
The book contains 12 chapters in three parts having 286 pages. The book is themed on the transition from ‘Corporate Social Responsibility’ to ‘Individual Social Responsibility’. It calls for a shift from merely a symbolic, committee-led, audit-based system to a system prompted and propelled by chief executive officer’s (CEO) conscience. All the chapters/parts appear to be well interconnected and there is a complete clarity in the chapter presentation.

Part I, ‘Mirage of Exceptional Leadership’, consists of three chapters. Chapter 1, ‘Reinventing Davos’, acknowledges seven prime realities of today’s business world, raises questions regarding national leadership and then calls for reinventing Davos and aligning it with new grass root realities. It further highlights the paradigm change required among the business and political elites. Chapter 2, ‘Seven Allies to Catalyze Change’, identifies a set of seven key players in this process of transformation. It proposes a new business ethos, for which to be effective, citizens of the world are said to be effective catalysts. Chapter 3, ‘Five phases of Human Enterprise’, explores the evolution of human enterprise through a traversal of four district phases, and anticipates the emergence of a new fifth phase of human enterprise that calls for a complete reconfiguration. This phase is foreseen to be the new arena for sustained corporate success where a corporation has to function in consonance with society and the environment.

Part II of the book, ‘Mirage to Reality’, comprises four chapters detailing the inputs and processes at work to transit from mirage of exceptional leadership to reality of exceptional leadership. Chapter 4, ‘Emergence of Triple Bottom Line Approach’, deals with the ideals of triple bottom line approach and how far has this been adopted by corporations and with what results. The author argues that triple bottom line approach is not about reporting what corporates do or plan to do; it is about ‘corporate character’, and the companies embracing triple bottom line approach must realize that it is in their own interest to choose this path and if they do so, a very pleasant surprise awaits them. The next chapters are based on this very theme.

Chapter 5, ‘Making the Right Choice’, deals with the obstacles that stand in the way of making conscientious choices, and how to overcome those obstacles. The chapter portrays transition from today’s capitalist, materialistic, mechanistic world to the new humane era of a corporate world aligned with society’s needs, and synchronous with nature, by exercising leader’s right to make the right choices. Chapter 6, ‘Discovering Triple Top Line’, describes that when leaders really do so, they discover a ‘Triple Top Line’ of joy, peace and contentment in their personal lives, not only for them but also in the personal lives of people all around. The chapter emphasizes that to achieve the triple top line, coupled with the triple bottom line, the leaders of the future are required to mould themselves in a totally different
cast, with new distinctive traits. Chapter 7, ‘Leadership Lessons from History’, explores what can be learned from age-old wisdom on leadership, to establish linkages with our key themes. With relevant nuggets of knowledge from scan of history, the author now explores the new ‘template of success’ for companies that are ready and willing to embrace triple bottom line and achieve triple top line, with interactive leadership attitudes. A ‘Leadership Virtuosity Index’ has been evolved, which shows that while the concepts of leadership invariably demanded virtuous traits, the contemporary leaders bore no relationship to what their people expected.

Part III, ‘Reality of Exceptional Leadership’, consists of five chapters and an epilogue. Chapter 8, ‘Tripod of Exceptional Leadership’, evolves a rationale on what the most desirable attributes of future leadership should be and outlines a route map on how to get there. The chapter identifies core skills of CEOs, physical traits and mind traits, referred to as ‘Base Camp Traits’, and the traits of conscience referred to as the ‘Tripod of Exceptional Leadership’. Chapters 9–11 describe the three pillars of the ‘Tripod of Exceptional Leadership’: wholeness, compassion and transparency. The chapters highlight that corporate profits are necessary, but these shall be aligned with community welfare and environmental harmony, leading to inclusive growth and sustainable development. Chapter 12, ‘Exceptional Leadership in Practice’, deals with the challenges of transforming today’s leaders and bringing together a critical mass of leaders who follow the Tripod principles. The epilogue presents quotes of some famous leaders of past and tries to create a hope for exceptional leadership.

