

Book review

Asian Models of Entrepreneurship from the Indian Union and the Kingdom of Nepal to the Japanese Archipelago, Leo Paul Dana, World Scientific, 376 pp., US\$62/£36, ISBN 978-981-256-878-6

The trend toward market economies in Asia, coupled with recognition of the contribution new and small businesses can make to this region's economic health, has sparked an interest in entrepreneurship in Asia. While small business enterprise is hardly new to many countries in Asia, the nature of this activity is rapidly changing throughout the region. Leo Paul Dana's book, *Asian Models of Entrepreneurship*, provides a comprehensive look at the context for entrepreneurship across Asia. Early on, Dana emphasizes a key point. Blanket generalizations about Asia provide little to inform us about starting and running ventures in different regions. As one delves into the book, it becomes quickly apparent that each country has a distinct influence on entrepreneurial activity with its own particular combination of history, culture, and political and economic factors.

The book starts with an introduction to the topic of entrepreneurship in Asia that includes a review of the types of formal and informal economic activities taking place in the Asian economy. The next chapter underlines the importance of culture in doing business in Asia, and highlights key cultural elements, such as the role of networks, *guanxi* (special relationships), and Confucianism. While these two chapters provide a foundation for understanding the nature of economic activity and culture in Asia, one must read on to truly understand the unique blend of factors characterizing the entrepreneurship environment in each country. Dana proceeds, chapter by chapter, to detail the historical and context factors impacting entrepreneurial activity in 15 countries: Cambodia, China, India, Indonesia, Japan, Korea, Laos, Malaysia, Myanmar, Nepal, The Philippines, Singapore, Taiwan, Thailand and Vietnam.

Dana outlines historical events impacting entrepreneurial beliefs, behavior, and practices in the various countries. Support for free-market policies and privatization has increased generally across Asia. Yet the book reveals a variety of political models with respect to entrepreneurship, each evolving through a particu-

lar path of evolutionary and revolutionary change. During the 1970s in Cambodia, for example, the Khmer Rouge extinguished private enterprise, but in 1993, a new constitution specified a market economy. This shift from public to private enterprise is also evident in other countries, like Malaysia and Thailand, while some countries, like Japan and Taiwan, have long embraced market-oriented policies. China and Vietnam, on the other hand, while increasing their support for a private sector, do so under a unique blend of socialist and free enterprise policies.

As Dana indicates, government can play a strong role in encouraging entrepreneurship by allowing foreign direct investment and reducing barriers to business with other countries. Policies, and a nation's economy, influence education levels, the availability of financing, and transportation and communication infrastructure. These, in turn, influence the viability of entrepreneurship. The book shows that, in some countries, government assistance has targeted specific ethnic groups, such as a historically non-entrepreneurial indigenous population, or supported particular sectors, such as agriculture or growth-oriented technology industries. One common theme across countries is the tendency toward high government intervention and bureaucracy, generally seen as constraining entrepreneurship. In the less developed countries, this contributes to corruption in government.

The book reveals how culture provides a critical and enduring umbrella of influence over attitudes toward starting and running a business. But not all people equally interpret nor remain rigid to their country's culture. In countries like Malaysia, Thailand, the Philippines, and Indonesia, for example, entrepreneurship has historically been higher in those of Chinese ethnicity. How failure is regarded, the emphasis on individual achievement versus collectivism, and the status entrepreneurs hold in a society, often compared to government or corporate jobs, are examples of cultural influences on entrepreneurship.

The book concludes with a summary of the different approaches to entrepreneurship in the countries examined. Dana adds some useful implications for public policy makers, educators, and managers doing business in Asia. Policy makers need to be aware that government programs alone are insufficient for facili-

tating entrepreneurship, Dana maintains. He adds that these may fail to achieved the targeted objectives, or they may bring about undesired effects, such as bribery or unanticipated results from targeted subsidies. Governments need to establish and enforce a policy environment appropriate for a society's culture, and provides entrepreneurs with educated workers, the freedom to compete, and relief from excess bureaucracy, taxes, regulation, and corruption.

While relationships and networks may distinctly characterize business in Asia typically, one can not generalize across cultures. Asia presents a higher level of diversity, Dana suggests, than among societies where the firm-type approach dominates. Managers must be keenly aware of the unique cultural elements influencing business in a particular society. They must also pay attention to the implications of policy shifts in these rapidly changing economies. Dana also

offers implications for education in Asia: in providing training in the skill areas entrepreneurial firms need, but also to promote an entrepreneurial mindset in students.

Asian Models of Entrepreneurship provides a valuable foundation for examining the specific context in which one may launch and operate a business in Asia. It also helps us understand the different environmental contexts that may account for differences in the frequency and nature of entrepreneurial activity across geographies. This book is a useful guide for policy makers, business people, and educators working to understand and promote entrepreneurship across Asia.

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