FINANCE INDIA
© Indian Institute of Finance
Vol. XXVII No. 4, December 2013
Pages—1357—1374

Book Review

Editor's Note

Our policy is to review all books which are either sent to us or in our opinion are useful to our readers.

Saw, Swee-Hoch & John Wang; *Regional Economic Development in China*; Institute of South East Asian Studies, Singapore, pp. 332, Price NIL

In May 2008, the Saw Centre for financial Studies, NUS Business School, and East Asian Institute, National University Singapore Jointly organized the International Conference on China's Regional Economic Development Corporate challenges and Opportunities. The Fourteen Chapters included in this book consist of a selection of thirteen papers presented in the conference and subsequently revised in publication. Economic growth for the past three decades averaged at 9.7% China today is the worlds third trading power after United States and Japan. For a huge and diverse Centennial Economy like China, infact, all large economies always face a serous problem of economic disintegration because of geographical barriers and high transport costs. Before World War II, China's coastal regions were much more developed than its interior, after Mao took Power in 1949. He tried to balance china's development by developing parts of Southeast China and Northeast Asia. This is helped by brining development away from China's coastal provinces at same level as new areas in the interior

In 1978, On the eve of Deng Xiaoping's economic reform and open door policy, China's economy was highly disintegrated and fragmented. It was not just province and cities that tried to be as economically self- reliant as possible, even a large industry or large state owned industry tried to produce everything . Economy was filled with inefficiencies and local protectionism, Dengs economic reforms meant the involution of the market system, while the open-door policy meant reconnecting china with the global economy for more trade and investment. Coastal provinces were on the forefront of China's post-reform development because of their inherent comparative advantage in terms of their great human resources, better infrastructure, and closer overseas market connection. Surprisingly, regional development gaps continued to get widened in the 2000, particularly after China's accession to the WTO. Accordingly, China's Five year Plan (2006-10) emphasized, for greater efforts to rebalance China's development pallets and reduce both regional and income disparities. Infact, regional or local government in China have all along played an extremely important role in china's development. Though China is a Unitary State, yet China was government much like a de-facto federation specially with the introduction of economic reforms. Each region or locality was supposed to be mainly repairable for its own economic and social development. Local governments in alliance with local interest groups and local businesses in all paused for higher economic growth by vying for more domestic and peering investment. China's economic growth continued to be the sum total of all its regional growth. Regional disparities also continued to persist.

Liu Eeng in chapter two says that China's overall regional development strategy was to focus on developing its four great regions (the "Four plats") in a distinctive way. The goal is to bring about a proper regional development pattern for the country as a whole within the so-called "1-3-3-4" framework. One is for balanced development for each region. Three is to establish a unified rational market. "Another three is to develop regional policies for the "Fan plates" Lastly, four is to set up for kinds of co-ordination mechanize. In Chapter 3, Wei Houkai argued that China's regional development had entered a "watershed" period, Author focused on the metamorphoses of China's regional economic growth patterns and regional desparity from the perspective of industrial agglomeration and corporate relocation.

Guo and Feng, in Chapter 4, on the basis of their case studies of Shenzhen on Dongguan observed that rising labour and land costs in recent years, along with the revaluation of the RMB, brought the need for industrial transition and industrial upgrading Pearl River Delta).

Author analyze the development path of Pearl River Delta (PRD) in Chapter 5. His main conclusions are. First, the PRD region is dread a mega city and is able to compete with any other national/international mega and the new landscape plan in the PRD mega-city region are characterized by past – industrial spatial and social structures. Finally, the PRD mega-city development is an ongoing dynamic process, and the flaw of resources bring about not only challenges but also opportunities to many other mega city around.

Toh and Shardre in Chapter 6 discussed and made comparative analysis of two different economic regions namely:- Indonesia – Malaysia – Singapore growth triangle and the PRD region His Z hang and Fu in Chapter 7, examined that changing relations between Shanghai and the Yanglze River After 1949, government intervention and central planning made the Shanghai economy more interactions with the Yangtze Pirer Delta. Following economic reforms and the open door policy in the 1980s, Shanghai and the tangtze River Delta had once again become economically more integrated Today Shaghai has emerged as the unchallenged leader and the indispensable locomotive of the whole Yangtze River Delta.

Chen and Sun discussed Changes in the spatial distribution of population, land use and economic acclivities, in Chapter 8, which displayed the agglomeration of five growth poles. Poles. Shanghai, Waning Hangzhany Suzhan, Wurei and Nigbo. Authors pointed out that the Yanglze river delta region, under the impact of globalizatoin, particularly global capital, is one of China's most developed and urbanized coastal areas.

