

services and business to business marketing. The challenges before the business marketers today in India are enormous, as India gets increasingly aligned to global economy. This book will help the students and practitioners in this field and helps to fill a void for a standard text book in industrial marketing in Indian context to some extent.

However, there should have been greater coverage in certain aspects of business marketing which are becoming more important these days, such as

(a) Role of internal marketing - with increasing competition and given the emphasis on technology, innovation, greater product customization and the focus on creating and delivering customer value, the selling and operations functions of an industrial marketing firm will now need much closer integration and there will be heavy emphasis of team work in industrial marketing.

(b) Market intelligence gathering and network development - conventional marketing education has so far emphasized structured research, qualitative and quantitative, mainly on customers, competition and identifying market segments but areas as market intelligence networks were largely ignored.

(c) Integration of the financial aspects of marketing and its balance sheet implications - mastering the tools to measure the financial impact of marketing and determining the return on marketing investment (ROMI) is a big challenge to business marketers today. Many senior practitioners have often stressed the importance of understanding the 'balance sheet implications' of marketing decisions, to ensure that profit opportunities are maximized. Only isolated marketing texts integrate finance within the subject but now, there is greater need of integration between these functional subjects.

(d) Interpersonal skills development in a B2B context - Managing the sales process and sales force, strategic selling, managing key accounts and customer relationships and success in internal marketing within the organization will call for high level of interpersonal skills from industrial marketers who aspire for success in the emerging highly competitive environment.

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Empire of Debt: The Rise of an Epic Financial Crisis by Bill Bonner and Addison Wiggin, John Wiley&Sons Inc., Hoboken, New Jersey: 2006.

Imperialism has been one of the subjects that have always evoked a great deal of interest amongst economists and Political scientists alike. Lenin was the first to explore

the intricate relationship between capitalism and imperialism. Lenin in his book titled "Imperialism: The Highest Stage of Capitalism." stated that imperialism is characterized by monopoly corporations and unlike capitalism in earlier stages, in the imperialist stage, capitalism does not bring any more progress rather leads to continuous threat to the world in form of world war and environmental disasters. It has been mentioned over and over again in various theories relating imperialism and capitalism that countries with the highest stage of capitalism would periodically re-divide the world through world war.

This book is an attempt towards understanding the transformation of America from a modest republic to an imperial state- which meddles in the affairs of other nations. The book explores different motivations -economic, political, and ideological, behind the pursuit of an imperialistic state.

The book is divided into four sections. The first section of the book takes the historical perspective of the rise of the great American empire. The authors' state that imperialism dates from antiquity and throughout history it has taken many forms. In the ancient world imperialism has manifested itself in a series of great empires that arose when one people, usually representing a particular civilization and religion, attempted to dominate all others by creating a unified system of control. Much of the similarity can be drawn between French, Roman and now American empire. However, the authors state that despite the precedents each generation conveniently tends to ignore the lessons from the history. They grow up thinking themselves *to be more intellectual*, and more powerful than their predecessors. The authors caution that a great empire is to geo politics what bubble is to economy. It looks attractive at first but a catastrophe remains inevitable. In less than 100 years, the U.S \$ has lost more than 95% of its value (p 61). The history and even the present period alike have shown that the politics of minding its own business for nations have reaped great benefits for them.

There have been wide spread discussions on the effects of the imperialism. There are two schools of thought one supporting the imperialism, who believe that imperialism leads to greater economic development and growth. Whereas the other school emphasizing on the negative effects of the imperialism. However there is no convincing evidence of either of the models. The conflict between the two schools have mainly been due to: (1) Firstly, no consensus has been reached on the meaning of exploitation, and (2) Secondly, it is frequently difficult to disentangle the domestic causes of poverty from those that are possibly international. The authors quote the examples of Switzerland and Scandinavian countries, which have enjoyed a higher sustainable standard of living, per capita and growth. However they have never experienced any imperialistic rule in the past.

The second and the third section of the book more specifically deal with the creation of the biggest debt empire- America. This section of the book beautifully explores the delicate intricate relationship between politics and economy of a nation. According to authors the imperialist ambitions of America found their first ground in 1913 under the president, Woodrow Wilson. The authors blame Wilson for single handedly leading the American on road to imperial adventures. Imperialism has always been marked by relentless wars. The imperialist ambitions had led States to engage in 111 military actions between 1945 and 2005 (p.74). And today it is the most indebted country in the world. The authors state that it was the Vietnam War (1961) which tore the America financially. However the leaders Johnson and Nixon instead of cutting down on spending relied on deficit financing to meet up the war expenses without curtailing the public expenditure. Further to add to the miseries no explanation was given why America got involved itself in war. And many a decades later they still don't seem to learn anything. The America continues to back many a wars in an attempt to have say in world affairs, flaunt its power all over in name of restoring democracy, free trade etc.