The book definitely provides latest concepts and examples that encourage and facilitate better learning. There is a fresh approach to looking at the new-age leadership strategies. It brings out quite succinctly the social purpose of business as a dominant leadership philosophy. The book threads together with great ease a strong humanity-building desire and entrepreneurial thinking. This book is extremely inspiring, insightful and thought provoking. In a nutshell, this book is a critique of today and warns its outcome for tomorrow. It evokes a plethora of thoughts and stimulates critical thinking. The author clearly articulates how greed has influenced actions of past and present. If we continue like this, we will be reaching nowhere.

Richa Awasthy
Assistant Professor of Organizational Behaviour
International Management Institute
New Delhi
E-mail: richa@imi.edu

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What does ‘loving your work’ mean? Are there any specific conditions that can facilitate this? If so, what? These three questions are not only of topical interest here, but they are also of fundamental interest in the theories and frameworks of work psychology. This is especially the case for those psychologists and theorists of management who take the idea of ‘self-actualization’ through work seriously. It is however not quite clear what exactly is meant by the term ‘work’ since this is a composite notion, which
includes a range of meanings such as a job, job-fit, area-fit, organizational fit, the problem of livelihood, the expression of human creativity, the notion of a calling, the differences in the Freudian idiom between ‘ego libido’ and ‘object libido’, and the dynamics of sublimation (which constitute how they relate to each other as theoretical terms). The notion of ‘loving’ is also something that must be thought through carefully since it is traditionally used in the context of object libido rather than ego libido, except in situations when the notion of passionate intensity is thought to be represented through ego libido (in acts of sublimation) rather than object libido, or in situations that are constituted through forms of narcissism. The proportional division of concerns between these forms of libidinal expression is also what is at stake in the emerging literature on ‘work–life balance’ along with the most appropriate set of modalities that can make this possible. The leaders interviewed in this book also differentiate between these forms of libidinal expression through the invocation of gender-based differences since the value systems that differentiate choices made by men and women in organizations are not necessarily the same. It is therefore important to think of these differences as those that emerge from the masculine and feminine loci that are occupied by caregivers rather than through a substantive notion of men or women who have work to do and children to raise.

Why should loving work (as opposed to merely liking it) matter? There are a number of important reasons that are of relevance here. They include the ability to compete, the power of personal conviction, the joys of self-actualization, and the inherent possibilities of creative expression. These are the modalities that not only constitute personal resilience in humans but also make it possible for individual workers to carry on when things get difficult during an economic downturn. The remarks made by the participants in this book are a testament to trying situations when they were tempted to give up, but were able to persist because of an inner conviction of either the rightness of their cause, or because they were essentially creative individuals who experienced what positive psychologists term ‘flow’ states when they performed. It is also the case that trying situations might spur levels of performance that lead unexpectedly to peak experiences, and such experiences, in turn, might revitalize individual workers to aspire for even higher levels of performance (until we wind up with virtuous cycles of performance, external approbation and positive reinforcement; which, in turn, lead to the next round of performance, etc.). These cycles of performance are not specific to any specific sector of the economy, but pertain rather to the styles in which individual workers approach the tasks at hand. The approach that is advocated here is to focus not on the results of work, but on finding some activity that is fun to do in terms of the personality structure of the individual worker. What is defined as success emerges rather as a ‘byproduct’ rather than as a main product. If success emerges as a main product, it may well be the case that it is not sustainable since the worker is more preoccupied with the success that may or not result from his activities, rather than let go and partake of those activities as an end in themselves. If success emerges as a byproduct, then not only does the worker gain the satisfaction of engaging with a set of tasks that are physically or mentally challenging in themselves, but also makes it possible for the activities to be repeated at periodic intervals without inducing the routine boredom (which is the bane in most organizations) for those who have not chosen their line of work carefully. The main goal in collecting personal work experiences from these academics and businessmen is to help the reader understand how and under what conditions it becomes possible to summon an existentially positive response to the challenges of life in businesses and organizations that force individual workers and leaders to go beyond their normal range of abilities and draw upon strengths that go to the core of their inner most being.
And, then again, the existential relationship between ‘being’ and ‘doing’ is what is at stake in these remarks. So, while businessmen might think that they are preoccupied with measurable outcomes, what keeps them going on a day-to-day basis is how intelligently they are able to reflect on how what they do in their firms and organizations generates or does not generate a sense of being. The advice that many of these leaders give is that it is important to summon the moral courage to change directions, if necessary, to narrow the gap between these existential states. Leaders or workers who fail to do so will begin to experience a sense of disenchantment that will end up as cynicism, pessimism, or a persistent sense of failure.