According to Zhar and Shu, in twenty first century, the Bohai rim has become a new engine of growth, But it is also beret by problems. The past growing economy has caused danger to the ecosystem. Qingdao, the leading City of Shandang Provincw played an extremely important role in the reform, opening up and economic development of the whole Shandong area. Different aspects of Gingdao development are discussed by Han, Lin and Chen in Chlo. Environmental Considerations assumed greater importance in the planning processes of increasing number of government around the world, emphasized by Yang and Lye in Chapter 11. One aspect of their increasing mistreating of environmental needs is the development the amount of resource inputs and Reep waste outputs to a minimum The Singapore Tianjin Eco city aimed to be environmentally friendly, socially harmonious and economically sustainable. This project offered a platform where leaders, officials and businessmen from both China and Singapore could interact and got to know each other better.

Zhao and Du used the Cob-Douglas production function to analyze capital permeation and its impact on regional economic growth in western China. Author compared this with other two regions, central and eastern China in Chapter twelve. Their empirical results revealed that the ability of capital formation in Western China is generally weaker than in eastern and Central China. The effect of FDI on the GDP growth is shortening in western China than Eastern China. Chongquing, the only municipality under the direct jurisdiction of Central Government in Western China, played an extremely important role in the reform, opening-up and economic development of the whole western and Yangtze River economic areas. The Development strategy of Chongquing and Singapore to improve their economic and trade Co-operation Trade, part services and education will be the space for co-operation between Chongquing and Singapore in the future. All these aspects are discussed in Chapter thirteen.

In Chapter fourteen, Lu argued that a disturbing feature of China's hyper economic growth had been its uneven economic growth across the country's vast regions. There is an important link between demographic structures and levels of per Capita income in various regains. With massive net outward migrations, the demographic structures in those provincial economies have increasingly become unfavorable for growth. Lu also discussed the migration patterns across Chinese provincial economies and the Socio-economic consequences and the Socio-economic consequences of labor migration in the contest of uneven demographic transitions across China.

The fourteen Chapters in all discussed in considerable detail the recent shift adopted by the Chinese Government towards the regional development of the country in order to achieve a more balanced economy for the whole country. Economic challenges and opportunities in various parts of the regions were examined in the context of new policy regime. Coverage of varied logics, critical analysis from experts will be a valuable gift to the academic world. This book will be of great help to understand the parables, odds of evens of growth shortages in diversified regional, heavily populated vast country like China. This book will be invaluable to businessman, analysits, academicians, Historians, economists, politicians and policy markers this book is must for each and every library at graduate/ post graduate institutions.

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Bogle, John C.; ***Don't Count On It- Reflections on Investment Illusions, Capitalism, "Mutual" Funds, Indexing, Entrepreneurship, Idealism and Heroism,*** **John Wiley & Sons, Singapore, pp. 603, Price US $ 29.95**

"Don't Count on It" in its own sarcastic, insightful and coherent manner offers the discernments of the author who spent all his life dabbling and earning great fortunes with the financial markets especially the mutual fund industry and shares his insights into the myths and facts investors must be aware about before they enter the financial markets which is a sea full of surprises. He constantly in his book reiterates that people fail to accept realities and happen to make wrong assessments of situations where their average thinking appears to them alone as supreme and hence take extremely wrong decisions in the markets. The book offers anecdotal accounts of recent financial history, complex financial system, soaring debts, extreme market swings and catastrophes created by credit default swaps. As the subtitle suggest it builds on what are investment illusions, a take on why capitalism has failed today; the word "mutual" in mutual funds and its relevance, drivers of newer niches through entrepreneurship, idealism and heroes of his life. Several quotable quotes, historical to contemporary references and inferences make the book an extremely interesting piece to read and treasure in the library. Unlike most books that fail to seek the balance between literary findings and numerical explanation, this book fairs well in advancing logics and assessment of the author in words of wise men, well justified with data analysis and simple understandable numerical explanations.

The book is divided into seven parts that carefully examines distinct aspects of the financial markets, economic philosophy and mutual funds industry as a whole. Part one of the book is on investment illusions. Each chapter unfolds the different illusion centering investments and how to overcome them. The author makes a sound background to the perils that already exist in the markets. Excessive reliance on numbers and statistics is criticized. This part of the book is divided into five chapters, each advancing to unravel the illusions of investment.

The introductory Chapter 1 questions the very basis of statistics and its relevance. The author continuously reiterates the numbers are the whole truth in any circumstance and they cannot be the end to reaching the investment decisions but yes can be used as means to arrive at a decision. He questions several things like our overdependence on the past financial market returns to determine the future; our bias towards optimism; window dressing on corporate balance sheets that create illusions of high future expectations.

