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## Book Reviews

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Reviewed by Luc Hens

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### **1 Transforming Governance: New Values, New Systems in the New Business Environment**

**by: Maria Aluchna and Güler Aras**

**Published 2015**

**by Gower Publishing Limited**

**Wey Court East Union Road Farnham,**

**Surrey, GU9 7PT, England, 127pp**

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At least two experiences that have become more pronounced during recent years, drive the idea that the governance of companies has reached a point where transformation of the management is mandatory:

- The multiple examples of large-scale corporate failures, such as the Enron and Parmalat cases, and in the free market system the 2008 financial crisis affecting banks, mainly in the industrialised countries.
- Sustainability issues pointing to the social responsibility of companies. After three decades of globalisation, one billion people live below the poverty line and twice that number do not have access to safe drinking water sanitation and electricity. Or more in general, sustainable companies should bother not only about their economic performance, but also about their social, environmental and ethical responsibility.

This book is about how the financial crisis made people understand that weak internal controls, insufficient board oversight, and lack of supervisory impact on corporate governance were detrimental to sound business and financial markets. The answer is a strong governance structure and a good governance system. This book addresses the current changes in corporate governance, its tasks and functions.

The nine chapters of the book are organised in three parts. The first addresses theoretical approaches and the change on the corporate governance paradigm. It is about inefficiencies, scandals and crisis, significant shortcomings, and stakeholder value. Of particular interest is chapter 1, which provides summaries of corporate governance theories that can immediately be used in class.

The second part discusses the forces that lead to the changing corporate governance paradigm: stakeholder expectations, and transparent reporting.

In the third part, case studies on corporate governance in various countries, organisational and institutional settings are analysed. Chapter 9 is noticeable as it delivers evidence from Russia, a less frequently discussed type of economy in this context. The

author indicates that the main challenges are board formation and transparency facing the ongoing reform process.

The short concluding chapter puts emphasis on the interdisciplinary character of nowadays corporate management in which law, finance, sociology, culture, and politics meet. The transition phase should pay particular attention to shareholders and stakeholders, the board of directors, and aspects of executive compensation.

This is a most useful book from many points of view. It discusses corporate governance in terms of theory, practice, regulations and principles. After the 2008 financial crisis, good governance is vital for a sound economy and its sustainable development. The realistic approach of this book makes it most accessible not only for corporate managers but also for other people involved in dealing with sustainability approaches in organisations, entrepreneurs, decision makers, consultants, master students and researchers.

This book is the third in the Gower series 'Finance, governance and sustainability: challenges to theory and practice'. Other books in this series were reviewed before (Hens, 2015a, 2015b). All together the series shows how integration of finance, governance and sustainability offers effective solutions for complex and fast-evolving problems. In this context, this new publication is a valuable addition to this authoritative series.

## References

- Hens, L. (2015a) 'Corporate strategy in the age of responsibility', *Int. J. Environment and Pollution*, Vol. 57, Nos. 1–2, pp.102–103.
- Hens, L. (2015b) 'Entrepreneurship and sustainability. Business solutions from around the world', *Environment, Development and Sustainability*, Vol. 17, No. 3, pp.689–690.

**2 Handling Societal Complexity: A Study of the Theory of the Methodology of Societal Complexity and the COMPRAM Methodology**  
**by: Dorien DeTombe**  
**Published 2015**  
**by Springer-Verlag**  
**Berlin-Heidelberg, Heidelberger Platz 3,**  
**D-14197 Berlin, Germany, 551pp**  
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Environmental and human ecological problems are very complex. Moreover, they offer just one example of the complex problems society faces. Multi-, inter-, and trans-disciplinarity offer only a partial and rather vague answers on handling this complexity. Few specific methods have been described for handling complexity in the practice of research.

This book offers an approach to handling this problem. It is a handbook describing the theory of societal complexity and lays the foundation for the application of the COMPRAM methodology, which was developed by the author.

