chapters. An appendix with summary information on all these other individuals would have assisted the reader (e.g. Carswell, Hannah, Speight, Whittaker).

Provocative generalizations are drawn from painstaking case work. For example, social capital mattered: 'networks, associations, trusted family members, church connections — these were all assets on which to base enterprise' (p.237). If there was a certain native wisdom among New Zealand colonial entrepreneurs, it was their ability to maximize returns from local, somewhat isolated, social networks. All this occurred in an environment exhibiting an acute shortage of financial capital. Entrepreneurs in this period responded to profit opportunities gifted to them by a growing domestic market, favourable government public works expenditure, low taxes and geographic peculiarities.

The book's generalizations turn on glorifying the personal, atomistic, small family-based enterprise of the kind that heavily populated New Zealand's colonial economy. While not quite a nation of shopkeepers, New Zealand possessed similar characteristics in many sectors of its economy. New Zealand entrepreneurs were not really swashbuckling Schumpeterian innovators or industrial magnates; they were more akin to shrewd adapters.

Alfred Chandler's influential generalizations concerning the importance of scale and scope in the development of enterprise are not considered applicable to the New Zealand case (pp.238, 251). Small and medium-sized enterprises contributed to economic development but their dominant role in the New Zealand economy in the twentieth century proved to be a handicap. The small domestic market, overweening reliance on government expenditure and geographic isolation had an unintended consequence: they saddled New Zealand with a unique industrial structure and an alternative way of growing which was invariably slower than most other industrializing nations. Small is not necessarily

beautiful. New Zealand's long-run rate of economic growth over the twentieth century has not matched most of its larger industrialized trading partners. In the long run, scale and scope contribute to productivity improvements and ultimately higher sustainable growth. Nations that depend too much on small enterprises, uncritically celebrate and use governments to protect and support those enterprises grow more slowly. That this book has evoked such far-reaching observations attests to its importance.

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'Ready Money': *The Life of William Robinson of Hill River, South Australia and Cheviot Hills, North Canterbury*. By Margaret Wigley. Canterbury University Press, Christchurch, 2006. 421 pp. NZ price: \$50.00. ISBN 1-877257-42-7; *Ngamatea. The Land and the People*. By Hazel Riseborough. Auckland University Press, Auckland, 2006, 304 pp. NZ price: \$50.00. ISBN 1-86940-369-X.

IN 2006 FOUR QUITE DIFFERENT BOOKS WERE PUBLISHED on New Zealand's agricultural and rural past. Gordon McLauchlan's *The Farming of New Zealand* is a general history of farming from the beginning of Polynesian settlement to the present day. Richard Wolfe published a surprisingly thorough history of *Ovis aries* in this country, considering the title of his book is *A Short History of Sheep in New Zealand*. Of the two books reviewed here one concerns the life and times of one of the great pastoralists, while the other fits into a long tradition of station histories.

William 'Ready Money' Robinson was one of the most successful pastoralists in the South Island in the nineteenth century. In his lifetime he was famous for being one of the wealthiest men in the country. However, Robinson's real legacy was that his estate, Cheviot Hills, was the shining early success in the Liberal government's policy of 'bursting up' the great estates. The government purchased Cheviot Hills in 1892, three years after Robinson's death. According to William Pember Reeves the trustees misplayed their hand in their dealings with the government and lost the estate. Reeves's spin was that the trustees disputed the government valuation of the property for taxation purposes, set at £300,000, and challenged the government to buy it at their own valuation of £260,000. '[John] McKenzie [Minister of Lands]', he wrote, 'was just the man to pick up the gauntlet thus thrown down.' He bought the station and within a year, and in time for the 1893 election, Cheviot Hills was surveyed, subdivided, roaded and partly settled.

In *A Pastoral Kingdom Divided, Cheviot, 1889-1894* W.J. Gardner disputed this account and concluded that Cheviot Hills was beset by family tensions, legal tangles, heavy debt, taxation disputes and management problems. Moreover, F.H.D. Bell, who acted on behalf of the family and who was married to Robinson's daughter Caroline, had political aspirations and his association with such a large estate was a liability. According to Gardner, the family sold Cheviot to the government to solve the problems of the estate itself. Surprisingly, in a book that at times almost gets bogged down with minutiae, Margaret Wigley gives this episode four paragraphs, noting that the 'history of the subdivision has been amply covered in other books' (p.375).

Wigley, a great-granddaughter of William Robinson, has written a detailed narrative of this hard-nosed, self-made man's life. Like so many others, Robinson does not fit the stereotype that Canterbury's pastoralists were from the landed gentry. He was the son of a tenant farmer from southern Lancashire. Robinson was 25 when he made the decision to emigrate and the characteristics that made him such a success were formed by that time. Wigley surmises that his determination to do business in cash came from