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Brown, R.A. The Chinese and Indian Corporate Economies: A Comparative History of their Search for Economic Renaissance and Globalization. London and New York: Routledge, 2017.

Katon Lee Ph.D.

University of Bristol, Katon.lee@bristol.ac.uk

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Brown, R.A. *The Chinese and Indian Corporate Economies: A Comparative History of their Search for Economic Renaissance and Globalization*. London and New York: Routledge, 2017.

This book, which originated from an academic project on China and the International Economy in 2004, adopts a comparative perspective to investigate the global economic progress of China and India through historical, empirical, and theoretical sources. By comparing and contrasting these two major growing economies in contemporary times, the work aims to answer how both countries, after centuries of economic stagnation, began to develop rapidly during the latter part of the twentieth century and into the twenty-first century, even pulling ahead of western economies. In the book, Rajeswary Ampalavanar Brown focuses on a wide range of business issues shaping the Chinese and Indian economies—including the roles of the states; the countries' legal frameworks, markets, commercial, financial institutions, and stock markets; and both countries' overseas trade—in order to examine their patterns of globalization. On top of providing economic, commercial, and legal analysis, the author examines the significance of culture and local identities, which have also shaped economic and organizational structures in both countries. She also aimed to show how political, socio-cultural, and intellectual traditions have played a pivotal role in Chinese and Indian economic development. Showing the contrasting backgrounds of Chinese and Indian commerce, laws, and culture, this study provides an explanation as to why the two countries have carried out different business reforms and pursued different development strategies for economic globalization.

This comparative study pertains to the dual disciplines of economics and business history. It comprehensively sheds light on macro-level changes and statistical evidence as well as commercial and cultural institutions of China and India. Avoiding models filled with hypotheses and extrapolations, this study relies on sources such as business cases, bank archives, and laws, as well as a wide range of secondary literature. The book comprises 15 chapters and a conclusion. The first chapter is an introduction of the research. Chapters 2 to 9 predominantly pertain to China, while chapters 10 to 14 to India. The fifteenth chapter and the conclusion compare and contrast the two countries, analyzing and drawing conclusions about their respective strategies and trajectories of global economic development.

To delineate the economic transformations of China, Brown, in the second chapter, first provides us with a historical background of China's restructuring of state-owned enterprises since 1978, when economic reforms introducing market principles were carried out in order to open up the country to foreign trade and investment. She studies the transformation of large, state-owned Chinese enterprises from sole state-owned proprietorships to independently-owned enterprises; she focuses on diverse ownership and the mergers of such enterprises. Particular attention is paid to the Special Economic Zones¹ and the relationships between such zones and the reforms. Her discussion shows that such zones resembled laboratories which facilitated the gradual liberalization of the Chinese corporate economy. In chapter 3, the retailing sector is used to illustrate the close relationship between Chinese consumption and the political and legal status in China, which made it hard for foreign multinational companies to enter the Chinese retailing and consumer market. Chapter 4 sheds light on the cultural side of businesses in China, showing how *guanxi* (trust) facilitated social networking and business operations but simultaneously bred corruption and nepotism in Chinese corporations. Financial reform in Chinese banking and the Chinese stock market is criticized in the fifth and sixth chapter. Brown delineates the risks in Chinese banking and stock exchanges due to their high level of dependency on the state. She asserts that the close linkage between political and financial institutions hindered the introduction of laws and impaired the accountability and transparency of business operations, resulting in

dangerous and inefficient economic institutions in China. In chapter 7, Brown turns her attention to the labor side, studying the structure of labor and its productivity in relation to socio-economic and legal reforms. Focusing on the different transformations of corporate structures and institutions in both China and India, she argues that as a result of such changes, the Chinese government maintained a pragmatic attitude and strategy in rural economic development (whereas the first political priority of India was the protection of rural workers). The eighth chapter concerns the technological level and competitiveness of Chinese corporations. Brown uses theoretical frameworks and real-life business cases to analyze the research-and-development (R&D) strategies of Chinese corporations and the state as well as the implementation of such strategies. She shows how Chinese dependence on western technology led to skewed development and fluctuations in corporate performance and how such problems limited the growth and competitiveness of Chinese R&D-related corporations. Focusing on three patterns of China's pathway to globalization in chapter 9, Brown studies joint venture, acquisition, and the establishment of subsidiaries overseas through a series of case studies of Chinese firms. She appraises these strategies and concludes that capital accumulation, diversification of financial sources, and improved marketing of Chinese corporations were the major forces behind China's globalization.

Brown depicts a different trajectory of the globalization of the Indian economy in chapters 10 to 14. She first provides a historical examination of business operations in Indian firms since the eighteenth century and illustrates a series of economic and industrial reforms in India between the 1940s and the 1990s, with a particular focus on legal transformations and their impacts on the Indian economy. She argues that the economic and legal frameworks set by Britain fostered free markets and growth of foreign direct investment in Indian manufacturing, while Indian entrepreneurs kept their power and control over production and trade networks at home and overseas. A close and cooperative relationship was therefore formed between Indian and European firms on a global scale. In the eleventh chapter, Brown illustrates the close relationships among Indian business corporations, Britain, and the Indian state through a series of case studies, showing how such ties supported the operations and growth of the firms. She further examines the role of finance in the Indian corporate economy in chapter 12, with a major focus on laws, banking systems, and stock exchanges in India, aiming to show how such institutions influenced business operations, performance, and development. Brown also paid attention to the role of Islamic culture in Indian businesses. In chapter 13, the author examines the Islamic *waqf*—an endowment made by a Muslim to a religious or educational institution (similar in nature to the establishment of a trust)—is interwoven with religion and the social economy of Muslims. She introduces the *waqf* as an Islamic institution and compares it with Western capitalism and the Chinese lineage association, the *tong*. She argues that the *waqf* serves as an institution that provided a structure for the Muslims to empower and create ethical forms of capitalism. Last but not least, Brown examines the institutional changes in labor utilization in agriculture and industry as well as flexible specialization in handicraft businesses and manufacturing, illustrating how changes in laws and welfare policies as well as mechanization facilitated the casualization² of labor and increased labor exploitation.

Brown examines and compares the Chinese and Indian corporate economies in chapter 15, attempting to answer why China and India came to be powerful in the twentieth and twenty first century—even overtaking Western economies after a long cooling-off period. She states in her conclusion that the construction of laws on financial institutions and labor had a crucial impact on the economic development of China and India but that more importantly, the role of the states and trusts, manifested in various cultural forms, played a pivotal role in globalizing Chinese and Indian corporate economies. Adopting political, legal, economic, and socio-cultural perspectives, this work is a comprehensive and in-depth

comparison of the economic development of contemporary China and India that insightfully presents the ‘economic renaissance’ of the two major Asian peripheries.

¹ Special Economic Zones are specially designated areas within a country that enjoy special economic regulations that are meant to encourage direct foreign investment.

² The casualization of the workforce includes the increased reliance upon contracted, temporary, part-time, or transient labor—as opposed to full-time employees.

Katon Lee PhD
University of Bristol
katon.lee@bristol.ac.uk