Bismarck who once said in his speech "War is the health of the state". However military spending only gives an economy the false impression of growth and prosperity. A country or empire when it grows it needs more money to fund its military campaigns, regulatory regime and domestic schemes. Since 1913 till 2005 the income tax had enabled, entitled, empowered and engorged the federal government, states and local governments. Spending has grown more than 13,592%. (P. 134)

The authors are also critical of the abandonment of the gold standard system completely in 1971 by the Nixon government. One of the prime characteristics of the gold standard system was that it led to an auto-correction mechanism. The excess supply of money was kept in control. Gold is actual or real money. No country can produce more of it at the whims and fancies of the ruling party or centre. The aim of destroying the gold standard in fact was to provide the economy with convenient, expandable and complaint money. Since 1971 US has added trillions to the world's supply of dollars and credit. The authors say that the imperial ambitions makes the presidents forget about the good economics. In Regan era the taxes were drastically cut however there was no equivalent cut in spending rather military expenditures was further hiked by 25%. This led to further increase in deficit. By the end of Regan era the federal debt had reached new heights of \$2.6 trillion. (p.199)

The authors are also critical of the supply side economics that cropped up for the first time in the Regan era. The typical conservative economists always estimate the real cost of things. However the U.S economy in 70's was facing problem of high inflation

and high unemployment there certainly was a trade off between solving these problems. Hence supply side economics came into picture. The supply side economists recommended cut in taxes. These lower taxes would create a boom and output would go up- eliminating inflation. However they seemed to ignore that what matters to an economy is not the nominal tax cut but the percentage of resources that taken away by the government.

In the last section of the book, the authors talk about the periphery economies of India and China, which have emerged out to be much stronger in the recent times. The compelling characteristics of these nations, is that over a period, these have become the net savers and net producers for the world around on the other hand America has turned into net borrower and net consumer.

The periphery economies have recorded high growth rates in near past and are expected to grow at a faster rate in future. And it is not just manufacturing that is moving to the periphery states. The advent of high speed, inexpensive communications, along with cheap computing has allowed Asians to compete in service sectors as well. The authors also vaguely mention the BRIC report which states that in next 40 years these BRIC nations together will over take the G6 nations in terms of growth.

The authors state that first sign of trouble for U.S economy were apparent when from G.E, a manufacturer, Walmart a retailer became the largest employer, there by indicating the shift of economy from that of production capitalism to consumer capitalism. In concluding remarks, the authors warn the investors and consumers alike against the property bubble which has raised the prices of house 2-3 times. Houses have become financial assets which are actively managed, just like stocks. When the interest rate dips, new credit is taken to refinance the house at a lower rate. However borrowing to finance the over priced estates don't make for good economics. The housing bubble will surely burst, just like the stock bubble however when it does the investors will be deep in debt. The authors further state that despite the growing bubble or the negative numbers in the current account, Alan Greenspan has continued with his low interest regime supporting the inflatory pressures in the economy. By offering interest rates less than inflation Greenspan's has offered credit for absolutely nothing.

The authors advice the readers that capital gains in housing and stocks is fraud. As a house produces no more "income" just because its prices went up. Instead the utility will remain exactly the same.i.e. House can never go up in value only its prices can. Thus all the transactions involve no more than money moving around; people as whole or an average investor – cannot expect to get rich by investing in them. Like their previous book *Financial Reckoning Day* the authors do not predict the future of the

America. They leave the readers thinking about the different possibilities that will mark the end of empire or imperialist regime howsoever it will surely be marked by an epic financial crisis ,vaporization of faith in dollar and reverting back to gold standard.

This book makes a delightfully insightful read. The book is well written, witty, and treats the subject analytically. The authors supplement their arguments with persuasive examples. However the authors have explored only two motives, political and ideological, for building of empire, at length. The readers would have been much benefited if the relationship between imperialism and capitalism would have been explored in great detail. Never the less the authors have beautifully provided an overview of building of an empire of America, the ills that come with empire. This book will interest not only the students of economics and finance but to anyone who is interested in knowing the world affairs, history and politics.

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