Chapter 2 questions further the investment illusions that fund investors in aggregate can capture the stock market returns. Chapter 3 refers to the usefulness of fundamental and technical analysis in efficient markets where it pays to hold the diversified market. He gives advice on holding large stock versus small stocks; value versus growth stocks and on equity performance along with overall stock markets. He makes a straight advice to be aware of the unusual returns for once they happen they would shortly return to zero.

Chapter 4, questions another investment illusion of that "costs don't matter". Here the author refers to the enormous costs of the financial intermediation process, regulations, etc, borne by the financial participants eating away much of the returns of the fund managers. Such financial cost and panic or crises have been considered as a cost to the taxpayers. Chapter 5 unravels the mysteries of intrinsic valuation using corporate balance sheets that are the basis for picking up stocks. With much to the off balance sheet exposure, how much can one rely on these balance sheets to make sound investments.

Part two is rather idealistic and optimistic view to the concept of Capitalism to which many emerging economies readers would beg to differ. Yet for what the author has to offer, is a very refreshingly value oriented view to Capitalism which the present United States has failed to restore or relive in the changing times. The falling values systems are all questioned in this part of the book. He begins his journey of this part by questioning "What went wrong with Corporate America". Corporate mess, financial manipulations, stock market mania and other mark the introduction to this part with Chapter 6.

In Chapter 7 the author refers to the lack of leadership that left the US system broken and directionless. He blames the three leaders namely Alan Greenspan; Bernard Madoff and his Ponzi scheme and President Barack Obama for the persisting crisis. Chapter 8 harpers as to why the values in the business world have diminished and may sooner be referred to as the 'vanishing treasures' in our society. He demands a new fiduciary society and its development in Chapter 9. Black Monday and Black Thursdays often mark the historical lows of the stock markets that are much open to assessment and speculation by everyone and for everyone to blame everyone. Probabilities and mathematical jargons have done little good in predicating them, yet are popular for their simplest and rarest possibilities of use to predict the future.

Chapter 11 is a historical prologue of the boom and bust in wild and crazy era that began in mid 1960s and continued till 1974. His loss of the job at Wellington and creation of Vanguard are the important events discussed in this chapter, during this turmoil period. This turmoil period helped him gauge the market crash of 2000-2003 and then of 2007-08. As he says one must learn from the history and those who don't often burn their fingers.

In Part three, his complete focus is on what he has been nurturing since the beginning of his career that is investments in Mutual funds, establishment of the company Vanguard, his personal experiences of serious professional jolts, fostered bull markets that affected him, markets, mutual fund industry; annual returns on stocks and the passive ownerships of stock. He debates on whether the Alpha or Omega models are best to guide and judge the performance of the industry. What the mutual funds industry as a whole offers to the investors and how cost of financial intermediation have become a big cost eating away most of the profits.

In chapter 12 he discusses the original Alpha model of the mutual fund industry and the gradual like to the Omega model. Chapter 13 gives a prologue description of the origins of the mutual fund industry, missions, value systems and others. As a reader one may fall in love with several heading/ subheading of this and other chapters like the one in this chapter that reads: " The straw that broke the Camel's back" referring to several factors that changed the mission of the mutual fund industry. The chapter is serious criticisms of the entire financial system, its operation and legally binding structures and heavily criticizes the lack of stewardship on the part of independent directors.

Chapter 15 draws heavily on the principles of fiduciary responsibility from the different stakeholders of the economy to explain what went wrong that lead to the crisis. Referring to the SEC, regulator and mutual fund industry, the author continuously reiterates the need for more trust that is binding and welfare driven over and above the self-vested interest. This chapter bust the five different myths of the mutual fund industry which are that a) Mutual funds are long term investments, b) Mutual fund managers are long term investors, c) Mutual fund shareholders are long term owners, d) Mutual fund costs are declining e) Mutual fund returns are meeting the reasonable expectation of investors. He has challenged the myths by presenting realities that have changed radically the industry in recent era. At the end of the chapter he gives ten commandments to fund managers more on the *Caveat Emptor,* cost and conservative prudence basis along with the golden rule for management as 'Put the shareholders first". And the last chapter 17 is dedicated to the high standards of commercial honor and just equitable principles of trade.

In the fourth part, he discusses with what is really right with Indexing giving a greater focus to the philosophy of gross returns obtained by reducing investment costs. He proposes if the markets are efficient then expect low costs, wide diversification and tax efficiencies to work in favour and go by the adage of holding the market for it pays in every manner but if not, the market is not efficient then one may be wrong. Wrong expectations from the market are likely to yield very high losses. For one needs to work with the right set of assumptions.

