

LDCs mentioned in the book share Chapter 6 where the reform effects on each country are generally summarized. However, little information is provided in the book about Venezuela, Chile and Colombia. Indeed, Petrazzini notes about Venezuela that 'given the scant available information, the Venezuela case is a black box waiting for more in-depth research ...'. More research is therefore needed to be done and published about telecoms reforms in Venezuela, Colombia, Greece, Chile, Thailand, Jamaica and South Africa as they are not elaborated on that much in this book that one can understand the telecoms situations of the countries after reading the book.

Generally, the book makes very good reading and understanding, or at least gives insight into what kinds of problems have been experienced by SOTEs in the LDCs mentioned here during their telecoms privatization and liberalization processes, specifically during the years identified in the book. LDCs with similar political conditions, economic situations and public opinion can encounter similar problems, reform failures and successes. However, there is convincing evidence in the book that telecoms reforms in most LDCs yield positive socio-economic effects to both the private investor (local or foreign) and the country's SOTE and economy. Telecoms markets also get a boost, as is the case in Malaysia, Mexico, Thailand, Chile, Jamaica, South Africa and Argentina.

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Entrepreneurship: Perspectives on Theory Building

Ivan Bull, Howard Thomas and Gary Willard (Eds)

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Entrepreneurship: Perspectives on Theory Building is an attempt to bring some coherence to the variety of approaches used to explain entrepreneurship. The extent to which this contribution is able to achieve a common theory of entrepreneurship is limited since the book is an edited collection of papers, presenting divergent methods of examining entrepreneurial activity. Despite this limitation, this book makes a useful scholarly contribution to an area which has important economic consequences.

The book is based on six articles presented to a conference held at the University of Illinois. These chapters provide both macro and micro theoretical perspectives on theories of entrepreneurship. The form of the conference proceedings is maintained through the inclusion of 'expert' commentary on each of these papers.

In addition to these chapters, there are three other chapters which attempt to establish common themes and provide a synthesis of the issues being addressed. The presence of so many chapters attempting to draw the other six together is sometimes repetitious and a distraction from the objective of theory building. The result is that too much of the book is devoted to restating and summarising material presented in the six chapters dealing with different theoretical approaches to entrepreneurship. Points are restated in both the 'Comment' on each chapter and three overview chapters.

However, Bull and Willard's attempt at synthesising entrepreneurship literature and

the subsequent chapters of this book makes an important contribution as a review of the literature, as an analysis of the issues, and as insights into the future development in theory.

Bull and Willard undertake the task of synthesising the theory of entrepreneurship ('Towards a theory of entrepreneurship'). These authors identify the main themes in entrepreneurship as defining the word entrepreneurship, consideration of the psychological traits of an entrepreneur, an analysis of successful entrepreneurship, the study of the formation of new enterprises and the environmental factors affecting entrepreneurship (p. 2). The importance of psychological traits is dismissed by these authors who focus most of their 'theory building' analysis on the conditions under which a new combination causing discontinuity will occur, namely task-related motivation from the initiator (a 'vision'), expertise and know-how, expectation of self-gain and a supportive environment.

Bull and Willard use these conditions as a starting point for building a unifying theory of entrepreneurship. However, the need to develop a coherent theory of entrepreneurship is unconvincing. These authors argue that a theory of entrepreneurship has important implications for financial markets, teaching, research and public policy. The following chapters, however, provide convincing evidence that the theory already exists, although there is considerable diversity in approaches and emphasis as is the case with most bodies of knowledge.

Indeed, one of the tasks undertaken in the following chapter, 'Formal entrepreneurship theory in economics: existence and bounds' by William Baumol, is to demonstrate that a body of entrepreneurship literature already exists, at least with respect to economic literature. Here, Baumol presents some interesting new insights into his own research on the implications of economic theory for entrepreneurship. This chapter begins to extend the content of the book beyond reviewing the literature, to making an original contribution to knowledge on entrepreneurship. Baumol achieves this through an analysis of fluctuations in the supply of productive entrepreneurs, the diffusion of entrepreneurship and the routinization of innovation.

While it is sometimes difficult to link this chapter to the broader task of developing a general theory of entrepreneurship, this contribution raises some interesting issues concerning the ways in which changing industry structure is impacting on business strategy. For example, entrepreneurs organising technology cartels might be considered to improve the efficiency of technology transfer, while an acceleration in the speed of technical progress has improved the returns on delaying the introduction of innovation.

Thus, as suggested by McGee's commentary on this chapter, Baumol's main contribution addresses the implications of theory for entrepreneurship strategy rather than constructing entrepreneurship theory. Other contributions are more significant with respect to theory building.