Apart from an introduction and a concluding chapter, the book is structured in two main parts. Chapters 2 to 7 address the theory of the methodology to deal with societal complexity. The main concepts are defined next to the formulation of the problem and the research question guiding the subject of the book. The chapters discuss further opportunities, bottlenecks and constraints. They describe the phases allowing handling of complex human problems and the rationalities for doing so. They are about decision support systems, including artificial intelligence and related computer tools, and management information systems. They show how to structure complex societal problems and structuring models to this end.

Of core importance is chapter 7 on the COMPRAM method. COMPRAM is an acronym which stands for complex problem handling methodology. This is a six-step framework methodology in which several methods, models, and tools can be used. The methodology should be handled by a multidisciplinary team of experts and different actor groups. The chapter describes aims, assumptions, and the stepwise implementation of this methodology for systematic and transparent policy making on complex societal problems.

Chapters 8 to 13 apply the methodology to global problems. The cases concern: HIV/AIDS in the healthcare realm; sustainable development of agriculture and industry; cumulating in quality of life considerations; the 2008 credit crisis as an example from economics; climate change as a complex social problem; terrorism, immigration, and large city problems; and finally a chapter on ethics, validation and testing of complex societal problems. All together these chapters show how COMPRAM can be used to address and come up with solutions for a wide range of complex problems in contemporary societies. Handling these problems in this way can reduce conflicts, save money, improve the quality of life, and contribute to a better democracy.

The concluding chapter 14 describes the use of the methodology in an area of societal complexity by excellence: policy making. Establishing knowledge institutes for handling global safety threats is advocated based on an advice of a 2006 OECD report.

This book is not an easy to digest. Reading is not swift because of the subjects, the approach, and the outspoken step-by-step descriptions, which leads to repetitions (compare, e.g., the title of the book with its sub-title), and its menu: complex societal problems should be dealt with as multi-disciplinary, multi-actor, multi-level, and multi-continental issues. On the other hand, the book is most necessary. It shows a way beyond multi-disciplinary approaches, providing analytical information on different ways to look at complex problems. The book and COMPRAM offer a systematic, objective, and scientific way to integrate knowledge, resulting in higher levels of understanding and application.

As such, this publication is a valuable resource for scientists, researchers and practitioners. It is a source of inspiration for PhD and masters students in environmental and social sciences struggling with structuring the complexity of their thesis works. It is useful as a guide for researchers, managers, political scientists, and all of us professionally involved in advising how to handle environmental and other complex policies.

The dedication of the book is "May the world become a better place to live". This book is a scientific guide helping to realise this aim.

### **3 Sustainable Governance in Hybrid Organizations: An International Case Study of Water Companies**

**by: Linne Marie Lauesen**

**Published 2015**

**by Gower Publishing Limited**

**Wey Court East, Union Road, Farnham,**

**Surrey, GU9 7 PT, England, 221pp**

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Post-modern companies not only have to be profitable. Their environmental responsibility and social vocation are gradually becoming more important. While as a rule corporate social responsibility (CSR) companies address these aspects, implementation of environmental health, and/or sustainability management systems by water companies shows specific aspects:

- More than most other companies they depend directly on water as an environmental asset and service.
- At the social side drinking water is perceived as a natural good that ideally should be free and plentiful for all citizens.
- Realising their ‘profit’ target is influenced by the dichotomy between sustainable (CSR) governance and the neo-liberal new public management (NPM) model; the hybrid organisation combines both business models, making them both profitable and suitable to effect ‘a positive social and environmental change’.

This book analyses how water companies in Denmark, the UK, South Africa, and the USA balance their social, environmental, and financial objectives. The book is structured in ten chapters that fall in three groups. The introductory part entails two chapters of which the first provides an overview of key concepts and definitions (hybrid organisations, NPM water companies). The second one guides the reader through sustainability and CSR into a definition of sustainable governance.