Chapter 17, lays the case for passive indexing, identifying the role of costs and negative Alpha. Also looks at why active managers adopted strategies that focused on lower advisory fees; reduced operating and marketing costs; lower portfolio turnover, leading to minimal transaction costs and maximum tax efficiency. Chapter 18 lays the importance of index mutual funds where he offers "Cost Matter hypothesis" against the "Efficient market hypothesis". Chapter 19 builds on the Warren Buffets statement "the greatest ***enemies*** of the ***equity*** investors are ***expenses*** and ***emotions***". Four Es are drawn for greater understanding of the calculus in the mutual fund industry. Chapter 20 gives reference to exchange traded funds, index funds that offer the ability to "trade all day long in real time".

Part Five of the book is dedicated to entrepreneurship and innovation, theory of moral sentiments. The advice to the common man while he invests are to be patient in ***labour, resolute in danger and firm in distress***. Divided into four chapters, each chapter talks on idealism and capitalism accepting Joseph Schumpeter thesis that entrepreneurship is the driving force for the next era. Entrepreneurship involving financial buccaneering and speculation is deplored by the author.

Chapter 21 develops into the insights of the author's own experiences of setting up Vanguard and how wealth can be generated with idealism and principles. Franklin versus Bogles takes on different aspects like savings for future; cost control; risk and others are very interesting to read and would be wise if one can act on them too. Chapter 22 gives seventeen rules of entrepreneurship which are get lucky; turn disaster into triumph; get fired; getting lucky multiple times; never get discouraged; build a better mousetrap and the world would beat a path to your door; never give up. Never. Never.; Be a mathematical genius; never underestimate the power of the obvious; competition is easier if your competitors won't and can't compete on costs; an internally consistent strategy is one of the keys to business success; take a road less travelled and it can make all the difference; No man is an island, entire of itself, our greatest rewards come when we foster economic progress and help to build a better world. Chapter 23 relies heavily on the works of classics as Homer's The Odyssey and The Battle for the soul of capitalism. The chapter gives the challenges, narrow escapes and ultimate achievements at Vanguard. Chapter 24 questions the resultant effects of financial engineering that has left more vulnerable than ever with all derivatives and securitizations failing us.

Part six of the book is his dedication to the people who the author feels revered to with their words of wisdom, experiences or otherwise. He offers his tribute to Rudyard Kipling, Kurt Vonnegut, Woodrow Wilson, Theodore Roosevelt, William Shakespeare and Winston Churchill. Much to the advantage of the readers it is always less that one can say about these people.

Part six is the author's way to impart his understanding of blessings, rights and responsibilities of citizenship and idealism of a worthy life to the next and forthcoming generations. The part is described by seven short chapters with the theme of idealism. Speeches given at several Business schools, high schools and others contain a very strong message that salute the young and blesses them with "the power, the stamina, the determination, the wisdom, the spirit of sharing and building, and the passion to leave everything that they touch better than they found it, the sheer pride in a job well done".

Here in chapter 25, he recognizes that his thesis work at Princeton paid him off with his first job where he was hired by Walter L. Morgan. The author recognizes business as an honorable career much to principle and idealism that would lead it to make good fortunes for oneself and the nation at large. He recognizes that success depends on animal spirits-"a spontaneous urge to action rather than inaction and if the spirits are dimmed and the spontaneous optimism falters, leaving us to depend on nothing but a mathematical expectation, enterprise will fade and die". My personal favorite sentence in this chapter is " MEET some Great Need…perform some great deed".

Chapter 26, the author measures life more philosophically with seeking meaning to what life is worth and what makes it worthwhile to live? Debates on money, power, fame and its 15 minutes glory and many other materialistic pursuits is questioned. Moving on the meaning of success and its relevance he opens Chapter 27 with an interesting anecdote and offers four important lessons of success. Lesson One: ***that Whatever your own circumstances, make the most of your life and yes you can do it, too.*** Lesson Two: ***Never give up. Never.Never. Never. NeverNever! Don't you ever give up, either!.*** Lesson three: ***When a door closes, a window opens. You will find that, too!.*** Lesson Four: ***Press on, regardless, count your infinite blessing and make the most of it.*** With all this he preaches the strength of character and to be true to oneself. An advice difficult to digest but most essential in the challenging times that test our own testimonies.

Chapter 28 echoes the safeguards to the Wallstreet saying that " Money has no conscience" and offer a quick advice to the new managers to choose a path that offers enough for the need and may not be enough for someone's greed. Where ambitions can take you fast, contentment can take you far. Kipling's poem lines say it all in Chapter 29 with belief in one self is the belief that can transform your life. Trust yourself and be worthy of the trust of others. Chapter 27 echoes the message in Churchill's words "Never give up. Never. Never. Never. Never. Never. The last chapter in this part is the appreciation of Woodrow Wilsons "*everyman to come to himself*". The author explains it by suggesting that everyone in the society needs to find a niche for themselves by answering *Who they are? What place they have in the society and so on.* Some find a place and some never find a place. Maslow's need hierarchy theory put a man in self esteem and self actualization stages only once he has met his physical, safety and social needs. Much to the self esteem and actualization need, the author refers this as a stage determined by the passage of spirit rather than the passage of time.