Van De Ven's paper returns to the task of theory building in the chapter entitled 'The development of an infrastructure for entrepreneurship'. This chapter is one of the more important contributions to the book, since it adds to the theory of entrepreneurship, and has important implications for policy, industry structure and resource allocation.

Van De Ven proposes that infrastructure for entrepreneurship evolves at the 'microlevel of individual entrepreneurs in private firms, government bureaus, research institutes or various trade associations' (p. 47). His approach has clear parallels with interactionist theories of society and is established by arguing eight propositions relating to the social and commercial relationships existing between all stakeholders.

This chapter provides a welcome focus of attention to institutional design, social

relations and entrepreneurial activity in sectors other than for profit. While the author relies mostly on previous studies to argue his case, he puts forward a compelling argument, not only for the inclusion of environmental factors in a general theory of entrepreneurship, but also for a framework which provides some insight into the way these factors are fashioned. It is also a welcome addition to find a commentary which extends beyond a summary of the content, and adds critical analysis. In this respect, Levenhagen's request to go further in applying theories of social construction is also a useful contribution to this interesting debate.

Similarly, an interesting theoretical debate is generated in Howard Aldrich's chapter entitled 'Entrepreneurial strategies in new organizational populations'. This contribution also focuses on the legitimisation of new forms of organisation, and the processes by which innovations (new forms) are accepted within prevailing cultural and social norms. According to Aldrich, these institutional forces are a significant influence on the capacity of entrepreneurs to develop new forms, especially 'if a new population faces overt conflict with another population' (p. 102).

For Farjourn ('Comment'), this analysis fails to consider the time that it takes existing interests to realise that a new form is a threat to existing stakeholders and does not consider the distinction between a new form which substitutes or compliments existing activities. Despite these criticisms, Aldrich also provides important insights into the environmental factors affecting entrepreneurship and thus the theory of entrepreneurship. This work has important implications for both strategy and theory. The contributions of both authors to this chapter are amongst the most important and interesting in the book.

There is far less debate and analysis in William Gartner's paper on 'Aspects of organizational emergence'. Although the author only claims the contribution to be a 'polyphonic presentation of ideas about the nature of entrepreneurship', the chapter detracts from the academic sophistication of the whole book and provides little with respect to the broader objectives of the book (i.e. constructing a theory of entrepreneurship).

Incredibly, Hills' commentary on Gartner's anecdotes and unfocused discussion of disparate aspects of organisations begins with the claim that Professor Gartner 'has written another truly pioneering work' (p. 86). At this point, the book loses its credibility as these notes lapse into flattery of an undisciplined composition of stories and issues. It is difficult to find substance to Hills' claim that this chapter 'has added a major contribution to the literature' (p. 88).

Finally, Arnold Cooper presents a chapter on 'Challenges in predicting new firm performance', which is an analysis of methodological issues confronting research predicting the performance of firms. In some ways the conclusions of this chapter are predictable. Cooper indicates that 'our ability to predict performance of new firms is limited' (p. 120) and that 'stochastic nature of the processes, the importance of non-economic goals and the instability of performance levels, place limits on what can be done' (p. 120).

While this chapter is an interesting analysis of the limitations of method, its implication for entrepreneurship theory is not as explicit as it might have been. Here, the author reflects on how theory is able to inform methodology rather than building theory from research. Despite this limitation, the paper provides some important insights into the problems associated with studying entrepreneurship and some improvements which might be considered with respect to future research.

The task of drawing implications for theory is undertaken by Raphael Amit in his commentary on Cooper's analysis. He argues that these methodological issues demon-

strate the need to develop theory from an interdisciplinary perspective, highlighting both predictive and explanatory aspects of theory. Taken in combination with Cooper's analysis, Amit's comments make an important contribution to the broader task of building theory.

As is the case with many edited books, the quality of the chapters is uneven and the contribution of each chapter to the main theme, theory building, is variable. These problems may also emerge from the book representing proceedings from a conference, rather than a structured project where authors are given clearer direction relating to their contribution. However, the book still provides some interesting insights and represents further development in the construction of a theory of entrepreneurship.

A satisfying feature of the book is its focus on issues other than the psychological traits of entrepreneurs, to include the context in which entrepreneurship develops. The main weakness of the book is its lack of coherence around the theme of theory building. The task of building theory of entrepreneurship is important but some chapters failed to develop around this theme.

It is reasonable to expect theory to diverge according to the disciplinary perspectives informing its development. Indeed, the authors of some chapters appear to expect too much with respect to developing a unified theory of entrepreneurship. This book presents some chapters which make an important contribution to this task and should be included in the reading list of those interested in the study of entrepreneurship.

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