Debating Methodology in Business History

This special issue is concerned with methodology in business history, a subject about which there is currently much discussion.[1] However, almost from the beginning of the discipline, inadequate methodology—or the lack of an agreed methodology—has been identified as a major problem. It underlies the subject's perennial identity crisis. Arguably, Alfred D. Chandler's greatest contribution to the field was to put in place a respectable methodology that, for a time, was widely accepted and had a great impact on its practitioners. This finally enabled the field to become a formative influence in management studies and institutional economics, although not mainstream history. As criticisms of Chandler's conclusions mounted from the 1980s, however, his methodology, even in the field of business history, suffered collateral damage. Recent decades have seen new approaches emerge in place of the Chandlerian methodology. A number of them have at times sought to brand themselves as replacements for the old and "narrow" business history. This has been the argument of the influential historian of capitalism Sven Beckert. In 2011, he argued, "The fresh interest in the history of American capitalism is motivated by a sense among economic, labor and business historians that their fields—once fascinating if narrow—had reached an impasse and were in need of new perspectives."[2] In fact, these new approaches need to be seen as offering competing methodologies for conducting business history in the future. This special issue consists of articles that review four of these methodologies, each making

[1] Recent examples include Naomi R. Lamoreaux, "Reframing the Past: Thoughts about Business Leadership and Decision Making under Uncertainty," *Enterprise & Society* 2, no. 4 (2001): 632–59; Mary O'Sullivan and Margaret B. W. Graham, "Moving Forward by Looking Backward: Business History and Management Studies," *Journal of Management Studies* 47, no. 5 (2010): 775–90; Geoffrey Jones and Walter A. Friedman, "Business History: Time for Debate," *Business History Review* 85, no. 1 (2011): 1–8; Daniel M. G. Raff, "How to Do Things with Time," *Enterprise & Society* 14, no. 3 (2013): 435–66; Matthias Kipping and Behlül Üsdiken, "History and Organization Studies: A Long-Term View," in *Organizations in Time: History, Theory, Methods*, ed. Marcelo Bucheli and R. Daniel Wadhwani (New York, 2014), 33–55; Abe de Jong, David Michael Higgins, and Hugo van Driel, "Towards a New Business History?" *Business History* 57, no. 1 (2015): 5–29; Stephanie Decker, Matthias Kipping, and Daniel Wadhwani, "New Business Histories! Plurality in Business History Research Methods," *Business History* 57, no. 1 (2015): 30–40; and Christina Lubinski and Daniel Wadhwani, "Reinventing Entrepreneurial History," *Business History Review* (forthcoming).

[2] Sven Beckert, "History of American Capitalism," in *American History Now*, ed. Eric Foner and Lisa McGirr (Philadelphia, 2011), 314–35.

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the case for why it is important and offering a path forward for the subject.

This introductory essay begins by reviewing the debates about methodology in the early stages of the discipline. It then discusses the methodological contribution of Chandler. The next section considers alternative approaches that coexisted alongside Chandler and have continued. Finally, it turns to emergent new methodologies in business history.

Early Methodological Approaches

The emergence of the discipline of business history in the United States, at the Harvard Business School in the 1920s, set the stage for decades of uncertainty and dispute over methodology. The new discipline researched the history of business using archival sources, yet few of its practitioners were trained in the discipline of history or had ever worked in history departments. Instead, the intellectual inspiration behind the new subject was interdisciplinary and largely removed from the humanities. For example, the first two deans of the Harvard Business School wanted history to play an important role in management education, but they came from different intellectual backgrounds. Edwin F. Gay (dean from 1908 to 1919) was an economic historian who had studied with economist Gustav Schmoller, a pioneer of the German historical school of economics. Wallace Donham (dean from 1919 to 1942) was a lawyer and a strong advocate of the case method first used at Harvard Law School. It was Donham who, in 1927, arranged for the foundation of the Isidor Straus Chair in Business History. N. S. B. Gras, the initial occupant of the Straus Chair, held a PhD in economics from Harvard University, where he had studied under Gay, and was an enthusiast for highly detailed empirical studies of individual firms. He defined the new field as "the collective biography of firms, large and small, past and present."[3] However, other early pioneers believed in the benefits of interdisciplinary methodologies. Arthur Cole, a business economics professor and librarian at Harvard Business School, had also undertaken graduate study at Harvard in economics under Gay, but saw entrepreneurs as the primary unit of analysis. He took a broader view of the subject than Gras and helped to organize the Research Center in

[3] N. S. B. Gras, "Business History," *Economic History Review* 4, no. 4 (1934): 385–98, reprinted in Walter A. Friedman and Geoffrey Jones, eds., *Business History* (Northampton, Mass, 2013), 3–16.