This book will make it possible for readers to anticipate situations in which they might experience these negative states of mind and take proactive steps to correct their approaches to work. Whether there is enough advice available in this or any other book to make this existential transformation from endemic cynicism to loving work in the strong sense is hard to say. What is even more important is what the reader brings to books like this than what he or she is able to take away. But even more than any specific formula that can bring about transformative change, what is at stake is the encounter with important leaders who are also struggling to think through and work through the existential predicaments that are thrown up in the range of concerns that Freud identified under the rubric of ego libido that is at stake in this insightful book. The advice that these leaders give is to believe in oneself; have the willingness to follow through the prompting of dreams; do one’s own thing; develop a clear sense of right and wrong, from which will emerge a sense of personal conviction; take work–life balance seriously; invoke an esthetic approach to work by assuming a notion of perfection; be willing to explore what is outside the zone of comfort; formalize the notion of finding, deploying and retaining talent seriously; and take the trouble, above all, to understand people both in life and organizations.

Shiva Kumar Srinivasan
Professor, Behavioural Sciences
Indian Institute of Planning and Management (IIPM)
IIPM Tower No. 145, Marshall Road
Egmore, Chennai, Tamil Nadu
E-mail: sksrinivasan2008@hotmail.com


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Many of the management books would provide a fairly good description of the subject they deal with. They would also tell us the concepts around the topic and would be considered adequate for the students of the management schools studying human resources (HR). During several interactions with the HR leaders, the common refrain has been that we do not provide skills necessary for successful HR professionals in the organizations they join. To my mind, there is a felt need to have a book which can talk about implementation of the concepts learned in the classroom. This particular book, Applied Human Resource Management: Strategic Issues and Experiential Exercises, to a great extent, fills the void.
A brief background of the author would give us confidence about his passion for research in management skills. He is a Professor of Management in the School of Business Administration, Oakland University, Rochester, Michigan. He received his PhD in industrial and organizational psychology from Bowling Green State University. His research interests are in applied research problems in human resource management (HRM) and the creation of experiential learning exercises for the development of management skills. He teaches courses in organizational behaviour, HRM and motivation, and has consulted in equal employment opportunity cases. The book reflects his pioneering applied research work in HR.

The book has been divided into very readable 12 chapters. It starts with the introduction to the management of HR and then moves on to issues like equal employment opportunity. The subsequent chapters deal in subjects like job analysis, recruitment and socialization and selection and performance appraisal. It has then elaborated on how to develop employees in an organization in the chapter on ‘Training and Developing Employees’. After dealing with the issue of talent hiring, measuring his performance and looking at his development needs, the author deals with the complex subject on reward management in the chapter on ‘Compensation and Benefit’. What may seem very relevant for the manufacturing sector, he has dealt with subjects like safety and industrial relations in chapters on ‘Occupational Safety and Health’, ‘Employee Relations’ and ‘Labour–Management Relations’. In today’s competitive world, it is important that the organization stays contemporary and embrace change as appropriate. This aspect has been dealt very well in the chapter on ‘Organizational Change and Development’. With the globalization of the business as an important imperative for the HR managers, the author has addressed this need in the chapter on ‘International HRM’.

The book provides business school students with intensive and hands-on experiential learning applications to help them develop the skills they will need as HR professionals who deal with people in varied settings and situations. Providing maximum teaching flexibility, each chapter presents 10 different issues that organizations must resolve to manage their HR effectively. These chapters also offer four distinct types of interactive learning experiences: strategic issues in HRM exercises; applications; experiential exercises; and creative exercises.

The book offers four strategic issues in HRM exercises in each chapter that can be used for class discussions, assigned as homework problems, used as topics for group presentations or incorporated into tests as essay questions. It includes two applications per chapter—brief projects that require students to apply an HRM concept to a realistic situation—which are ideal for use as homework assignments, instructor illustrations/demonstrations or in-class projects. The book provides two experiential exercises in each chapter to provide students with hands-on learning experiences within a realistic context. It includes two open-ended creative exercises per chapter that ask students or team to develop unique solutions to realistic problems using what they have learned. It provides a list of each chapter’s exercises grouped according to the HR Certification Institute’s body of knowledge in HRM categories to help instructors plan the exercises they want to use.