Part seven of the book is his tribute to the people who have inspired the author by helping him set standards and values of his life. He has recognised twenty nine (29) remarkable mentors. He offers a special tribute to Walter Morgan (Boss at Wellington) in Chapter 32 as a eternal tiger in the business and his mentor, Paul Samuelson (Economist) in chapter 33 for his inspiring accolades; Peter Bernstein (author) in chapter 34 remembered as the ***Renaissance*** man of the financial sector in America; Bernard Lown (Cardiologist) in Chapter 35 for giving him a second chance with his life. The author has at several places in most modest and humble means accepted his failures whether it was receiving low grades in Economics or being fired at Wellington. He recognizes the old adage very beautifully that when "God closes one door he opens several others" to which he modified that when the Wellington door was closed, he found the new window which he opened for himself and where the sky was the limit and then came-Vanguard.

The book is rare combination of poetry, wise adages, wise cracks, quick witted heading/subheadings, noted economist excerpts and personal and profession wisdom of John C. Bogle. One may prefer to read the book even if he/she is not an investor in the stock market for the book offers much to everyone who wishes to find his/her place in the society and believe that value system defines life and its operation over and above other materialistic ambitions.

The book is extremely relevant for mutual fund managers, portfolio managers, fresh MBA graduates, other graduates and to everyone who seeks to be a part of the society that offers and take as much from his fellow human beings. For those who seek simple ambitions to do only the best at what they are and make the most at any given point of time. For at several instances, motivation is natural outcome of the stories, words put in the simplest narrative in this book.

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Songporn Hansanti, Sardar M.N. Islam and Peter Sheehan, ***International Finance in Emerging Markets: Issues, Welfare Economic Analysis and Policy Implications*****, Physica-Verlag, A Springer Company, Heidelberg, pp. 226, Price Euro 119.99**

Asian economies have undergone a wave of reforms in the areas of financial liberalisation, crises, exchange rate determination, capital control, domestic capital market reform, privatisation, current account deficit and globalisation. The authors provide a fresh perspective of analysing the welfare implications of reforms in these fields with specific reference to Thailand. A new framework that may be used for evaluating existing policies and formulating new ones has also been recommended.

In late 1980s, Thailand emerged as one of the fastest growing economies. However, over speeding the liberalisation and deregulation resulted in a crises type of situation by late 1990s. The extent to which liberalisation can be a possible cause of this crisis has been investigated in detail through literature review and empirical analysis. The crises resulted in a lower average income for the entire kingdom. Financial liberalisation adjusted GDP was recommended as a better predictor of welfare than unadjusted GDP. Impact of public policy initiatives should be analysed in terms of its impact on the adjusted GDP. The four errors found in the liberalisation policy related to timing, speed, regulatory and exchange rate misalignment. This resulted in economic instability of the Kingdom.

Too many references in the introduction chapter break the flow of reading and make it complex to understand the plethora of issues raised in this chapter. Review of literature revealed that domestic financial reform should be given higher priority than capital account liberalisation. In Mexico and Asia, a financial crisis was observed due to full financial liberalisation. Lack of regulatory controls on excessive lending resulted in deep rooted financial crises for these countries. Thailand was one of the slowest growing economies in the 1960s. For improving their economic performance, Thailand accepted the suggestions of the World Bank and initiated the process of liberalisation under the National Economic Development Board (NEDB). From a growth rate of zero percent, it was able to transform and achieve a double digit over a period of six five year development plans from 1960s to 1990s. The policy of reducing taxes and a pegged exchange rate policy led to an increase in the industrial and manufacturing capacity of the Thai economy. Thailand was also able to reduce the fiscal deficits and maintain high level of foreign reserves. However, the economist overlooked the current account deficit.

With Globalisation, the current account deficit also increased. Financial liberalisation could lead to uncontrolled levels of outflows which could ultimately destabilise the country. Speculation in Thai currency also increased during this period. A large proportion of the foreign funds got invested in the real estate and construction projects thus making it a risky investment. One of the policy prescriptions include strengthening the regulatory, banking supervision and transparency standards before heading for liberalisation. Loosening of capital controls lead to the financial instability in Thailand. It is recommended that the Thai government should monitor and improve controls through the tax mechanism. A flexible exchange rate is recommended. A trade weight of basket rather than US dollar dominated basket is recommended.

This book is a novel attempt to understand the benefits and disadvantages of liberalisation. Policy makers must deliberate upon issues related to sequencing of financial liberalisation, capital account liberalisation, exchange rate policy formulation, domestic structural and institutional framework required before going ahead with economic policy changes. The book is a must read reference book for researchers, academicians, practitioners, policy makers, Masters and Doctoral level students in countries which have undergone liberalisation or are in the process of liberalising controls.

