

best answered comparatively was surely right and valuably provoked narrowly insular Europeans to address interesting questions more accurately. Still, it is a little alarming in a book published in 2012 to be informed (p. 59) that Imperial Tobacco was born in 1919 (rather than 1901) and that it produced fewer cigarettes than American Tobacco (when it actually produced many more), errors partly explained (though hardly excused) by the fact that this appears in an (apparently uncorrected) reprint of an article originally published 20 years ago. But that is an uncharacteristic aberration: the essays are generally fresh and in the Chandlerian spirit in the wholly admirable sense that they aspire to learn from his techniques of allying detailed historical investigations with broader syntheses and take his contributions to the understanding of organizational capabilities challengingly forward.

The individual essays vary from surveys of the field to substantive new contributions, with some coming halfway between. Several are worth singling out. Richard Rumelt, today's doyen of business strategy, teams up with David Bardolet and Dan Lovallo (better known for their work in experimental economics) to show that diversified American firms in 1989–2004 invested more in unprofitable units and less in cash-needy businesses than did single-business firms; and interestingly speculate on how further work might help us understand and modify such possibly inefficient head office behavioural anomalies. Mary O'Sullivan, with admirable open-mindedness and detailed scholarly analysis, maintains that both Lance Davis and Chandler raised interesting questions about the role of financial markets in the nineteenth and early twentieth centuries without resolving them empirically, and provides tantalizing hints on how to put that right, of which we will surely hear more. Louis Galambos is his usual subtle, wise, and critical self, in an examination of the professionalization of management, partly inspired by the sociological literature. Pursuing a related theme, Peter Capelli provides a fine survey of the growth (and recent decline) of corporate management development programmes in twentieth-century America, though his treatment of the years around 1900 is thinly evidenced and perhaps underestimates the extent of internal labour markets and promotion within the firm by that date (certainly European internal labour markets appear to have been further developed by then). The editors might have considered knocking Galambos's and Capelli's heads together, to produce even richer fare on the under-researched subject of an important question: where on earth did all the people who staffed managerial hierarchies come from?

But the fact that I thirst for more merely shows how much more thought-provoking are this volume's contributions than many such compilations. I learnt much from it about how the subject might better evolve. The profession is indebted to the editors for assembling, and themselves enriching, such a fine feast.

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Richard Vahrenkamp, *The logistic revolution: the rise of logistics in the mass consumption society* (Brandsberg: Josef Eul Verlag GmbH, 2012. Pp. vii + 281. ISBN 9783844101188 Pbk. £48.99/€59)

In this work of transport history, which focuses primarily on Germany but takes cognizance of parallel developments elsewhere in Europe and in the US, Richard Vahrenkamp links the rise of modern logistics concepts to the emergence of the mass consumption economy. Urbanization in the late nineteenth century gave rise to large markets for cheap mass-produced goods. Large-scale retail formats developed to service this demand, and included department stores (from 1850), the German equivalent of dollar chains (from 1920), and supermarkets (from 1950). In these stores the goods had to be in stock, displayed for inspection by the customer, and available for sale at a fixed price. This opened

the field for innovation in concepts of supply and distribution to ensure that diverse goods could travel from the manufacturer to the store punctually and in adequate quantities.

Vahrenkamp argues that road transport, which in Germany developed rapidly after 1920, was better positioned to exploit this technological opportunity than the railways. Since the retail industry gave rise to less-than-carload lots of finished and semi-finished goods, the core of this argument is a careful description of how packaged goods moved through the rail freight system, pinpointing the places where time was lost or costs were incurred compared to truck haulage. The strong theoretical advantage of the railway in long-distance transport was more than offset by added handling at origin, destination, and intermediate stations. Vahrenkamp develops this point to good advantage by describing cartage outside the station, loading and unloading operations within the cargo hall, and bottlenecks within transshipment centres. As a mature system with limited scope for inexpensive upgrades, the railways were highly congestible, as is shown by descriptions of switchyards which routinely had to be closed to incoming traffic until wagons could be released. In comparison, transport by truck was direct, faster, cheaper, better (except for goods in bulk), easier and quicker to engage, and far less capital-intensive; it could also immediately pass through savings from any improvements to the road system that might be made.

The book describes the efforts of German transport policy-makers both before and after the Second World War to secure the financial position of the railways against truck competition. For the truckers this led to distinctions in regulation between local and long-distance transport, and between transport on own account and transport for hire or reward, with the latter being subject to quantity licensing and a requirement not to undercut the railways on price. Vahrenkamp argues that tight regulation of long-distance carriers resulted in an overuse of own-account transport, which imposed deadweight losses since back loads could not be carried. Building on previous research by Thomas Zeller and others, he also analyses in detail the attempt of the railways to piggyback on the door-to-door transport advantage of the truck by providing services for intermodal traffic (*Kombiverkehr*), which failed despite considerable investments in terminals and logistics zones since the lengths of haul were too short to overcome a journey-time disadvantage.

Liberalization of the transport markets in Germany lagged the UK and the Netherlands. Vahrenkamp argues that it was driven largely by EU directives deregulating cabotage and mandating separate accounting of infrastructure and rolling stock for the railways. German transport operators did not themselves press for deregulation since they viewed the existing regulatory structure as defending their profits or market position from new entrants.

The chronological scope of the book extends from the late nineteenth century to the present—from the waybill to the barcode, as it were. Though competition between road and rail emerges as the principal theme, the book aspires to cover the complete logistics system. It includes chapters on the development of the *Autobahn* network, the role of the private motor car as a building block of the consumer society, outsourcing of car part production from rich to poor countries, the failure of the rail- and commodity-focused economies of the Eastern Bloc, trans-Alpine freight transport, and the emergence of private parcel carriers with strict size and weight limits but transparent pricing as technological trend-setters in the logistics industry. With a scope this ambitious, some aspects are necessarily treated synoptically. For example, the chapter dealing with *Autobahn* development is a heavily condensed version of Vahrenkamp's own recent book on this topic. However, the presentation engages the reader, while the focus on evolution of the supply chain gives the book thematic unity. Besides its value as an attempt to frame the issues that are involved in competition between road versus rail, it allows English speakers to identify differences between the historical German and British approaches to transport regulation that can fruitfully be investigated more deeply.

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