

## Book reviews

Reviewer [George Simons](#), SIETAR member  
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Author Gabriele Suder (editor)  
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Terrorism and Adversity  
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Gabriele Suder (Professor in International Business and Head of Global Management, CERAM Sophia-Antipolis European School of Business, France) was a presenter in the SIETAR 2005 Congress in Colle-sur-Loup. She has assembled a series of essays surrounding the issues raised by terrorism and conflict for international business. As a specialist in risk management, she had already edited a first volume related to this theme, *Terrorism and the International Business Environment: The Security-Business Nexus* (Elgar 2004).

While providing useful state-of-the art insights into a number of disciplines that are or may prove applicable to the challenges arising from violence and adversity in the current world situation, it is fair to say that the book provides more of a research agenda, a map for resources than an extensive set of solutions. The underlying message of the essays as well as the overt conviction of the concluding section of the book is that there is much work to do to understand and appropriately work to resolve these challenges.

Just as government and military responses to terrorism have been beset by the increasing complexity of an enemy who lives everywhere and nowhere, so businesses join them in need to understand the structure of terrorism and how to “speed up strategic foresight” to respond to threats and opportunities in effective ways. This is the theme of the first section of the book, “The International Environment and its Networks.” Social network theory and research is proposed as an avenue to examine nature of “dark” networks and their functioning. Social distribution of scanning in loose networks is suggested as an alternative or at least a complement to traditional command and control intelligence gathering practices that have proven inadequate in foreseeing and preventing major terrorist attacks. National security if looked at as a computational process is enormously complex and somewhat more of a vision than an immediate potential if one follows the analysis of systems offered by the authors of the fourth essay.

Part Two of the book, entitled “Strategic Behavior,” starts with an overview of the critical changes in the global environment which have brought us into the age of terrorism and the kinds of risks inherent in this environment. To this the authors of the first essay, in discussing the importance of corporate awareness, suggest nine areas that need an investment of

attention, time and resources if businesses are to mitigate the risks involved. The next essay focuses on the Middle East and goes beneath its evident volatility to the deep as well as shifting mindsets of leadership both within the area and among those doing business with it. It focuses on the “spillover” affect of political and economic risk inherent in the area and uses international investors risk ratings to describe the nature of this spillover. Looking at the individual countries in the region the authors of this essay admit less than desirable clarity because of the unresolved situation in Iraq. At the writing of this review, the regional uncertainty is even more compounded by the Israeli-Hezbollah war. In all of this, the risk to value and the practices of financial management are deeply affected. The author examines the shift and growth in the roles of CIO, CRO and CFO in organizations as a result of new demands due to terrorism. The CRO (Chief Risk Officer), while now becoming an important role even in non-financial organizations, still requires development and definition both in its tasks and its relationship to the other leadership roles. The remainder of Part Two, after briefly assessing the costs of terrorism, pays attention to important changes and developments in financial practice and accountability. Financial transactions process is strongly affected by from the SOX legislation as well as the Patriot Act and new reporting standards and language.

Part Three, broadly titled “Corporate Management and Performance” starts with an essay by the editor herself on location decisions and operational risk management. It is about how an organization decides on the nature, timing, location and amount of presence it will establish and maintain in different areas when the risk of terrorism is present. What is the relationship of local to central investment? This leads to the next chapter on supply chain management, which insists that greater control and shortening of the chain can contribute to risk reduction. The authors produce a very useful matrix of metrics, security measures and their effects on supply chain essentials: reliability, responsiveness, cost and inventory and then deal in detail with the workings of the supply chain and the direct as well as indirect effects of the risk of terrorism. In this reviewer’s opinion, this well worked chapter is, from a practical and applied perspective, worth the price of the book. A final essay in this section addresses the rising importance of brand portfolio management as a marketing competency. Brand portfolio management is admittedly a somewhat recent and as such understudied field, and this piece is more of an introduction to the practice and its relationship to risk. It seems that a lot more could be said here about the political and cultural dimensions of brands and brand portfolios, but in fact there is no further application to the more specific theme of the book.

This reviewer, besides trying to offer useful perspective on the book, also seeks to provide a special focus on the importance of new writing for the intercultural field. In this book on corporate strategies, there is little intercultural perspective, and consequently much work begs to be done on this given the implications of almost all the topics covered in the book thus far. Danger and opportunity lurk in each essay from an intercultural point of view, since they discuss the more granular dimensions of globalisation and concern global organizations in a particularly critical risk environment where culture and identity politics are key ingredients. It begs for more of the kind of dialogue that is starting up in the [Interculturalists in Public discussion group](#) begun by [Kate Berardo](#). What role does cultural expertise play here, or is the raw faith of the current form of capitalism that growing globalization is simply its own culture destined to supersede all others?

Fortunately, the final section of the book takes at least briefly a left turn when it addresses “Challenges for the future.” It begins with a well-muscled commentary on “Corporate global citizenship” by Nancy Adler, addressing corporations with direct and clear challenges to engage in real peacemaking. She reexamines accepted financial strategy and its role the

present turmoil and demands attention to social and economic as well as cultural efforts. The “global citizenship” that Adler encourages requires rethinking and realigning resources, implying a shift from the mentality that says the rich will be served by the corporate sector while the poor are the business of governments and NGO’s. This is not a tirade against business but a call to discover better business that can be healthier for us all. Adler points to examples of successful sustainability with a profit, to “natural capitalism” in harmony with the environment as doable and ultimately necessary. “War is an immense stupidity,” according to quoted Golda Meir and yet the metaphors with which normally teach business success are about winning at least a very big game if not outright warfare. When facing terrorism, it is worthwhile to ask if indeed corporate warriors are not bringing much of it on themselves, as well as on the rest of us. The next essay, “Managing in an era of Terrorism,” contains more advice about where to look and where to act to forestall or contain the risk of terrorism. It is about survival rather than prevention. “Always consider problems as opportunities,” the penultimate essay returns to the broader theme of terrorism in the light of longer term resolution. David Suder attempts to draw out the opportunity found even in the disastrous climate of war and terror. This sounds like Pollyanna, but he does suggest a process for migrating our consciousness from “enemy” to “cooperation”, albeit briefly. Yet he cannot abandon the need for “the enemy.” The cycle is of great human disasters, lessons temporarily learned and quickly forgotten. If there are no enemies, we must produce them—perhaps stirring up survival instincts in this way tells of our inability in business to get beyond Darwinian selection and the lowest level of Maslovian needs.

The editor concludes the book with her own review of the contents of each chapter and its contribution to the theme. The reader would normally expect this sort of summary in the introduction rather than the conclusion, but given the disparate nature of the essays, it serves a purpose here. One is reminded of the dictum, *Plus ça change, plus c’est la même chose* (The more things change, the more we get of the same old stuff.” Terrorism is old—nothing new under the sun, except its bigger international dimension, the editor states in conclusion. The closing line reads, “Corporate strategies under international terrorism and adversity will help the business and civil community to adapt.” Perhaps it is the word, “adapt” in all its lassitude that characterizes many of the book’s essays, looking for new tools but reluctant to go beyond the theology, strategies, and tactics of corporate self-interest. Adler’s eagle-eyed essay seems token in this context at most. All the contributors to the volume save Adler and the editor are, by the way, boys.