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Ansari, Abdul Haseeb and Umar A. Oseni, ***Wetlands and Global Warming : Impacts, Adaption and Mitigation – Developing Countries Perspective*****; Serial Publications, Delhi, India, pp. 259, Price Rs. 895/-**

Wetlands are important components of the environment which equally benefit the environment and the people socially and economically depending on them. If wetlands are degraded or lost, there might be irreversible damage to the environment and the people depending on them might suffer economic setback. Global warming has its synergies with the wetlands as their drainage, degradation and mis-management can emit relatively more greenhouse gasses into the atmosphere. Importance of study of wetlands also increases by the fact that the wetlands help regulating water cycle, especially underground waters, rivers and lakes.

Authors begin the book by introducing the meaning and types of wetland across the world. One important finding of the chapter is the potentiality of artificial wetlands to naturally transform to natural wetlands as a result of ecological factors over a long period of time. Authors have also stressed the need for generating more awareness on importance of wetlands internationally.

Second chapter of the book focuses on the enormous environmental contribution and benefits of wetlands. Authors have summarized the direct use value, indirect use value, option value and existence value of wetlands in simple and lucid language. They have also stressed that the growing threats to wetlands may jeopardize their huge environmental contributions in near future.

As wetlands constitute about 6 % of the total earth surface, the destruction or degrading of the wetlands have serious implications on global warming, Ansari and Oseni examine the global warming with particular reference to the impact of climate change on wetlands in third chapter. Authors have discussed the peatlands study with special reference to south east Asian countries. The need for legal and extra legal requirements for sustainable management of peatlands have been emphasized in the fourth chapter.

In fifth chapter, Authors have dealt with global warming and other natural calamities in all kinds of coastal wetlands, which being a rich ecosystem serve humanity and nature in manifest ways but neglected over a very long time. Authors suggest a separate comprehensive legislation enforceable by a separate independent department in consultation with other departments by putting in a holistic, cooperative and concerted efforts for conservation and plantation along the coast.

Authors discuss conservation of wetland habitats and their biodiversity elucidating need for collective implementation of both Ramsar Convention and Convention on Biological Diversity treaty norms. Authors also stressed the need for technical cooperation and sharing of information amongst the developing and developed member states both the conventions without any vested interests. Next chapter has been dedicated to various relevant international conventions, regional agreements and local legislations on effective management of Wetlands and their preservation.

Authors have summarized the findings and suggested various measures for preserving wetlands in the last chapter. Authors suggested the world community should make efforts to keep commitments and severally work on implementation of mitigation mechanisms provided in the protocol.

Authors have provided useful inputs on various socio-legal aspects sustainable management of wetlands in adverse climatic conditions, especially international and national legal framework and their enforcement, but limit its study to south-east Asia and India.

The book would be a useful guide for policy-makers and researchers. It would provide a viable ground for further study pertaining to law and policy and inter disciplinary research.

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Sharma, Subhash; ***New Mantras in Corporate Corridors: From Ancient Roots to Global Routes*****; New Age International, Delhi, India, 2007, pp. 558, Price Rs.295.**

The latest thought on management believes in 'Knowledge Economy' coming out of the old thoughts the thinkers had. Scientific era dominated the management profession for more than five decades and modern management also nearly for same number of years. Now we find emergence of a new integration and convergence of the 'models' and 'mantras' as a basis for new age management thought. India's intellectual heritage provides a fertile ground for development of new management ideas. These ideas could be developed by chasing upon India civilisational experience of thousands of years and accumulated 'empirical intelligence' of Indian experience.

The book under review is divided into four parts. Containing thirty three chapters followed by annexure, bibliography and index. Part I titled 'Social Setting & Ancient Text in New Context' contains eight chapters dealing with Indian social setting in which the management and leadership operates. The model of India as a matrix society forms the background for understanding the managerial and leadership issues. The concept of India as an 'extended nation-state-civilisation' also has implications for management and leadership of our institutions and business organizations. The idea of development matrix provides insights into the complexities of Indian context. Ancient Indian texts represent the reservoir of wisdom and knowledge for development of 'new age' management concepts and theories. In fact, ancient texts in new contexts provide a basis for interconnections between Indian ethics and the spirit of development.

Chapter on Indian Ethos and Spirit of Development, foundations of Indian Management Thoughts are traced to Yoga,Vedanta and Kosha approaches. Arthashastra are presented in new forms that are useful for today's corporate context.