The core part of the book explores sustainable governance. It deals with issues such as:

- ‘How do managers perceive sustainable governance?’ (chapter 3), which is illustrated with case studies on water companies in the four countries studied during the PhD research of the author.
- Opportunities and barriers in managing sustainable governance (chapter 4) asks whether ‘hybrid organisations such as water companies are more suitable for sustainable governance?’
- ‘How can stakeholder management be useful for sustainable business models?’ (chapter 5). This chapter introduces the organic stakeholder model.
- ‘What happens when stakeholders are not positive and cooperative as many stakeholders’ models make it seem?’ (Chapter 6), which provides examples of how managers overcome these barriers using a trust-recovery process.

- ‘Transparency in stakeholder management through corporate texts’ puts a critical light on the claim that (profit) organisations are transparent in their conduct (chapter 7). The chapter puts emphasis on the need for environmental performance in the daily operational practices of a company to gain the trust of the stakeholders, avoiding the accusation of ‘greenwashing’.
- ‘What does sustainable governance mean in practice?’ is about sustainable governance in eight Scandinavian water companies (chapter 8). The outcome of this study is a model for sustainable management and its impacts on reducing CO<sub>2</sub> emissions in construction projects.

In the concluding section, chapter 9 is on evaluating sustainable governance. It is about the importance of the object of a company (water for water companies) to adopt a sustainability policy and management. The last chapter (10) is an epilogue that summarises the previous chapters and addresses sustainable governance in the aftermath of the 2007–2008 financial crisis. The conclusion advocates that more companies in more sectors should invest in sustainable governance.

The most interesting aspect of the book is that it forces the reader thinking about new ways of managing companies and contributing to a more responsible economy. The dissection of the water companies proves an excellent choice as drinking water has a strong connotation of being clean, not contaminated, not exploiting nature and the people living within it (in contrast to, e.g., oil companies).

The focus on water companies in Denmark, the UK, South Africa and the USA is at the same time a weakness and a strength. A weakness because this geographical scope limits the generalising aspects of the discussion; a strength because in particular the study of the seven Danish water companies offers an original and empirical research basis. It is a main basis of the highly knowledgeable standard of the author and the book.

This book is an outstanding addition to the Gower series a ‘Finance, governance and sustainability: challenges to theory and practice’. It is most useful for students, practitioners, NGOs, and citizens interested in sustainable management. It is a most timely book as many countries in the world are in a process of quasi-privatisation of the water winning and distribution sector.

**4 Integral Polity: Integrating Nature, Culture, Society and Economy**  
**by: Ronnie Lessem with Ibrahim Asbouleish, Marko Pogacnik and**  
**Louis Herman**  
**Published 2015**  
**by Gower Publishing Limited**  
**Wey Court East, Union Road, Farnham,**  
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Pursuing an integral, interdisciplinary, and complex worldview is a long journey. The ancient Egyptians did it through their goddess Ma’at, and the Greeks through their polis and their philosophy of four elements (air, water, earth and fire). They were followed by

the Romans, Medieval Europe, and Diderot's 'Encyclopaedia'. Contemporary interpretations are found with Havel, England's Prince Charles, and Brundtland. In modern science, integral and integrated approaches have a connotation of synthesis and policy. This book is framed by the attempts of reaching a wide and comprehensive world view integrating science, society, economy, and culture.

The book is structured in four sections, which taken together provide a 360 degrees view on 'integrity'. Apart from two introductory chapters (among others on the origins of politics), the first part discusses the 'Natural and communal orientations'. It is about tradition, modernity, nature, and communities. The discussion is illustrated with cases from Africa, including food security in Zimbabwe.

The next section is about culture and spirituality: the human cycle (symbolism, typical, individual and subjective), cultural memes, and the threefold commonwealth (culture, politics, economy). Cases in this section relate to Asia and to Sri Lanka's Sarvodaya in particular.

This is followed by a section on society and technology. Keywords include technical grounding, integral innovation, self-management and cooperative association. No surprise, case studies are found in Europe, and more in particular in the 'Integral green Slovenia' concept.

