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Professor Morikawa's book on the Japanese zaibatsu is a crowning achievement of his thoughtful scholarship and patient research which have resulted in the first detailed, carefully organized history of this significant institution. It will certainly be essential reading for any serious scholar who is interested in the phenomenal growth of the Japanese economy. It should also influence the future thinking on the historical development of managerial capitalism in international perspective. To a business historian like myself who has studied the three varieties of managerial capitalism—those of the United States, Great Britain, and Germany—Professor Morikawa provides an essential underpinning for understanding the evolution of a fourth variety of managerial capitalism, one that evolved in a very different way than did those of the West. His book thus enriches our understanding of the workings of modern industrial capitalism.

As Professor Morikawa so convincingly illustrates, the zaibatsu were the central institution of the development of Japan's modern economy. These family-controlled and multibusiness enterprises, managed through an extensive hierarchy of salaried managers, became one of the crucial instruments in the transformation of the Japanese economy from a traditional commercial agrarian one to a modern industrial one. For, until the Meiji Restoration in 1868, Japan had little contact with the West. Western capitalism evolved over five hundred years of personal, mercantile economy, and small-scale individual capitalism. Japan, with the driving force of the zaibatsu, made the transformation within a single generation. Therefore, an appreciation of the history of the zaibatsu between their modern beginnings in the 1880s until World War II is not only essential in understanding how that transformation