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Entrepreneurial History (1948–1958), which was funded by the Rockefeller Foundation and included a multidisciplinary team of scholars.[4]

A third formative member of the early Harvard group was Fritz Redlich. He wanted to make history more than a mere recitation of facts by employing theory and by generalizing. He argued that theory was essential in helping business historians to formulate problems. He also anticipated many future debates about how to actually execute this idea. The real question of the field, he wrote in 1952, was, "How then is theory . . . to be wed with the idea of historical uniqueness?"[5] Redlich mentioned the work of the Harvard sociologist Talcott Parsons in his essay as being useful to business historians, but he primarily looked to economics for his theory. Two of the other formative influences on the field had a similar view. Joseph Schumpeter and Alexander Gerschenkron were both members of the Research Center in Entrepreneurial History and both taught in the economics department at Harvard. Gerschenkron was an economic historian who expressed his enthusiasm for the richness of Schumpeter's theory of economic development, "which assigns to the innovating entrepreneur a focal role in the process of economic change." He also called for broader views of business history, including the need to consider social and cultural factors, such as societal attitudes toward entrepreneurs.[6]

These early figures in business history, most of whom strikingly had no intellectual basis in the discipline of history, laid out a set of methodological options for business historians. The first was a focus on empirically researched case studies of individual firms. The second was a broader empirical focus on business in society, combined with an attempt to develop historical generalizations. The third was formal engagement with social science theory, either economics or sociology, with the aim of using theory to formulate research questions and employing empirical evidence to test theory. A great deal of the literature of the field until recently employed the first methodology; meanwhile, both the remaining approaches are well evident in the remaining literature.

[4] Thomas C. Cochran, "Arthur Harrison Cole, 1889–1974," *Business History Review* 49, no. 1 (1975): 3–4; Ruth Crandall, *The Research Center in Entrepreneurial History at Harvard University, 1948–1958: A Historical Sketch* (Cambridge, Mass., 1960).

[5] Fritz Redlich, "The Role of Theory in the Study of Business History," *Explorations in Entrepreneurial History* 4, no. 3 (1952): 137, reprinted in Friedman and Jones, *Business History*, 44–53.

[6] Alexander Gerschenkron, "Social Attitudes, Entrepreneurship, and Economic Development," *Explorations in Entrepreneurial History* 6, no. 1 (1953): 1–19, reprinted in Friedman and Jones, *Business History*, 54–72.

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Chandler's Methodology

Chandler, who earned his doctorate in history from Harvard in 1952, after serving in World War II, was deeply influenced by the scholars at the Research Center in Entrepreneurial History, especially Schumpeter, Cole, and Redlich. Fairly early in his career, Chandler worked out a methodological approach—one that favored deep historical research, comparative analysis, and a willingness to draw conceptualizations from sociology and, to a somewhat lesser extent, economics.

In fact, one of his earliest articles, "The Beginnings of 'Big Business' in American Industry," published in 1959, exemplifies many of the characteristics of the approach Chandler employed afterward.[7] Chandler began the article with an acknowledgment of what he saw as the historian's main task, the study of change over time. He asked, "What made for change? Why did it come when it did, and in the way it did?" For the historian of business, he wrote, the focus became more specific. "What in the American past has given businessmen the opportunity or created the need for them to change what they were doing or the way they were doing it?" Chandler wrote, "In other words, what stimulated them to develop new products, new markets, new sources of raw materials, new ways of procuring, processing, or marketing the goods they handled?" What "encouraged" them to find new methods of finance, management, or organization? These were the "dynamic factors" of business history.

Chandler's method was inductive. He observed a change—in this case, the coming of "big business"—and sought to understand the reasons behind it. In this article, as in other works written later, Chandler included a statistical table of the firms being studied. Here, in a single exhibit, he collected the fifty largest industrial companies in 1909 sorted by industry and ranked by assets—from (1) U.S. Steel, (2) Standard Oil, and (3) American Tobacco all the way to (48) American Writing Paper, (49) Copper Range, and (50) United Fruit. Such large multiunit organizations, Chandler wrote, "hardly existed, outside of railroads," before the 1880s, but had become the basic business unit after the turn of the century.

The effort to understand change across a wide selection of firms, rather than devoting an entire study to a single firm, was a characteristic of Chandler's work. This was a significant departure from the type of history Gras had promoted as a "biography of firms," which focused on lengthy evaluations of individual enterprises.

[7] Alfred D. Chandler, "The Beginnings of 'Big Business' in American Industry," *Business History Review* 33, no. 1 (1959): 1–31.