Part-II focuses on new leadership models. Theory K has been elaborated as a theory of management styles and relationship management and as an energy systems model of management and leadership. While self-actualization implies achievement, self realization implies enlightenment and new generation managers need to combine the two. Ultimate purpose of achievement and enlightenment is to improve the total quality of management (TQM) by adopting decision styles suited to the requirements of enlightened organizations. The focus of various suggested models is not on self-development, self-management and self-transformation but also on corporate development and social development.

Enterprise level is the focus of Part-III containing seven chapters. During recent years, the myth of Japanese being the best managers was propagated which were earlier with Americans and Britishers. Today the changed time consider Indian managers as best managers because of their adaptability as well as ability to work under severe constraints. Best of the companies in the world have Indians at top positions being their positive thinking and decision-making powers. With the advent of Information Technology, Indian knowledge workers have been considered as best. The author discussed BEST Model (Behavioral, Economic, Strategic and Technological) which works easily seen in the context of the changing competitive scenario in the wake of liberalization and globalization. The idea of forward engineering has been presented as a framework engineering organizational leaders can envision new opportunity scenarios for their organizations and gear their organizations to new challenges in future.

Part-IV fouses on new corporate awakening influenced by new management thoughts, new social discourse and new awakening about spiritual concerns. New issues and concerns related to gender, social responsibility, environmental responsibility and corporate ethics are influencing functioning of the corporates.

New awakening also includes importance of knowledge management, character competence of organizations, development of a holistic vision, use of right-brain approaches to knowledge creation such as aesthetic and poetic world views to capture the essence of management concepts etc. In the book wisdom matrix is presented as a new methodology to supplement and complement the scientific approaches to study of reality around us. There is a need to move towards a new symbiosis of Western Enlightenment and Eastern Awakening to create a new path of development. This can lead to unfolding of a new holistic vision of the world rooted in ethicotarian view, wherein utilitarian, ecotarian, and ethicotarian approaches are combined for creation of institutions and new age corporates that combine profit approach, social responsibility and good governance.

A new vision of society has been articulated through the metaphor of colours in the form of GRS vision (Green, Red, Saffron representing integration of efficiency, equity and ethics). This vision is linked with various approaches to business ethics and managerial ethics with a view to create sacro-spiritual & sacro-civic society based on the integration of economic prosperity, social advancement and spiritual fulfillment. This also provides us a new political manifesto that takes us beyond current worldviews.

The book presents management mantras presented by many readers and from many quarters. It is based on the idea of 'holistic globalisation' rooted in a dynamic interaction between four fundamental forces of market. Undoubtedly a very good combination of ancient roots to global routes are presented in the book. The book will be very helpful for corporate managers, students of management and readers of all walks of life.

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Mankiw, N. Gregory; ***Macro Economics;*** **Worth Publishers, 6st edition, 2012, pp. 608, Price US $ 219.**

Macroeconomics is the study of aggregates and averages of the entire economy. It is that part of economic theory which studies the economy in its totality or as a whole. Studying macroeconomics is important in understanding the overall economy. Macro economics include measurement of indicators such as unemployment, inflation, GDP, etc. It describes how an economy functions as a whole and how the level of national income and employment is determined on the basis of aggregate demand and aggregate supply.

It also, helps to achieve the goal of economic growth, bring stability in price level, explains factors which determine balance of payment, solve economic problems like poverty, unemployment, inflation, deflation etc., whose solution is possible at macro level only. So, it is very important for an individual to have a complete grasp of the entire concept or at least some of the important concepts involved in macro economics because only after having detailed knowledge of functioning of an economy at macro level, it could be possible to formulate correct economic policies and also coordinate with international economic policies.

After the major crisis that have occurred, for example the Asian crisis, Euro crisis and the U.S. debt crisis, the concept of macro economics has gained greater importance. This book provides enough knowledge and includes the important concept that one needs to know while formulating policies or making any investment decisions, and also for those who wants to understand the primary factors responsible for a country's growth.

I have read around 5 to 6 economics books, and out of these the book that has a clear writing style, and explains even the most difficult concepts clearly is Macroeconomics by Mankiw. The author of this book has included real world economics applications, related news articles, realistic case studies, and engaging problems. In an economy, the concept of macroeconomics includes demand and supply model to show the equilibrium price and equilibrium quantity, what the components of GDP are, and how inflation and unemployment rate is measured and the famous Classical theory that is the economy in the long run.

The book has got all the necessary calculations with respect to national income how it is distributed among individuals, concepts like money and inflation, quantity theory of money, what brings the supply and demand for goods and services into equilibrium. For this it is necessary to assumes that the output of goods and services depends on the factors of production, resources and technology and there are only two factors of production mainly capital and labor which provides constant returns too scale. All these concepts are made easy by the author by citing examples which are easy to relate.

