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- 1 With all the books and articles recently published on the Americanization of Europe and of business in general, and on the varieties of capitalism, reformulating questions and organizing intelligent, new responses to these issues is difficult. This book defies expectations by boldly attacking some old issues, formulating new ones, while *incorporating* a broad approach to business history. The editors have brought together a group of scholars with extraordinary industry, national, and historical expertise. Many of the essays reinterpret historical developments and raise interesting theoretical questions without overburdening the text with non-historical, social science methodologies and debates. Like most works of this kind, there is a fair variety in the quality of writing and insight among the chapters. Nevertheless, the book goes a long way in filling gaps in current social science and historical thinking. It adds a cross-cultural dimension to varieties of capitalism debates, as well as a business dimension in efforts to get away from segmented national histories. In the introduction, the editors lay out a clear, but multifaceted and comparative research agenda.
- 2 The book is divided into several parts. It begins with two excellent introductions. The editors present an ambitious plan, one that is intended to look at the structural, strategic, technological, social, and political dimensions of business, while integrating the overall economic impact and firm specific returns generated by foreign investment. They begin with a discussion of how the European experience, with American direct investment, challenges modernization and the logic of industrialization theories, notably those of W.W. Rostow and A. Chandler. Although American entry helped

transform European business, many European sectors were already modern and many kept some distinctive European qualities. Understanding how Europeans adapted requires understanding not only how they felt about American incursions and how those feelings evolved, but also that American influences were not monolithic nor identical over time. Moreover, cultural exchanges proceeded in two directions. American firms learned European lessons.

- 3 In contrast to the first chapter, the Wilkins contribution is focused on delineating the different periods of American investment, their specific sectors, types and host country, as well as the overall relationship that existed between the United States and Europe. Already in the late nineteenth-century, European business and American investment there took on strategic importance for American companies, but its relative importance shifted along with political and technological changes. Wilkins stresses that there were many important contexts for these investments. The amounts and types of U.S. investments were not only shaped by technology and European attitudes about American products and methods, but also by American attitudes about themselves and competitive threats from other countries, particularly Japan. Wilkins gives several examples of how American companies wrestled with the thorny issue of adaptation to foreign markets while keeping the cost advantages of simply transferring know-how acquired at home and standardizing offerings and methods. She concludes by raising some interesting theoretical issues, some addressed by the collection and some that might be developed by future projects. These include whether outward investment is always a sign of strength and inward investment a sign of weakness; to what extent were American firms' forces for system convergence or rather co-opted by the foreign capitalist systems where they invested; and, to what extent did U.S. multinationals in Europe drive growth in the region.
- 4 The other sections group seven country studies, eight company or sector pieces, and, finally, four chapters, which focus on how American companies dealt with various stages of European integration. Although some effort was made to develop themes consistently, the chapters differ greatly on the level of company specificity and sources. I will confine my detailed comments to the chapters about countries and sectors about which I ostensibly know something: Germany, France, and the pharmaceutical sector, in which I worked for nearly ten years.
- 5 In his essay about U.S. automobile and consumer electronics investment in France, Patrick Friedenson reminds us that not all American efforts are met with consistent success. In contrast to many other European markets, strong U.S. companies in these sectors failed to establish themselves as well as they did in several other countries of comparable size and with formidable domestic competitors. The bulk of the chapter systematically recounts the false starts and moderate successes of industry giants like GM, Ford, and GE. He frames the chapter around a host of possible explanations ranging from company error to French political resistance, but his narrative produces no convincing single explanation for all the cases nor individual ones. None of the companies forged long-lasting ties with French companies nor could acquire French companies or build up greenfield investments. His attempt to answer his original question about cause might have been well-served by direct and detailed comparisons with U.S. investment in these sectors in other countries, and by a better overview of all FDI in France and with it something about the experiences of other countries incursions into France. Skilled historian that he is, Friedenson falls back in his

conclusion on the combined roles of culture, accident, path determinacy as well as the economic issues posed by the sectors' margins and France's successful R&D investments in electronic and automotive innovation.

- 6 Although Susanne Hilger's chapter has a different research agenda and covers a different period and sector, the failures of American companies in France serve as a useful contrast to her account of Proctor & Gamble's market entry in Germany. Not only does she discuss a different sector, Hilger derives her insights from a detailed examination of one of the most successful consumer marketing companies in the world. But whereas American electronic and car companies began to come to France with many technological advantages and a vibrant home market, P&G arrived in Germany with little more than marketing expertise and a stagnant home-market for the soap business. Hilger sets her story against a short introduction to P&G history and the history of U.S. FDI in Germany during the second half of the twentieth-century. Her discussion of the turbulence in U.S. investment into Germany before World War II, the ambivalence of many Germans about foreign investment and on how both might have conditioned P&G's decisions in the 1950s is very short. But her account emphasizes the long-standing economic importance of foreign investment to the German economy, and the impact that World War II and occupation had on the configuration of German industry as well as the willingness to accept foreign money. Like many American companies, P&G came to Germany in the 1960s as an antidote to a highly competitive U.S. market with few growth opportunities. Although P&G timed its entry to coincide with the last days of Bretton Woods and a very strong dollar on the eve of devaluation, an investment factor hardly acknowledged in the collection, it faced many obstacles in Germany including strong competition, production and human resource problems, and market regulation. P&G's reputation for strong marketing skills and ruthless competition preceding its entry were greeted with a mixture of awe and disdain. Its success depended on balancing the exploitation of its American strengths for TV and other advertising, for example, with German sensibilities. Many of its television campaigns were well received for decades by German audiences. After a tough start, the company expanded on its product offering, sales and profits in the 1970s. From 1971 to end of the century, it had increased sales sixteen fold and employees over fourfold.
- 7 American companies played a very active role in one of Europe's great growth sectors in the twentieth-century, pharmaceuticals. But as Viviane Quirke argues, in terms of European entry, the U.S. and U.K. pharmaceutical companies indeed had a special relationship. Because of a common language and early cross-border investment, in both directions, U.S. companies could integrate their research and marketing with U.K. companies more seamlessly than with continental companies. The science, on which research-based companies depended, was more international and readily exchanged between British and Americans, leading to many joint undertakings. The relationships may even have been deeper than Quirke indicates. The special relationship, for example, often led to deeper management dependencies on U.K. staff to handle even issues in continental Europe.
- 8 I have some regrets about the book. A complete bibliography for all the chapters would have given readers an overview about what has already been written on the subject. Although each piece contains serious footnoting, a centralized grouping of the literature would have been helpful. More importantly, some key sectors like banking,

insurance and above all consulting are hardly present. This said, the collection represents a very thorough and thoughtful contribution to a very important area of business history. I highly recommend it to anyone interested in business and economic history, foreign investment, and cross-cultural development.