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Book Review

Developing Successful Agriculture: An Australian Case Study, edited by Zhang-Yue Zhou (James Cook University, Townsville). Published by CAB International, Wallingford, UK, 2013, 240 pages, ISBN 9781845939458, AUD\$115.92 (hardcover).

Dr Zhou dedicated this book to the men and women of rural Australia for their dedication and contribution to advancing Australian agriculture. He tells a positive story, perhaps even a moderately sugar-coated one, about the resources available, the institutional framework, entrepreneurial and innovative farming communities, and proactive research investments that helped Australian agriculture succeed in a fragile and difficult farming environment. He is well placed to make these observations, having come to Australia after studying agricultural economics in his native country China. Since arriving in Australia, Dr Zhou has added further academic qualifications, taken an enthusiastic interest in Australian agriculture, as well as written extensively with a wide range of local and overseas co-authors on issues related to developing country agriculture, with a focus on China and India.

The book is presented in three sections: (i) an introduction to the success of Australian agriculture; (ii) a section describing reasons why this success has been achieved; and (iii) a final section spelling out some of the significant challenges that stand in the way of continuing success.

As might be expected, the first section reviews the development of Australian agriculture over the 220 years since Europeans first arrived and summarises the current situation in the main industries. Unfortunately, there are only a few sentences reminding the reader that aboriginal settlers arrived in Australia about 40,000 years before any Europeans began exploring this part of the world. It is true that vast areas of native vegetation have been cleared for human activities since European settlement, but unfortunately there is no discussion of the impact that fire, often caused by the original inhabitants who were hunters and collectors, had on the flora and on the landscape, over that lengthy period preceding European settlement.

The early years of agriculture in Australia were clearly difficult as the new settlers, mostly unfamiliar with farming, tried to introduce European farming methods into a hostile environment. I agree totally with the author when he says it has been a remarkable achievement to move Australian agriculture from such a poor start to the advanced industry that we see today. The objective of Zhou's book was to spell out the reasons for success of Australian agriculture and he emphasises the positive things about the industry sector. To give a balanced commentary, some of the adverse outcomes from Australian agriculture also need to be recognised. In Zhou's view, the factors that achieved success were less government intervention in

agriculture and the eventual removal of regulations to achieve a free market for most agricultural products. Due largely to good matching between the resources available and choice of commodities to produce, our pioneer farmers were internationally competitive and delivered high-quality products. Until recent knowledge highlighted the potential for environmental damage caused by agriculture, their farming methods were heavily focussed on achieving maximum output from the resources available to them.

Other reasons for success include the predominance of family owned and operated farms, the innovative drive to replace expensive labour by mechanisation wherever possible and a willingness to adopt new technology quickly as it became available. In regard to mechanisation, a point that Zhou does not spell out is that Australian farmers and machinery developers were world leaders in the late 19th and early 20th centuries, contributing such innovations as the stump-jump plough, machine shears for sheep and refrigeration to maintain quality of food products on the long sea voyage to Europe. Grain strippers and subsequently combine harvesters for grain and sugarcane were other Australian inventions, while agricultural scientists and innovative farmers showed that correcting major and minor element deficiencies could improve pasture and animal productivity. Zhou's book picks up the contribution from proactive R&D investments from a much more recent time, with the advent of the Rural R&D Corporations and Cooperative Research Centres (CRCs) focussing on agriculture, and the widespread adoption of the co-investment model for research. While that model has been particularly successful in Australia, that success was built on the experience from an earlier era, when research was a much less formalised process, yet innovations delivered many outstanding benefits to Australian agriculture.

While there are a lot of success stories to tell about Australian agriculture, there have also been some disastrous failures along the way that do not get mentioned adequately in this book. For much of Australia's short history as a participant in global economic activity, it was a single industry, wool, that was the main contributor to the national economy. The demise of the wool industry is graphically told in Charles Massy's book, *Breaking the Sheep's Back* (Massy 2011). While the basic facts of the wool reserve price scheme, including the accumulation of the massive stockpile of 4.7 million bales of wool and its subsequent disposal are recorded, and the decline in sheep population to just one third of that at its peak is mentioned, the commentary does not reflect the enormous cost to the wool industry caused by the policy blunder of the wool reserve price scheme and the impact of its demise on Australian agriculture. This is one instance where a reference to other published work would have been helpful to guide readers to some of the darker side of Australia's handling of major agricultural industries.

Zhou correctly describes the institutional setting in which Australian agriculture operates as one of the key reasons for its success and backs this up with a framework starting from the Australian Constitution and shows how

the various responsibilities of government are divided. He spells out the details about land ownership and the other public services that the formal mechanisms of government control to protect farmers' interests. Beyond the formal government structure, there are also the political and agro-political organisations that have a big influence on agricultural policy. Indeed, the farmers' organisations of the late 19th century, and their opposition in the labour union movement at that time, led in part to the formation of today's major political parties in Australia. The political party favoured by most farmers has been a member of the conservative coalition that has held the majority of seats in the Federal Parliament for much of the period since the Second World War and still manages to have a significant influence on economic policy, although not always achieving outcomes that are in the farmers' best long-term interest.

There has always been a multitude of farm organisations in Australia embracing cooperatives, associations and federations which operate at local, state and national level as the book describes. Zhou attributes a lot of credit for the success of Australian agriculture to the farm organisations, citing the National Farmers' Federation as an effective body that represents farmers' interests at the National level, while its affiliated state bodies, that mostly deal with farmers' local issues, are part of an effective federated structure that has achieved policy success in trade liberalisation, tax reform, education and training, and the environment. However, recent research by the Australian Farm Institute that was not available to the author at the time of writing this book has pointed out that the farm organisations need to change their ways of operating if they are to continue to provide the services that farmers will require to survive in the future (Potard and Keogh 2014).

In closing, I offer a few more comments on the presentation of this book. The author clearly contacted a wide range of authorities, ranging from a couple of former Ministers of Agriculture to practising farmers, to develop his views. The layout of the book is helpful with the usual table of contents, lists of tables and figures, a list of abbreviations and a glossary (although a relatively short list to explain terms some readers may not be familiar with). The text is easily readable, although I suspect most readers would use the book for reference, rather than read it in its entirety like a novel. As such, it is a useful, up-to-date reference about Australian agriculture. I think the author achieved his worthy objective of providing a commentary on Australia's agricultural development that will help developing countries learn from Australia's experience. Although farming practices in developing countries are vastly different to those in Australia, I agree that there are many valuable lessons to be learned by those countries from our experience.

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