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Chandler presented clear and compelling research questions. Why had business leaders, such as Gustavus F. Swift, James B. Duke, and Cyrus McCormick, pioneered such large firms? "Was the growth of the national market a major prerequisite for such innovation and change? If not, what then was? How did these innovations relate to the growth of the railroad network or the coming of electricity and the internal combustion engine?"[8]

Importantly, many of Chandler's driving questions were comparative in nature—another key hallmark of his work. Why did firms in some industries grow large, but not others? In this article, Chandler compared, for instance, changes in the consumers' goods industries with those in the producers' goods industries. The consumers' goods industries, Chandler noted, were the first to become dominated by big businesses.

This characteristic—the ability to ask probing questions that help to illuminate broad historical change—is perhaps what Chandler is best known for. In 1963, Chandler's friend and colleague from the Research Center in Entrepreneurial History, the historian Bernard Bailyn, wrote an essay that explored the nature of research questions. Some scholars, Bailyn wrote, pursued research out of a sense of historiographical "need," such as the need to bring together existing knowledge that was not yet synthesized. Other scholars pursued research topics because they found "gaps" in the literature, researching items that had not yet been studied. But a third type of scholar, wrote Bailyn, pursued research questions to solve real historical "problems"—anomalies that existed in data or occurrences that defined expectations and lacked sufficient explanations. This third type of study was the work that Bailyn hoped to encourage; it was this type of problem, arising inductively out of a study of historical data and events, that Chandler pursued.[9]

The body of Chandler's essay on the coming of big business was a thorough, largely chronological, narrative analysis of when and why business entrepreneurs in different industries came to build large enterprises. But Chandler went beyond providing a narrative analysis. He also sought to conceptualize his findings, often by turning to the work of sociologists, economists, and scholars from other social sciences, including those that populated the Research Center. Chandler's approach to the subject of big business was especially influenced by Parson's structural functionalism and by Schumpeter's work—the economist was quoted in the text of Chandler's "Big Business" article and two of Schumpeter's

[8] Ibid., 3–4.

[9] Bernard Bailyn, "The Problems of the Working Historian: A Comment," in Sidney Hook, ed., *Philosophy and History* (New York, 1963).

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works were cited in the footnotes. Chandler's essay was also informed by the writings of economists Harold Passer (on the electronics industry) and Jeremiah Jenks and W. E. Clark (on trusts).[10] In his analysis, Chandler wrote on the sequences of vertical and horizontal integration, the rise of oligopoly in American industries, and the growing specialization of economic function. "Vertical integration by one manufacturer forced others to follow," Chandler wrote. "Thus, in a very short time, many American industries became dominated by a few large firms, with the smaller ones handling local and more specialized aspects of the business."[11]

These then were the major pillars of Chandler's methodology: (1) a historical perspective that focused on identifying change over time in business organization, production, marketing, research, or other functions; (2) the formulation of clear and compelling research questions to explore the observed change; (3) a comparative analysis to make sense of why change happened in some firms, or in some industries, or countries, but not others; (4) the writing of an empirically rich historical narrative, drawn from deep primary- and secondary-source research, that related the chronological sequence of innovation and change; and (5) the use of interdisciplinary perspectives, especially in efforts to conceptualize his historical observations. This methodological approach influenced many business historians in the United States, Europe, and Japan, although they differed from Chandler in the focus of their interests and their conclusions. These included business historians of both Chandler's generation and the generations that followed him, including, among many others, Franco Amatori, Youssef Cassis, Patrick Fridenson, Walter Friedman, Richard R. John, Lou Galambos, Leslie Hannah, Geoffrey Jones, Maurice Lévy-Leboyer, Keiichiro Nakagawa, Keetie Sluyterman, Steven Tolliday, Mary Yeager, Shin'ichi Yonekawa, and Mira Wilkins.

These methodological elements were found in many of Chandler's most famous works. *Strategy and Structure* (1962) explored why, in the early twentieth century, some firms pioneered the adoption of the

[10] Chandler cites an article by Schumpeter that lists the defining characteristic of entrepreneurs as doing "new" things—and gives Rockefeller, Carnegie, Frick, Swift, Duke, and others as examples. See Chandler, "Big Business," 30. The citation, in Chandler's article, is to Joseph A. Schumpeter, "The Creative Response in Economic History," *Journal of Economic History* 7, no. 2 (1947): 151. He also cites Schumpeter, *Theory of Economic Development*, trans. Redvers Opie (Cambridge, Mass., 1934). See Thomas K. McCraw, *Prophet of Innovation: Joseph Schumpeter and Creative Destruction* (Cambridge, Mass., 2007), 682; and Thomas K. McCraw, "The Intellectual Odyssey of Alfred D. Chandler, Jr.," in *The Essential Alfred D. Chandler: Essays Toward a Historical Theory of Big Business*, ed. Thomas K. McCraw (Boston, 1988).

