Despite the promise of its subtitle, this book does not adequately address the so-called ‘new economy’, usually taken to refer to the impact of the newer electronic communications and information technologies on business from the late 1990s. Instead the book as a whole seems to celebrate uncritically the emergence of the capitalist world economy since the demise of the Cold War. Though comprised of articles published in recent years in HBR (though not duly cross-referenced) the theme of this volume betrays the fact that it was first formulated in 1994 and re-published most years since. Edited by a dean of the Yale Management School, almost half of the contributors to this volume seem to have current or past associations with Harvard Business School.

Part I on emerging markets opens with a chapter by Prahalad and Lieberthal heralding the demise of corporate imperialism, defined as the export of western ways of doing business. Signaling new ways for operating not just in other developed countries but worldwide, including in the home country, the authors believe this will entail re-thinking target markets, resource bases, product development, cost structures and organizational cultures. But this obituary may be premature given the entrenched ethnocentrism in US management, and the deference of emerging/transitional economies in the post-Cold War towards its championship of the western capitalist model. One indication of this would be the fact that this very chapter seems to ignore the possibility of national firms in the emerging/transitional economies going regional, even global, without needing to piggyback on US and European MNC’s.

Chapter 3 by Dawar and Frost who pile example upon example of local companies in the emerging/transitional economies, which have not just survived the onslaught of global competition but thrived on it. Significant examples analyzed in some detail include Skoda’s decision to sell out to Volkswagen, Bajaj scooters of India’s decision to compete head-to-head with Honda’s joint-venture, and Russia’s Vist computers redefinition of itself as a distributor for competitors’ products! Furthermore the authors argue that those local firms which have transferable competitive assets have been able to expand into similar markets abroad, even contend with western MNCs in niche markets, depending of course on their respective industry pressures to globalize. In his own chapter, editor Garten warns of the risks, which accompany the opportunities in such emerging markets. But his advice about MNCs needing to anticipate and respond to political and economic disruptions there appears rather belated published after the Asian, Russian and Brazilian financial crises of the late 1990s.

Part II is simply titled Europe and Asia, admitting quite honestly that almost nothing is said about Latin America, Africa or Australasia in a book purporting to be about corporate strategies for a global economy. In discussing the Euro zone Chapter 5 which comprises 3 mini-articles by senior business executives, neglects the rest of Europe, notably the transitional former Eastern bloc nations. In Chapter 6, Williamson analyses some of the lesser known Asian companies which have given US, Western European and Japanese MNCs a run for their money. Still the six-fold nomenclature of such Asian competitors has some quite odd clusters, such as Malay and pan-Asian, the latter being a mixed-bag of Southeast Asian firms. This also reveals a culturally myopic tendency in the West typically to define Asia as East Asia and ignore South Asian, much less West and Central Asian businesses.
The chapters in Part III of the book deal with various phenomena of the globalizing economy. Whether business alliances are a fad or enduring organizational form, and how effective they are in competing with other groups of companies is helpfully assessed by Gomes Casseres. The chapter on managing expatriates by Black and Gregersen adds little new to the received wisdom in international HRM, though it might serve as yet another pointed reminder to ethnocentric home-nation managers of the need for cultural sensitivity. Unfortunately such warnings seem futile, seldom resonating at corporate headquarters except with those who have significant experience in another country and culture who paradoxically no longer need reminding. Given the lack of emphasis on the 'new economy', the single chapter on IT looks decidedly out of place, almost a digression. Its comparative study of approaches to managing IT lends some insight, yet seems to hark back to the 1980s fad of contrasting Japanese and Western practices in stereotypical fashion. Other chapters deal with global production, R&D, regional industry clusters and local community linkages, the latter two by Harvard stalwarts Michael Porter and Elizabeth Moss Kanter.

A deft touch is Part IV of the book which comprises brief interviews by academics of CEOs of trailblazing corporations. Notable is that with Victor Fung, whose Hong Kong-based trading company may not be a household name but who quite uniquely was an academic, albeit at Harvard, before turning businessperson. While there is nothing really new about the concepts of dispersed manufacturing and supply-chain management discussed, the real-life examples and challenges from the 'big-little' firm of Li & Fung have a certain charm. By contrast the two other interviews with Monsanto and BP about sustainability and learning organizations respectively have a whiff of public relations posturing.