Wealth, Expertise, and Political Entrepreneurship

Political Innovation in a Pacific Chinese Community

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“One might argue that in the activities of the entrepreneur we may recognize processes which are fundamental to questions of social stability and change, and that their analysis is therefore crucial to anyone who wishes to pursue a dynamic study of society.”

Fredrik Barth, 1963: Preface

This paper has two aims. The first is to describe a political event and its implications for change in a Chinese community in the South Pacific. The situation described falls under the general rubric of generational conflict presently being observed in many Hua Ch’iao communities, where leadership is not passing smoothly, but is being yanked abruptly from Old Guard elite by young, local-born leaders who, although acculturated, see themselves not as less Chinese but as more modern in outlook. The second aim is methodological; the paper attempts to expand the utility of the analytical model of entrepreneurship developed by Belshaw (1955) and particularly by Fredrik Barth (1963, 1966, 1967), by applying it to political behavior in a more rigorous way than that found in the pioneer attempt by Harold Eidheim (1963).

Stressing the analysis of process over form for purposes of revealing the dynamics of social and cultural change, Barth chooses a transactional model of social interaction (choice making in the context of social and cultural restraints and incentives). As a special kind of exchange, entrepreneurship is shown to have a special relevance to social and cultural change; the entrepreneur is often a “culture broker,” introducing new ways of allocating value. To Barth, entrepreneurship is not perceived as an institutionalized role but as a “certain quality or orientation” that may appear in greater or less degree in the strategies and their behavioral manifestations of individual actors (Barth

1 A shorter version of this paper was read at the annual meetings of the American Anthropological Association in Seattle, November 1968. The field work from which the data derive was carried out during 1959–61 supported by research grants from the Department of Anthropology, Harvard University.
1963: 6). It will be convenient, nevertheless, to describe persons who display such orientations in defined contexts (not necessarily or even possibly in every context) as “entrepreneurs” with regard to those contexts. Thus, in an ethnic minority (Chinese) in which a high proportion of persons may accurately be described as entrepreneurs in the commercial context, intra-group relations disclose conventional attitudes on the part of the many toward non-commercial transactions (e.g. those involving prestige and power) such that the innovative strategies motivated by self-interest of an entrepreneurial few not only break new ground, but are successful (when they succeed) in spite of, rather than because of values held by the many prior to the success of the enterprise.

The special characteristics of the entrepreneur, according to Belshaw and Barth, are (1) a “more single-minded concentration on the maximization of one type of value: ‘profit’”; (2) a “more experimental, less institutionalized” approach to the maximization of profit, based on “deductive prognoses” rather than empiricism (i.e., the entrepreneur is consciously innovative); and (3) the entrepreneur’s “greater willingness to take risks,” such that he may forego minimax strategies for less conservative ventures (Barth 1963: 7–8).

Consciously innovative and motivated by the desire for profit, the entrepreneur is frequently opposed by the conservative force of conventional thinking, yet his successes become imitated and institutionalized. The student of business enterprise is familiar with the process. For the anthropologist, interest in the entrepreneur stems from the wide applicability of the analytical model. Expansive transactioning with the aim of maximizing values other than money profits have long fascinated him: pig feasting in Melanesian “big man” competition; Northwest Coast potlatching, etc. suggest that expansive transactioning aimed at the maximization of prestige/power may also be analyzed as entrepreneurship. The activities of the Berber “saints” suggest that attempts to maximize the reputation for generosity and piety may also be treated as entrepreneurship (Gellner 1963: 153).

Entrepreneurship is aimed at profit. Barth has made an essential point in insisting that, whatever the form of value maximized, it must be “transitive,” i.e., convertible into a form utilizable by the enterprise (Barth 1963: 8). Homans (1958: 597–606), in a seminal article, advocated treating social interaction as exchange, where an individual “profited” if his returns outweighed his costs. Barth, by insisting on the transitivity of values relevant to the calculation of profit operationalizes this approach by disallowing the appearance of psychological utilities in the costs-benefits balance sheet. The measurement of these subjective evaluations may be valid for the study of motivation; it is, however, irrelevant for the study of expansive transactioning, because pleasure cannot be reinvested in further maximization of value. Barth’s interest, and that of the author’s, is not what makes an entrepreneur, but what the entrepreneur makes, and the implications of this for change (Barth 1967: 664).

1 It seems needlessly confusing to call profit a “type of value.” What Barth evidently means here is that profit is maximized with regard to one type of value.