

## Book reviews

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**Michael McElroy, Chris P. Nielson and Peter Lydon, eds: *Energizing China: Reconciling Environmental Protection and Economic Growth***, Harvard University Press, Cambridge, MA, 1998, 719 pp.

Protecting the environment is now a matter of universal concern but not all countries are equally aware of its importance. Critics of industrialization abound in the West; they were until recently thinner on the ground in Asia. Now, the reckoning has to be faced in terms of human systems. The price China has, for example, had to pay for its fast industrialization and rapid economic growth has been substantial in terms of environmental damage. Energy-derived despoliation comes top of the list, according to the World Bank. Equally, the possible steps it can take to deal with the mess are more assuredly technologically-based. In McElroy et al.'s superb edited work *Energizing China: Reconciling Environmental Protection and Economic Growth*, the cost and possible technologically remedial steps are highlighted. Two of the editors are at Harvard and the third at Berkeley.

In nearly 20 chapters, the many highly qualified contributors cover both economic and technical aspects of the pollution problems afflicting many parts of China. A number of the pieces are extremely detailed and written in highly technical language by the members of the joint Harvard-China project, set up by its University Committee of the Environment (UCE). The initiators of this project deserve high praise for their foresight and wisdom. This work is a massive piece of scholarship on a truly and commendable interdisciplinary foundation. The editors try their best not to sound too pessimistic but the overall impression of many of the papers included does not augur too well for the short- and medium-term.

In parallel, the Special Issue of an eminent journal in Asian affairs, namely the *China Quarterly*, which came out in late 1998, specifically on *China's Environment*, also deals very comprehensively with the substantial environmental costs of rapid economic change in the PRC. In its introduction and 12 detailed articles, it covers many background and research aspects of challenges to the Chinese environment. Some of pieces may have rather more detail than even many academic readers may seek, but are less technical than in the McElroy et al. edited volume. The journal continues its

fine record in interpreting contemporary China to both specialist and lay audiences.

The problems of cleaning up China's environment and the huge cost involved remain substantial challenges to the meliorists. Today, the PRC stands at the crossroads. Firm decisions must be made if essential supplies, such as water, are to be safeguarded. Those who relentlessly advocate unthinking economic growth at all costs will find much to their advantage in closely reading and studying these penetrating analyses of China's environmental tragedy.

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**Karl Moore and David Lewis, *Birth of the Multinational: 2000 Years of Ancient History, from Ashur to Augustus***, Copenhagen Business School Press, Copenhagen, 1999, ISBN 87-16-13468-0.

In 1993, John Dunning wrote in his study *Multinational Enterprises and the Global Economy* that the origins of the multinational enterprise could likely be traced back to the ancient world, and suggested that some scholarship in this area would be both fruitful and rewarding. Now Karl Moore and David Lewis have taken up the challenge. The authors (one a business academic, the other a classical historian) have compiled a detailed account of the growth of multinational business virtually from the dawn of Western civilization.

Histories of this period show how the development of technology and the growth of urbanization went hand in hand, as specialized labour and knowledge grew in importance. Moore and Lewis add a third element, international trade. From at least 2300 BC, the city states of Sumer were trading with their neighbors. The Sumerians and later the Assyrians built up formidable trade empires. This system reached its apogee with the Phoenicians of Tyre and later of Carthage, who first traded and later expanded their business empires to encompass the whole of the Mediterranean, West Africa, much of Western Europe and the Middle East. Carthaginian ships may even have traded with the Americas, according to one source.

Although private enterprise flourished in this Phoenician trading empire, a strong degree of central control remained. The true free market began in Greece, around the beginning of the classical period. Wealth gained from international trade made possible the great art works of ancient Greece, and also the writings of Socrates, Plato and Aristotle. When Greece declined, a new commercial power emerged, that of Rome, which combined the free market ethos of the Greeks with a kind of 'military capitalism' that saw wealth closely linked to political and military power. By the time of the Caesars, true multinational private enterprises had emerged. To give just one example of the many cited by Moore and Lewis, the Roman entrepreneur Decius Alpinus established factories first in Rome, then in Vienna and later in Gaul (now France) in an attempt to locate production close to key markets. The Roman model was based on strong family involvement and survived until well into the modern period; indeed, in some parts of Europe it survives to this day.

This is a fascinating book, of interest to both to historians and to business academics and professionals. Although the tracing of the origins of the multinational business to the beginnings of Western civilization is indeed interesting – and hopefully humbling to today's masters of the universe, who tend to think they have invented it all themselves – the real significance of this

book may be in its descriptions of the different economic and organizational forms used by the ancient states and entrepreneurs. Sumer, Assyria and Phoenicia operated systems with high levels of state (and temple) involvement, based on cooperation and collaboration. The Greek and Roman model, on the other hand, tended more towards unfettered free market capitalism (the first comparison between business and war probably comes from the Greek orator Demosthenes). A comparison of these rival systems, and the reasons for their decline, can shed important insights on our own situation today.

There are some oversights in this book – for example, Moore and Lewis do not mention Egypt, itself a considerable economic power of the time – but this is quibbling. This book represents an important step forward, both in illuminating some of the origins of modern business and in applying modern business analysis to earlier business and organizational forms. It should be essential reading for any postmodern business researcher. We need more books like this.

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