[11] Chandler, "Big Business," 27–28.

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multidivisional form and others maintained their original, functional structure. *The Visible Hand* (1977) sought to analyze why, in the late nineteenth and early twentieth centuries, America's leading industries became dominated by large, multiunit enterprises with a managerial elite that came to dominate the allocation of the nation's resources. *Scale and Scope: The Dynamics of Industrial Capitalism* (1990) compared the growth of large-scale enterprises and their organizational structures in Britain, the United States, and Germany.[12]

This is not to say that Chandler's methodological approach remained entirely fixed over time. For one thing, Chandler changed the unit of analysis he studied, from firms (in *Strategy and Structure*) to industries (in *Visible Hand*) to industries in different countries (in *Scale and Scope*). He also increased his use of comparative analysis, even writing an article—"Institutional Integration: An Approach to Comparative Studies of the History of Large-Scale Business Enterprise" (1976)—on the importance of this methodology. In the article, Chandler wrote, "Only by comparing developments of business activities, practices, and institutions in different nations operating under different sets of economic and political constraints and within cultures having different attitudes and values can we understand what in modern business organization results from imperatives of economic and technological processes and what reflects particular national economic, political, and ideological realities."[13]

Nor is this list of characteristics of Chandler's methodology meant to suggest a simple recipe for producing Chandlerian analysis. Each of his works was, of course, an inspired and creative effort with its own origins and its own ingenious breakthroughs. But there is enough consistency to focus on these elements as a way to suggest a continuing methodological approach.

Alternative Approaches

Even at the highpoint of his influence, Chandler's was never the sole methodology in use in business history. While Chandler's theoretical influence was heavily sociological, some business historians looked far more to economic theory, as had Redlich. In the subfield of the history of international business, pioneered by Mira Wilkins, there emerged

[12] Alfred D. Chandler, *Strategy and Structure: Chapters in the History of the American Industrial Enterprise* (Cambridge, Mass., 1962); Alfred D. Chandler, *The Visible Hand: The Managerial Revolution in American Business* (Cambridge, Mass., 1977); Alfred D. Chandler, *Scale and Scope: The Dynamics of Industrial Capitalism* (Cambridge, Mass., 1990).

[13] Alfred D. Chandler, "Institutional Integration: An Approach to Comparative Studies of the History of Large-Scale Business Enterprise," *Revue économique* 27, no. 2 (1976): 177.

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from the 1980s a considerable engagement with the economic theory of the multinational enterprise. This generated a substantive literature that sought to frame research agendas around economic theories of the multinational enterprise. Business historians and international business scholars have also sought to test theory with evidence from business history.[14]

A second stream of economics-related methodology has been quantitative business and economic history. Quantitative and econometric economic historians have formed an important component of business history research since the pioneering books of Robert Fogel and Deirdre McCloskey, although they have not exercised the growing influence on business history that they have in the discipline of economics in recent decades.[15] In recent years, a number of major studies have demonstrated how rigorous analysis of large data sets can transform our understanding of generalizations based on qualitative research. In the domain of innovation, for example, Petra Moser has shown that strong patent regimes were not the promoters of innovation they were usually claimed to be, while Tom Nicholas has shown that even as Chandlerian corporate economy grew, much research and development was done by independent researchers and not corporate laboratories.[16] A large body of quantitative work on the long-term impact of colonial rule has also made a major contribution to understanding the business history of emerging markets.[17] Recently, much of this economics-informed and

[14] Peter Hertner and Geoffrey Jones, eds., *Multinationals: Theory and History* (Aldershot, U.K., 1986); Geoffrey Jones and Frances Bostock, "U.S. Multinationals in British Manufacturing before 1962," *Business History Review* 70, no. 2 (1996): 207–56; Geoffrey Jones, *Multinationals and Global Capitalism* (Oxford, 2005); Peter J. Buckley, "Business History and International Business," *Business History* 51, no. 3 (2009): 307–33; Alain Verbeke and Liena Kano, "The New Internalization Theory and Multinational Enterprises from Emerging Economies: A Business History Perspective," *Business History Review* 89, no. 3 (2015): 415–45.