If one were to understand as to how the author has put in so much of experiential perspective, we have to look at some of his latest researches. A few of his recent research projects have examined enterprise systems training, satisfaction with union representation, group decision making, alternate scoring methods for an in-basket exercise, evaluation of a client- and consultant-based management education programme, an exploratory study of the team characteristics model, competitive intelligence processes in the health care industry and the impact of total quality management methods on the financial success of a firm. We clearly see the transfer of learning from his research work to the chapters in the book.
To my mind, York has achieved in his book what he had set out to as an objective in a very lucid, simple and illustrative manner. The book not only highlights the conceptual underpinning of the HR, more importantly, it provides a very pragmatic step-by-step way of executing these concepts in the organization. I have been very much influenced and inspired to go through this book and would highly recommend this to be used as a text or additional reading material for postgraduate-level courses in HRM, advanced HRM and personnel management in departments of business, management, public administration, education and psychology.

What would have greatly helped us is if York had included a chapter on business ethics and corporate social responsibility. This would have perhaps given us some insight as to what the young management graduates need to inculcate in themselves as a moral compass, before they enter the corporate world.

Narendra Nath Akhouri
Professor
International Management Institute, New Delhi
E-mail: nnakhouri@gmail.com; nnakhouri@imi.edu


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Man is the highest among the living beings in this world. Except man, all other living beings are controlled and guided by nature. They do not have their own choice. Sometimes, it seems that the other living beings also have some choice. But if we probe deep, we will see that their choice is very limited within the gamut of their nature. But when we study the human nature, we find that man has almost infinite choices to make or mar his life. Man is the only being who can control, conquer and mould the nature, externally and internally. This capacity of man gives him a special place and status in the plan and programme of the universe. Man has a unique capacity to look back into his past and to take lessons to correct his present and future. Man has a capacity to plan and realize his future as well. Man is the only being who can alter and improve his own life in this present life itself.

For all other living beings, nature herself has fixed purposes for their lives. They have no choice in this respect. A dog has to live and die like a dog. It has no choice in this respect. But if man chooses to degrade himself, then he can cultivate and imbibe canine qualities and live like a dog. On the other hand, if he chooses to become a divine being and live like a living god, he can do that also.

This shows that man can give meaning and value to his own life. Once a man decides to give meaning and value to his life, he can make use of the nature, externally and internally, to help him achieve his sublime goal. This choice is absolutely with the man himself. He has to decide what he wants to make out of himself. Once decided, he himself has to execute the plans and programmes to achieve his desired goal. This puts the whole responsibility on the shoulders of man himself.

What is that quality which makes man superior to all other living beings under the sky? This uniqueness is knowledge of his own existence. An animal exists and a man exists but an animal does not have the knowledge that it exists; but man consciously knows that he exists.

The human personality has two parts—without and within—external and internal. Our external personality that we see when we stand before a mirror is not the alpha and omega of human personality. The
external personality is just like a case in which a very valuable diamond has been kept which is million
times more valuable than the case itself. But suppose that a person is allured by the beauty of the case
itself and does not try to find out its valuable content, what will we call him? Shall we not call him a man
without wisdom?

Likewise, the human body is like casket in which the jewel of supreme value—the atman or the soul
of the man—is residing. The aim of life is to penetrate this casket and find out the jewel of atman or soul.
The human soul is omnipotent, omniscient. The human soul is the eternal mine of existence, knowledge
and bliss (sat, chit, ananda). Even if we get a glimpse of that soul, it makes our life a blessing to our-
selves and benediction to the society. Thus, we see the sole purpose of human life is to find out and real-
ize the infinitely valuable jewel of atman. Any lesser purpose in human life cannot give full and real
meaning to the human life.

The present techno-scientific culture has made man also a cog in the machine, which is this present
society. It considers man as one of the commodities in the world. It gives value to a person so long he
is useful for the purpose of material gain. Is man simply a cog in the machine or a thing among the in-
finite things? The experience of each one of us denies this fact vehemently from within. Man is not the
grand total of the various minerals, chemicals and electrochemical functions found in his body. He is
something more than the all psycho-physical grand total of his personality.

