

and anyone interested in the social processes that produce the world in which we live and work.

John L. Conant
Indiana State University
Email: John.Conant@indstate.edu

doi:10.1017/eso.2015.77

Published online December 2, 2015

Marilyn L. Taylor, Robert J. Strom, and David O. Renz, eds. *Handbook of Research on Entrepreneurs' Engagement in Philanthropy*. Cheltenham, UK: Edward Elgar, 2014. xviii + 378 pp. ISBN 978-1-783-47100-3, \$210.00 (cloth).

I want to start this review by focusing on what the book's title actually says. First, it is a handbook, a place to go to for information on a subject. Second, it is a book about research, so we expect to find something new here. Third, it is about entrepreneurs' *engagement* in philanthropy. Thus, this book is about people who make money (entrepreneurs) and people who give money away (philanthropists). I will take the liberty to quote from the introduction to get the editors' message across to the reader:

This volume is about how and why entrepreneurs who drive success in the for-profit world become engaged in philanthropy. ... It requires an understanding of entrepreneurs in their for-profit world and an understanding of the word of philanthropy. It entails an investigation into the motivations that drive entrepreneurs and philanthropists, and the social and political environments that are conducive to their success (p. 1).

The editors go on to say that relatively little academic research on the intersection of entrepreneurship and philanthropy exists—therefore, the need for this volume. This is correct. Further, they cite the need for collaboration on a subject that has received little attention. I also agree. Thirty-one scholars engaged in this project to produce a handbook that focuses on the overall perspective, differing perspectives and experiences, a global perspective, and a final chapter comparing Euwing Marion Kauffman and Mario Marino. The book contains thirteen chapters and an introduction. What makes this book interesting—and, perhaps, unique—is that most of the authors are from the entrepreneurship research field and none of them come

from the philanthropic research tradition, even though there is a large research agenda in philanthropy. The authors include a range of some very well-known scholars in entrepreneurship from a variety of backgrounds: strategic management, entrepreneurship, economics, management, geography, and nonprofit.

The book is divided into four parts. Part I, "Overall Perspectives," focuses on the public interest, people and places; Part II, "Differing Perspectives—Different Experiences?," looks at women entrepreneurs, African Americans, multigeneration family companies, and high-tech donors; Part III, "Perspectives across the Globe," includes contemporary Europe, Chinese entrepreneurs, African entrepreneurs, and American entrepreneurs; and Part IV, "Two Entrepreneurs—Two Transition Patterns," compares Euwing Marion Kauffman and Mario Morino as to how they came to philanthropy.

To review a collection of essays is always difficult, and this one is no exception. Therefore, I will focus on the first essay, by William J. Baumol and Robert J. Strom, "Entrepreneurship and Philanthropy: Protecting the Public Interest." The canvas that Baumol and Strom paint suggests that the key to understanding our society is the protection of the public interest. They suggest that the private creation of public goods is at the heart of a successful society. From the time of the Greco-Roman Empires through the Middle Ages, wealthy individuals have spent money on philanthropic activities. However, it was not until the invention of capitalism in the seventeenth century, as well as American exceptionalism, that philanthropy was used to promote the public good. This philanthropy was used to encourage diverse ideas and approaches to creating a better society.

The authors next compare corporate philanthropy to private philanthropy and suggest that when entrepreneurs are no longer the owners of their companies, the picture gets more complicated. As long as the entrepreneur is the sole owner of the company, any public backlash of the use of the firms' profits affects the owner alone. However, once entrepreneurs have sold part of the company, there are other obligations to consider. The authors then go on to lay out some guidelines for giving:

- The earnings of successful entrepreneurs should be left free to be disposed of by those who hold these resources for causes they deem desirable.
- Additional support for such causes by government is also desirable.
- Management-directed grants of corporate resources for causes entrepreneurs favor are discouraged.

- Entrepreneurs should not be relieved of all social obligations. Those who are responsible for harming the general welfare should be obligated to do something to rectify their wrongs.
- The government should discourage behavior that harms society, such as pollution.

What does this volume teach us? As I started this review, I pointed out that this collection is unique in how it approached the subject—how entrepreneurs engage in philanthropy. If one looks at books on philanthropy, we have several excellent books and handbooks on philanthropy, both in the United States and globally. However, these books seldom start with the entrepreneur and, therefore, this perspective in the current book is refreshing.

The weakest part of this book is the fact that the research and methods rely on some simple case studies of entrepreneurs' engagement in philanthropy. This is where entrepreneurship research was thirty years ago. The book provides very little systematic evidence, data, or theories of exactly what this activity means. Is it good for America? Is it good for the rest of the world? Should it be encouraged? The best section of the book is the one on perspectives across the globe where we have some data. Thus, the contributions to philanthropy are minimal, compared to what we already know. Therefore, it is a stretch to call this a handbook. It is neither a complete survey of all entrepreneurs nor a survey of what they do. And it is certainly not a handbook on philanthropy. See, for example, *The Palgrave Handbook of Global Philanthropy*, edited by Pamala Wiepking and Femida Handy, which is a comprehensive reference guide to the practice of philanthropy across twenty-six nations and regions.

Nevertheless, this topic is not only important, but it is also vital to understanding modern capitalism. The institutions of both entrepreneurship and philanthropy are two sides of the same coin, as David B. Audretsch and Joshua R. Hinger point out in Chapter 2. However, the role of both wealth and opportunity, “the great sea saw of civilization,” is what is at stake here, and on that subject we know very little, as outlined in Zoltan J. Acs' *Why Philanthropy Matters*. Socialism may be dead in practice, but public betterment lives on in the hearts of many.

Zoltan J. Acs

London School of Economics and Political Science

Email: zacs@gmu.edu

doi:10.1017/eso.2015.76

Published online December 2, 2015