The section on economics and the environment covers Western, American attitudes and is illustrated with a discussion of Brazil's Curitiba, a 'smart city' icon, combining pragmatic leadership with integrated design, strong public and business participation, and an inspiring and widely shared vision.

The last main section covers four chapters on the Islamic vision on nature, culture, society and economy. The chapters refer to a harmonic Arabic worldview based on sustainable development. Here, the quintessence of the book is found: advocating a harmonious integral sustainability society centred around and integrated with humanitarian and religious grounded 'polity'.

This is not a scientific book, but a discussion embracing a wide set of elements contributing to sustainability and sustainable development from an inter-cultural perspective with a major accent on Islam. This approach is the originality and the attraction of the book. Dealing with the multiple and varied aspects, it looks like an magnum opus, but fails in providing a clear synthesis. Rather, it leaves its reader with a feeling of fragmentation and a kaleidoscopic view on an interesting world. In view of this rich variety of aspects, it is probably unfair attempting to summarise and assess this book in a 600 words review.

The multi-edge aspect can also be traced to the varying backgrounds of the authors: a Zimbabwean political economist, and one of the co-founders of the Trans4m Centre for Integral Development in Geneva, a natural scientist, an engineer who established the Heliopolis University for Sustainable Development, a professor of politics at the University of Hawaii, and a conceptual artist with a geography background based in Slovenia. The patchwork could hardly be more diverse.

The book is of interest for all seeking to explore new, less known, philosophical paths in the sustainable development realm.

**5 Stop the “Fuelishness”: Plan for a World without Fossil Fuels and Save the Environment**

**by: P.E. Johnroy Messick**

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**by Xlibris**

**1663 Liberty Drive, Suite 200,**

**Bloomington, IN47403, USA, 205pp**

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Few doubts exist that because of the increasing concentrations of greenhouse gases this world needs a transition towards sustainable energy. During recent years, a series of books were reviewed indicating how such a transition could look (Hens, 2014, 2015; Hens and Buekens, 2014). Unfortunately, not every energy transition is a sustainable one.

This book provides an example. It takes off from the hypothesis: fossil fuels are finite and we are running out ‘fast’. This will lead to an energy crisis soon and we need to find cheaper alternatives that minimise climate-destroying pollution and improve the world’s economics. The solution is nuclear and, where appropriate, sustainable energy including wind, hydro and/or solar.

The author uses 24 chapters presenting his ‘research’ on the issue. He provides an overview of the power generation costs of all fuels, the status and the policy of nuclear power in 14 selected countries from around the world, and an overview of the strengths of nuclear power systems. All this cumulates in a ten-point world plan, of which eye-catchers include: expedite energy conservation measures, build at least ten new nuclear power plants in the next ten years for each large country, and restart funding for nuclear waste recycling.

It is obvious that these strong points of view are the result of far-reaching selected and mostly partial information:

- The ‘cheap’ nuclear power is based on disinformation, externalising for instance the full costs linked with dealing with the (high) radioactive waste.
- Restarting funding for nuclear waste recycling almost denies the history of this research in the USA, Europe and the USSR during the 1950s until the 1990s.
- Denying the accident risk in the USA conflicts with the current risk estimate results of, e.g., the Max Planck Institute (<https://www.wiseinternational.org/nuclear-monitor/750/risk-major-nuclear-accidents-underestimated>).

This is a book that reveals the obsession of the author about the political underestimation of an important global environmental problem. Unfortunately, the quality of the arguments (incomplete, superficial, and wrong) does not go beyond a discussion in a bar, where ample amounts of whiskey or other alcoholic beverages are consumed. In spite of the attention-calling title, this book has value only as an example of an erroneous sideway in the search for an important energy transition.

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- Hens, L. (2015) 'Renewable energy systems. A smart energy systems approach to the choice and modelling of 100% renewable solutions (2nd ed.)', *Int. J. Environment and Pollution*, Vol. 57, Nos. 1–2, pp.101–102.
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