The crux of whole problem is what more which makes a person a real man is this something. If this
problem could be solved, we shall reach to the very source of human personality and we shall be able to
find it out. And if we identify ourself with this original source, our life will be really valuable and mean-
ingful. If we probe deeply into our own mind, we shall find among the thousands of desires in our mind,
three desires that are always dominantly persisting: (i) the desire to live; (ii) the desire to know; and
(iii) the desire for happiness and bliss.

Against the above-mentioned background, the book of Professor Debashis Chatterjee stands colossus,
it being a voyage of discovery. The book is divided into seven chapters, each having an intriguing cap-
tion: from ‘Having an Appointment with Yourself’ to ‘Leadership Journey’ via the routes of ‘Practices’.
Professor Chatterjee weaves together bright stories and insightful personal experiences for leaving a
lasting impression on the readers at large. He feels that real leaders are ordinary people who have dis-
covered the other 99 per cent of their spiritual potential for making their lives most extraordinary.

In the Indian context, man’s own nature furnishes a justification for his being moral. Perhaps this is
why most Indian systems prove to be deontological in nature. According to them, dharma is to be fol-
lowed because it is its own justification. Moksa has been brought forth as a motivation in the sense that
one who will follow dharma will automatically pave his way for that, but moksa has never been taken as
a justification for being moral. Morality is involved in the nature of man. This can find an apt solution in
solving the corporate ethical dilemmas.

On the other hand, we find that the ‘modern’ Western conception of morality is a successor to the
Judaeco-Christian notion of a divine law that binds all souls. Another is that the moderns accept the
empirical methods of modern science and want to achieve an understanding of ethics that is consistent
with the worldview of modern science. Next is the rise of the idea of the liberal democratic state, and the
idea that the state must be justifiable to its citizens on equal terms without any premise that some lives
are inherently better and nobler than others.

As professor has rightly suggested at the final stage of his book by observing that life accomplishes
the same renewal process (as business) by transforming itself, innovations are followed closely by
renewal. Renewal is a shift in our perspective of reality. This is the secret of staying alive.
The book under review is undoubtedly a delightful and practical book on leadership from one of the eminent authors in management.

Ananda Das Gupta  
Head (HRD-Area)  
Indian Institute of Plantation Management  
Jnana Bharati Campus, PO Malathalli, Bangalore  
E-mail: adg_iipm@vsnl.net

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The book is an excellent compilation of thoughts and selected writings of Dr Venkataram Sundararajan, compiled and edited by Jaseem Ahmed (Former Director at the Asian Development Bank and Secretary General of the Islamic Financial Services Board [IFSB]) and Harinder S. Kohli (editor of *Journal of Emerging Market and Economies*).

The book brings out the unique intellect and in-depth expertise of Dr Rajan in the complex world of Islamic finance. The book is logically classified into three parts and takes the reader from basic background in the first part to operational policy and risk management issues in part two, to the complex technical and regulatory issues relating to management of reserves, industry assessment and issues related to capital adequacy and investment profit sharing in the third part.

The first part has one article which tells the reader about the basic principles of Islamic finance and the difference between conventional finance and Islamic finance. It also elaborates on the history of bodies which set standards for Islamic finance. The second part is a collection of four articles focussing on four different policy issues, namely, government debt management; risk management of Islamic financial institutions; implications of profit-sharing investment accounts; and the fourth touches on the issue of how to strengthen liquidity management in Islamic financial institutions. This part also addresses issues related to lack of internationally accepted Islamic banking principles/standards which presents another set of challenges.

The third part of the book has three articles which address major technical issues like management of investment risk reserves in Islamic banks and developing a template to assess Islamic financial services. It also explains the unique mix of risks in Islamic finance, proper pricing of investment products and problems relating to adequacy of capital and effective allocation of returns to investors.

The book provides interesting insights into the significant issues in Islamic finance. The issues have been dealt in a comprehensive manner and the book provides an excellent read for banking professionals, students and others to understand what is Islamic finance, where it comes from, what major philosophies underlie it and its major components and the main risks and challenges which must be addressed.

