entrepreneurs who led the industry through key transitions. But did their actions have a distinctive impact on the social construction of cable technology? For example, if Gerald Levin of Time Inc. had not championed HBO's risky and expensive move to satellite distribution in 1976, would others have ignored this opportunity? Without John Malone, CEO of the debt-ridden Tele-Communications, Inc., the largest cable operator, would we have been denied the Blue Skies "500 channel" mantra that Malone used to seduce investors and phone-company suitors during the early 1990s?

Of course, pursuing these topics would add hundreds of pages to an already big book. Parsons has written a definitive history of cable TV, but scholars who study technology would benefit greatly from any decision he might make, in years to come, to expand his work and split it into at least two volumes.

Thomas R. Eisenmann is the William J. Abernathy Professor of Business Administration in the Entrepreneurial Management Unit at Harvard Business School, where he studies management challenges in markets with network effects. His article "The U.S. Cable Television Industry, 1948–1995: Managerial Capitalism in Eclipse" was published in the Business History Review *(Spring 2000).*

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Financial Reporting and Global Capital Markets: A History of the International Accounting Standards Committee, 1973–2000. *By Kees Camfferman and Stephen A. Zeff.* New York: Oxford University Press, 2007. xxviii + 676 pp. Bibliography, index, notes, photographs, tables. Cloth, $175.00. ISBN: 978-0-199-29629-3.

Reviewed by Paul J. Miranti

In 2000, the European Union introduced a major change in the structure of global corporate governance by mandating that its member states adopt the reporting rules promulgated by the newly organized International Accounting Standards Board (IASB), beginning in 2005. Recognizing the historical significance of this transition, the officers of the IASB's predecessor, the International Accounting Standards Committee (IASC), which played a major role in establishing the institutional foundations for this important initiative, engaged two distinguished academic accountants, Kees Camfferman from the Netherlands and Stephen Zeff from the United States, to document their body's contribution. Enjoying broad access to its archives and key personnel, the authors have produced a richly detailed volume that chronicles the IASC's influential role in promoting international accounting reform.

A major focus of Camffermann and Zeff's brilliant study centers on the pivotal role of organization in advancing the process of knowledge standardization. In pursuing this line of inquiry, the authors implicitly concentrated on several factors that Louis Galambos has pointed to as change drivers in his second and third essays on the emergence of the organizational society, namely: professionalization, political economy, and globalization. The IASC, which was originally conceived by Sir Henry Benson, president of the Institute of Chartered Accountants in England and Wales, faced the daunting task of establishing its claim to authority as a promulgator of accounting standards in global financial markets. The achievement of this objective proved elusive. It required the creation of a central organization that could effectively mediate the competing interests of the many professional and national groups affected by accounting harmonization.

A major barrier that for over two decades impeded the IASC's effort to gain support for its bid to become the international accounting authority was the division among capitalist nations about the propriety of having two basic reporting models that differed with respect to purpose and informational structure. The IASC championed an approach to performance measurement followed in the United States and the British Commonwealth that was designed to satisfy investor information wants. Standardization, in this context, was carried out through the promulgation of broadly acceptable principles for determining accounting values that allowed some degree of methodological flexibility.

In continental Europe, on the other hand, the primary goal of state-mandated corporate reporting, which in some cases dated back to the mercantilist age, was to facilitate corporate tax compliance or to collect economic statistics, often for regulatory purposes. Standardization in this context entailed the rigid application of uniform methodologies in order to assure a high degree of intercorporate comparability. Financial reporting that aimed to satisfy investor information wants remained poorly developed, mainly due to limited public participation in the activity of local bourses. Such investing remained largely the province of the head banks that relied more on resident agents, interlocking boards of directors, and other private channels of corporate information.

The coexistence of two reporting models imposed additional costs and uncertainties on global finance. Multinational corporations often had to bear the expense of restating their financials to conform to the rules of foreign host countries. Moreover, the existence of great disparities in reported operating results could undermine investor confidence. In 1993, when applying for a listing on the New York Stock Exchange, Daimler Benz, for example, reported a profit of DM 615 million under German accounting rules and a loss of DM 1,839 million when its finances were restated following U.S. accounting principles.

Although it promoted an accounting model highly sensitive to investor information needs, the IASC initially failed to gain traction for its program. It experienced difficulty in building consensus among its members about matters such as the form of the organization, national representation, and the quality of reporting standards. Moreover, the European Commission's interest in the IASC's standardization initiatives grew tepid when the former agency began to issue broad directives calling for, among other matters, the integration of member states' fragmented professional accounting community and the establishment of a unified system of corporate law and governance within the European Union. These and other developments prevented the IASC from garnering support for its cause from critical agencies in the forefront of the drive to strengthen global financial oversight, such as the International Organization of Securities Commissions and the World Bank.

Nevertheless, the IASC's long-term investment in knowledge and organization building began to pay off during the late 1990s. Receptivity to its model increased dramatically in response to the European Commission's mandates to develop an integrated financial sector in 1999 to support the launching of the Euro. For these purposes, the IASC's investor-orientated measurement regime seemed ideally suited. It provided Europe with the capacity for defining its own accounting standards whose quality was on a par with those issued in the United States by the Financial Accounting Standards Board.

Although their narrative ends at the beginning of the millennium, the authors added an important postscript that further attests to the value of the IASC's endeavors. In August 2008, the Securities and Exchange Commission announced the initiation of a long-term investigation into the feasibility of accepting the IASB by 2014 as the primary accounting standards-setting authority for companies listed on U.S. securities exchanges.

Paul J. Miranti is professor in the Department of Accounting, Business Ethics, and Information Systems at Rutgers Business School–Newark, New Brunswick. He has published extensively in accounting history, most recently about the computer automation of the New York Stock Exchange and the adaptation of probability theory to management processes at AT&T prior to World War II.

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