Generally, an economy is affected by the global parameters and situations, because of the concept of balance of payment, which consist of current account and capital account. So, how an economy works when it comes to open model is a useful macroeconomic concept and the use macroeconomic variable that measure the interactions among countries. The author has showed this concept beautifully, that is how the policies at home and abroad affect the flows of capital and goods, and at the end we see at what prices a country makes exchanges in the world markets and how to determine it.

For any country the main factor that people generally take into account for measuring how effective the government or an economy is by looking at the unemployment rate and growth rate. This book covers the concepts such as rate of unemployment, what determines the year to year fluctuation unemployment and what should be the natural rate of unemployment in a country, growth theory that is the increase in market value of goods and services produced by an economy over time. It is measured as the percentage increase in real gross domestic product. It covers the famous Solow model which believes that economic growth arises due to influences outside the economy or of company. Solow growth assumes that economic prosperity is primarily determined by external rather than internal factors. According to this belief, given a fixed amount of labor and static technology, economic growth will cease at some point, as ongoing production reaches a state of equilibrium based on internal demand factors.

According to me people in government departments should read this book atleast once, because they are the one who formulate policies that affects the entire nation and also has some important features of a lag variable, and its spillover effects. So, when they read this book they will come to know how their decision would affect the economy as a whole and what are the changes that should be made simultaneously, so that they have the most desired result coming out of their policy change.

The author has also covered all the important concepts that are important for government official, for student's studying macro economics as their specialization and people making investment in stock market or outside their domestic territory. It includes includes different phases of a business cycle, Okun's law, aggregate demand, aggregate supply and how will a supply shock affect aggregate demand and aggregate supply and what will be its impact on price level and output.

IS-LM(Income Spending – Liquidity Preference Money Supply) model is a model of aggregate demand. It seeks to explain what determines national income for a given price level. IS(investment and saving) model is concerned with equilibrium in the goods market where as, LM model is concerned with equilibrium in the money market. The intersection of the IS and LM curves is the "general equilibrium" where there is simultaneous equilibrium in both markets, this model is appropriately explained in the book. However, the book has also included the effects of fiscal policy that is the increase in government expenditure or decrease in taxes on general equilibrium through equation known as the government or investment multiplier and also by means of diagram. Monetary policy effect such as open market operations or any other stimulus has also been taken in to consideration while showing general equilibrium. However, while conducting monetary and fiscal policy, policymaker often looks beyond their own country's borders. Even though domestic prosperity is the sole objective, it is necessary for them to include the rest of the world. There is also an extension of IS-LM model in the book, it now includes the concept of open economy. So the IS equation would now become Y=C+I+G+(X-M), X-M is the new term know as net imports and the model used for an open economy is Mundell-Fleming mode and the exchange rate regime. Then we have the concept of Phillips Curve that is the trade of between Inflation and Unemployment. All these concepts are very important because any country can only achieve growth by lowering unemployment and achieving a stable rate of inflation. However, they cannot do it simultaneously.

The author in the last few chapters has included macroeconomics policy debates that is the stabilization policy. How should the government official and policy makers respond to the business cycles? And should policy makers be free to use their discretion in responding to changing economic conditions, or should they be committed to following a fixed policy rule. Government debt that is when government spends more than it collects in taxes. Government debt is very important and some of the chapters contains various aspects of the debate over the economic effects of a government debt. It then shows how the government debt affects an economy. It is also very important to know whether the government should always try to balance its budget and, if not, when a budget deficit or surplus is desirable. Government debt effects on monetary policy are also equally important and the authors has tried his best to explain each of these concept.

The author has also, explained the concept of consumption and investment, how do household decide how much of their income to consume today and how much to save for the future even though it is a micro economic topic it has macro economic consequences and has also showed different types of investment that is business fixed investment, residential investment and inventory investment.

Being very volatile component of GDP it is very necessary to measure investment because it plays a key role in long run and short term business cycle. So, it is a very useful and simple because, if you ask for my advice this book is the best tutor that you can have for economics and I am sure after reading this book you will also develop a taste for economics and will think in a different way while making your decision. This book will also help you to optimize your decision with subject to the constraint that you face.

The author throughout this book has shown how the economists make decision, how a country resource could be utilized efficiently and how to achieve growth by keeping all macroeconomic factors under control. The book also tells about four important lesson to be learned from macroeconomics and throws light on four unresolved question such as how costly is inflation and how costly is reducing inflation, how big a problem are government budget deficit.However still there are some shortcomings and the book could be made better for the readers. It is sometimes a little bit too descriptive at times, some of the explanations are often complex and not always straight to the point and there should also be some solved practical problem and some of the answers to questions given at the back should also be provided for better understand of the concept.

This book is useful for people involves in formulating policies for the country, investors investing in capital market or any other investment where these concepts come into play. This book is also very easy to read with lots of explanatory diagrams and suitable for undergraduate studies or for students who are totally new to economics.

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