Samiksha Ojha  
Assistant Professor-Finance area  
International Management Institute, New Delhi  
E-mail: sojha@imi.edu

India has witnessed a growth rate much higher than the infamous ‘Hindu Rate of Growth’ since the structural adjustment programme (SAP) of 1991, which facilitated major trade and industrial policy reforms. The shift to outward-oriented policy reform has helped India to double its share in global merchandise export from 0.62 per cent in 1999 to 1.30 per cent in 2009, while the same for service export increased from 1.00 per cent to 2.61 per cent over the same period. The steady inflow of imports (both raw materials and machineries) and foreign direct investment (FDI) has increased considerably in recent years, thereby integrating the country more closely with the global production network.

The stability of Indian growth paradigm has been critically tested during the recent global recession, and the near 8 per cent growth even during this turbulent phase underlines its inherent strength. The recent developments indicate that the present rate of growth is likely to be sustained. First, the recent FDI inflows present an opportunity for technology transfer. Second, development of critical infrastructure, namely, the road, port and power network with private partnership in recent period has been extremely important for future growth. Third, the knowledge of English and presence of a relatively young workforce offers India a huge ‘demographic dividend’.

Nevertheless, the challenges are also too many, for example, increasing agricultural productivity and maintaining food security, controlling the rapidly growing inflation, ensuring fiscal and financial discipline, enhancing the tech-intensity and knowledge-intensity of the manufacturing sector and moving higher up in the value chain in global services. All these objectives cannot be achieved without successful completion of the second generation reforms. However, the second generation reforms can again not be successful without detailed understanding of the successes and limitations of the first generation reforms already undertaken.

The India Policy Forum 2009–10 is a timely commendable contribution in this regard, which looks into five core areas of Indian economy. Analysis of the present scenario and policy prescriptions are particularly important to predict the future growth path.

The first chapter attempts to determine what would constitute a fair value for equities that could be used as a standard for understanding the market fluctuations, motivated by the recent concern on overvaluation of equities. The Indian equity market was relatively less prominent in the pre-reform period, as various events kept the market bearish (for example, wars and drought during the 1960s). Since the initiation of economic reform in the early 1990s, however, the equity market started maturing and witnessed a much higher growth rate as compared to the preceding decades. Now, the market presents a very lucrative option for earning profit, especially for medium and long-term investors. Despite several scams in the equity market during the 1990s, and also during more recent period involving major players, the confidence of average investor in it remains broadly unaffected. In particular, the investment from middle class in the aftermath of economic reform has been increasing. The market nevertheless still gets affected by factors like foreign institutional investor (FII) entry, corporate sector performance and monsoons. The time period considered by the analysis (1991–2008) is also important, which includes events like the political uncertainty in India during the late 1990s, East Asian crisis, 9/11 crisis, recent global recession and several bad monsoons. Interestingly, Tobin’s q analysis of the paper reveals that Indian equity market was fairly priced during the period under consideration.
The capital account convertibility (CAC) debate is an area of serious academic discussion in India since the submission of Tarapore Committee Report during the late 1990s. The East Asian crisis in the following period caused India to move cautiously in this regard. The Tarapore Committee mentioned fulfilment of three pre-conditions before implementation of CAC, namely, fiscal discipline, financial discipline and price stability. It is quite evident that the three conditions are yet to be satisfied in the Indian context, which justifies the government decision of not embracing CAC yet. Nevertheless, Indian economy is no longer insulated from the global financial market. For instance, the combination of various events in 2008 triggered the global economic recession, and various parts of America and Europe are still suffering from the adverse effects. In this background, the second paper notes that the bankruptcy of the global operators like Lehman Brothers created a shock wave, which was also felt by the Indian financial market through activities like increase in call money rates and massive rise in the borrowing from the Reserve Bank of India (RBI) through repos. The analysis reveals that while the existing capital control policy was expected to weaken the integration of Indian firms with the global money market, several Indian multinational corporations (MNCs) were taking recourse to this financing route through use of measures like setting up of global subsidiaries. Though the weaker linkage effect helped India to avert a major crisis, nevertheless, the observation calls for a debate on the practicality of the current policies.

