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**Mauro F. Guillén and Emilio Ontiveros: Global Turning Points: Understanding the Challenges for Business in the 21st Century**

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**Mauro F. Guillén and Emilio Ontiveros: *Global Turning Points: Understanding the Challenges for Business in the 21st Century*. New York: Cambridge University Press, 2012. 182 pp. \$32.99, paper.**

In this engaging and ambitious book, Guillén and Ontiveros reflect on the economic, social, environmental, and political challenges that the world is bound to face in the twenty-first century. They explicitly target businesses and economic actors as their main audience, but the alert reader will quickly realize that the comprehensive scope of the analysis will surely interest anyone eager to grasp what the major faultlines of the new century might be. As they consider what the future holds, the authors also identify positive changes that will likely present valuable opportunities for national and transnational businesses, as well as policymakers and other interested actors.

The expressed analytical mission is to “better understand” those “*turning points*,” that is, veritable game changers” and “*inflexions*” that will have major impacts on human societies (p. ix). At the broadest level, those key turning points are the increasing political power, market size, financial clout, and demographic profile of several emerging economies—China, India, and Brazil most notably. But the rise of those countries is neither set on a given trajectory nor guaranteed. Thus rather than having to deal with the arrival of a neatly organized multipolar world in which the hegemony of the United States and, to a lesser extent, Europe is being carefully balanced or simply overtaken by a set of other countries, we are much more likely to face decades of uncertainty and complexity. China might partly implode, for instance, or at least fail to translate economic power into genuine world power. State inefficiencies will cripple countries like India. Major inequalities both in the developed and developing world may translate into serious social unrest. The growing power of emerging economies will not translate into a straightforward rearrangement of the world order.

To articulate their perspective, Guillén and Ontiveros consider seven distinct turning points in as many chapters, drawing from a rich variety of data sources, such as the Organisation for Economic Co-operation and Development, World Development Indicators, World Health Organization, and academic research. Attention goes first to the growing imbalances in the global economy (chapter 2). These include major public indebtedness in developed countries, rapid urbanization coupled with environmental degradation and rising inequalities in the emerging economies, and massive trade deficits and surpluses, with accompanying accumulations of large amounts of foreign reserves. An unprecedented degree of interdependencies among countries means that problems in one country are much more likely to affect life in other countries than might have been the case in past centuries. The financial crisis of 2007–2008

may be a warning of things to come. The second and related turning point concerns the increasing numbers and power of multinational corporations based in emerging economies (chapter 3). Unlike their counterparts in the developed world, these tend to be headquartered in non-democratic countries or to be state-owned enterprises and thus play by different rules and with different objectives and priorities. As the “centers of managerial decision making are gradually moving away” from places like London and New York and “towards Mexico City, São Paulo, Beijing,” and other such cities, the landscape of opportunities is also changing (p. 42).

The third turning point is more demographic (chapter 4). Aging populations are bound to put enormous stress on many developed countries, while younger populations will inevitably offer many emerging economies significant resources, more revenue-generation potential, and larger markets—but also potentially more instability. Overall, emerging countries seem again to be faring better than their more developed counterparts, especially when other trends (obesity rates above all) are taken into consideration. But the picture is certainly complex, with poverty and hunger still plaguing many countries in Asia and Africa. Equally important, many of the poorer countries in the world are now facing a widespread and potentially devastating challenge: the “breakdown of state authority,” which, as the fourth turning point (chapter 5), “has become the dominant political problem in most of Africa, the Middle East, South Asia, and some parts of Latin America” (pp. 77–78). This comes with new forms of political mobilization, violence, and terrorism. Given that many of these countries are also resource rich, the implications for business and other actors are immense.

The fifth turning point has to do with growing inequality within (as opposed to across) countries (chapter 6). This, too, is novel and amounts to a sort of pressurization of countries, with mounting tensions, potential for breakdowns, and higher chances of regime change. If this is mostly troubling news, more good may come from a sixth turning point: the pursuit of environmental sustainability (chapter 7), which comes at a time when the demand for natural resources is great and thus investment and interest in technological advancements are also growing at a fast rate. “A sustainable approach to growth” offers “opportunities for value creation” (p. 119) that are real and could transform the way we live.

The seventh turning point is the emergence of a “polycentric or multipolar” world (chapter 8, p. 148). If the nineteenth century saw Great Britain as a hegemonic power, and the twentieth century was ultimately won by the United States, in the twenty-first century we will see a less clear, potentially more volatile, and more tentative world order.

Taken together, these turning points make for a significant degree of complexity and uncertainty and thus “an explosive combination” (p. 161). For this reason, Guillén and Ontiveros emphasize that they do not believe in any sort of predetermined outcome. Laudably, their mission is less to predict and more to identify in some orderly fashion the key forces and trends that, in multiple ways, will create powerful pressures, constraints, and openings. In so arguing, Guillén and Ontiveros manage to cross interdisciplinary boundaries and preoccupations with great ease. The book, in other words, is as much global in approach as it is in focus, and the skillfulness with which the authors weave so many disparate themes together makes for a truly stimulating read, which

ultimately amounts to an impressive snapshot of the world in the new century that everyone should take note of. Simply put, this is at once sophisticated, educational, and consequential scholarship that should appeal to a great variety of readers.

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