

Book Reviews

**Daniel J. McCarthy/Sheila M. Puffer/Stanslav.V.
Shekshnia: Corporate Governance in Russia,
Cheltenham/Northampton: Edward Elgar 2004**

Russia without doubt constitutes both a highly interesting and complex area for corporate governance scholars. The information given by the media as well as (Western) business practitioners clearly reflects this impression. However, thoroughly scientific studies and in-depth knowledge about various aspects of corporate governance in Russia are still limited. It is, therefore, highly welcome that Sheila Puffer and Daniel McCarthy, internationally recognized as the two leading scholars on business and management in Russia, together with the native expert and practitioner Stanslav Shekshnia, took the challenge to create a volume about this topic.

Aiming to explore the field of corporate governance from four different perspectives the book comprises 20 contributions by scholars and practitioners from Russia, the US, the UK and Canada. *Part One* contains six chapters covering the political, economical, and cultural context of corporate governance in Russia. A conceptual and theoretical framework is provided in the two opening chapters (by the two US editors). The two succeeding chapters present a rather personal view of the situation given by two prominent Russian leaders. Chapters five and six, both authored by native Russian experts, draw on the regulatory and on the cultural background of corporate governance.

Part Two consists of eight chapters highlighting different aspects of the implementation of corporate governance in Russia. They namely deal with problems about business education (chapter 7), corporate governance improvement strategies (8), the role of non-governmental organizations (9), the relationship between owners, boards and managements (10, 11), the impact of accounting (12) and information technology (13), as well as privatization and buy-outs' consequences (14).

Part Three features three concrete cases of Russian companies with different experiences in corporate governance. *Part Four* finally discusses the future of corporate governance in Russia, along with several potential models of and scenarios for developments in the field.

In sum, this volume concludes on more than 400 pages a very rich variety of aspects, problems, opinions and perspectives that make it a highly valuable source for anybody – academic, student or practitioner – interested in this topic. It provides several long-term analyses also highlighting different path-dependency aspects (chapters 1, 2, 6) as well as some very helpful typologies

(10, 11). Furthermore, some specific problems are repeatedly discussed by different authors, in particular the dilemma of legal regulation (5, 8), the corporate governance actors' attitudes towards transparency (11, 12) or the distinctive situation of corporate governance in Russian SMEs (5, 10). Moreover, in contrast to many other textbooks with an ethnocentric Western perspective, the editors show a high level of intercultural sensitivity leaving wide room for several native Russian experts, both from the business as well as the academic field, to present their insiders' views and opinions.

However, the large variety represented in this book also constitutes a certain weakness as the quality of contributions is fairly heterogeneous. While many chapters are perfectly designed and written (e.g. 1, 11, 14, 20), others are somewhat disappointing since they lack profoundness and rigor of argumentation (e.g. 7, 9). Several contributions could have been considerably improved by the use of a theoretical foundation, by the inclusion of empirical data and by the formulation of more clear-cut propositions. In the end, the reader might also have expected a concluding chapter summarizing and inter-connecting the different findings of the volume, e.g. to discuss the propositions formulated in chapter 2 in the light of the volume's different contribution instead of adding another previously published article.

Nevertheless, the editors have really done an admirable job venturing into this highly complex topic and bringing together a considerable number of interesting voices and contributions. The present volume can be considered a cornerstone in the field. It definitely will make its way as a fascinating "tour d'horizon" of a key topic in one of the world economy's key countries. The importance of corporate governance in Russia will certainly even grow in the future but, as one author puts it: "We can't expect a revolution. The road to effective corporate governance in privately owned Russian companies will be evolutionary, and will extend over many years." (p. 199)

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