The environmental implications of the growing economic activities on environment are increasingly receiving the central position in the global discussion forums. The Environmental Kuznets Curve (EKC) hypothesis argues that during early stages of economic development in a country, environmental pollution increases but the same declines with further development. The idea is that while the initial phase of growth might be associated with industrialization and deforestation, the latter phase is marked by shift to services sector and adoption of green technologies. Nevertheless, the fact that at any given point of time, the countries are at different growth phases creates a conflict of interest as far as global pollution abatement vis-à-vis global warming is concerned. For instance, after the Rio Summit (1992) discussions, the countries moved to Kyoto Protocol (1997) for tackling the problem of global warming. Under the Protocol, 41 developed countries are supposed to undertake certain binding commitments, mostly for reducing their greenhouse gas (GHG) emissions. However, in the recent period, European Union (EU) and the United States (US) are often asking the advanced developing countries like China and India to undertake binding commitment, despite a much lower level of per capita carbon emission prevailing there. The applicability of border tax adjustments on Chinese and Indian exports with higher carbon dioxide (CO₂) emissions is also sometimes discussed. The US has already started imposing environmental sanctions on various developing country exports (for example, shrimp exports from India during late 1990s). Keeping the Indian growth scenario in mind, the third paper argues that the country must not undertake any binding commitments on emission reduction for several decades. In the meantime, while the compatibility of the environmental sanctions with the World Trade Organization (WTO) system is a debatable issue, in light of the precautionary principles under Cartegena Protocol on Bio-safety (2003), there is a need to ensure the required compliance through adoption of green technologies in India. However, the inclinations of the private sector on this front so far are questionable, which deserves attention of the policy makers.

The macro changes happening to the economy in terms of trade, industrial and financial policy reforms are ultimately reflected at the micro level, that is, in the performances of the firms. Since the removal of industrial licensing requirement as a result of the 1991 reform, the number of new entrants, including foreign ones, has increased considerably in the Indian market. However, the fourth paper notes
that the degree of entry and profitability varies across sectors, which is in line with their inherent dynamics. In addition, the effect of the industrial policy reform on market share remains mixed, with high degree of industrial concentration prevailing across certain sectors. It is also observed that a number of the public sector units and private sector firms incorporated during the 1980s are still among the market leaders within various sectors (barring services). This could be considered as indicators of special knowledge and skill formation over time on the one hand, and possible abuse of dominant position on the other. The finding raises questions on the degree of competition in these sectors in the aftermath of reforms, which actually would also influence firm-level competitiveness in the long run. Moreover, concerns over the barriers to exit also remain, which requires a revisit to the unfinished agenda of labour and capital market reforms.

The economic reform in India has been extensively implemented in the urban belt. However, there is still ample scope for deepening the coverage of rural reforms (for example, agricultural taxation and land market policies). The absence of an efficient land market framework at present often leads to distress sales by poor farmers at a price much below the market level. Better functioning of the rental and sales operations in the land market is expected to increase productivity and efficiency in the operations. In this background, the fifth paper attempts to understand the interrelationship between proper functioning of the land market in India and the agricultural ability of a household, ruling wage rate, transaction costs, etc. The results indicate that the proper functioning of the rental market is expected to improve land use productivity by transferring land to most efficient households. Landholding above optimum capacity or lower labour intensity in the household generally facilitates rental of land, but the same might be discouraged under the present policy framework. The efficient land sales market is also likely to help more efficient labour-abundant households to gain more land. Therefore, removal of factor market imperfections is likely to ensure better functioning of the sales market and would also introduce equity. It is increasingly being felt in the Indian context that creation of enabling environment though computerization of land records, etc., would remove the possibility of corruption and facilitate use of land as collateral, thereby adding to rural sector welfare.

While the analyses presented in the present volume point out several areas where India still needs to implement newer reform measures, the findings also underline the efficient working of the underlying market forces in no uncertain terms. The policy makers need to take note of the appropriate lessons from the volume and increasingly embrace their regulatory role so as to ensure efficiency in both commodity and money markets.

Debashis Chakraborty
Assistant Professor, Economics
Indian Institute of Foreign Trade (IIFT), New Delhi
E-mail: debchakra@gmail.com