[15] Gavin Wright, "Quantitative Economic History in the United States," in *International Encyclopedia of the Social & Behavioral Sciences*, 2nd ed., ed. James D. Wright (Amsterdam, 2015); Ran Abramitzky, "Economics and the Modern Economic Historian" NBER Working Paper No. 21636 (Oct. 2015); Deirdre McCloskey, *Economic Maturity and Entrepreneurial Decline: British Iron and Steel* (Cambridge, Mass., 1973); Deirdre McCloskey, *The Rhetoric of Economics* (New York, 1985); Deirdre McCloskey, *Knowledge and Persuasion in Economics* (Cambridge, U.K., 1994); Robert Fogel, *Railroads and American Economic Growth: Essays in Econometric History* (New York, 1964); and Robert Fogel and Stanley Engerman, *Time on the Cross* (New York, 1974). We would like to thank Tom Nicholas for helpful insights on this section.

[16] Petra Moser, "Innovation and Patents," in *Oxford Handbook of Economic History*, ed. Louis Cain, Price Fishback, and Paul Rhode (Oxford, forthcoming); Tom Nicholas, "The Role of Independent Invention in U.S. Technological Development, 1880–1930," *Journal of Economic History* 70, no. 1 (2010): 57–82; Tom Nicholas, "Independent Invention during the Rise of the Corporate Economy in Britain and Japan," *Economic History Review* 64, no. 3 (2011): 1–29.

[17] Nathan Nunn, "The Importance of History for Economic Development," *Annual Review of Economics* 1 (2009): 65–92.

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quantitative literature was brought together in Larry Neal and Jeffrey Williamson's wide-ranging edited volumes on the history of capitalism.[18]

A third methodology was associated initially with the work of Charles Sabel and Jonathan Zeitlin in the 1980s.[19] This historical alternatives approach explicitly conceived of itself as providing an alternative to, as Zeitlin wrote, "Chandlerian business history focused on the economic and technological efficiency of administrative co-ordination and learnings within large, hierarchically managed enterprises."[20] This body of literature was especially concerned with the role of flexible, specialized forms of production in business history. Its exponents (who later came to include, from a slightly different perspective, Philip Scranton) tended to look at small- and medium-sized production firms, rather than large-scale manufacturers. They rejected deterministic and teleological models of economic progress and were sometimes open to counterfactual approaches.[21] The potential benefits of employing counterfactual methodology have been identified by other scholars, including Naomi Lamoreaux. Counterfactual hypotheses and analysis, she argued, helped historians recover the sense of contingency in decision making by businesspeople.[22] However, Mark Casson's study of the nineteenth-century British railroad system remains exceptional as a large-scale counterfactual study.[23]

A fourth methodological approach to business history drew from studies of women's history and gender. Business historians taking this approach were influenced by pioneers of the field in the United States, including Carroll Smith-Rosenberg, Nancy Cott, and Joan Wallach Scott, whose 1986 article, "Gender: A Useful Category of Historical Analysis," became one of the *American Historical Review*'s most highly cited articles. Scott emphasized that "gender," as opposed to biological sex, was shaped by societal perceptions and by structures of power in society—and hence was always being produced and reinterpreted.[24]

Starting in the 1990s, a number of business historians, including Kathy Peiss, Angel Kwolek-Folland, and Wendy Gamber, began to

[18] Larry Neal and Jeffrey Williamson, eds., *The Cambridge History of Capitalism*, 2 vols. (Cambridge, U.K., 2014).

[19] Charles Sabel and Jonathan Zeitlin, "Historical Alternatives to Mass Production: Politics, Markets and Technology in Nineteenth-Century Industrialization," *Past and Present* no. 108 (Aug. 1985): 133–76.

[20] Jonathan Zeitlin, "The Historical Alternatives Approach," in *The Oxford Handbook of Business History*, ed. Geoffrey Jones and Jonathan Zeitlin (Oxford, 2008), 120.

[21] Philip Scranton, *Endless Novelty: Specialty Production and American Industrialization, 1865–1925* (Princeton, N.J., 1997).

[22] Lamoreaux, "Reframing the Past."

[23] Mark Casson, *The World's First Railway System: Enterprise, Competition, and Regulation on the Railway Network in Victorian Britain* (Oxford, 2009).

[24] Joan W. Scott, "Gender: A Useful Category of Historical Analysis," *American Historical Review* 91, no. 5 (1986): 1053–75.

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explore the history of women and gender in American business—in, for instance, books about the beauty industry, corporate offices, and the millinery and dressmaking trades. Their work was not simply about adding women to existing narratives, but about asking new questions, locating new sources, and redefining what constituted a "business." Why had some occupations become designated for women and others for men? How were industries and offices "gendered"? These historians also looked at how businesses affected societal perceptions of gender through the manufacture of separate products for men and women and through the messages of advertising. Major studies on female entrepreneurship in nineteenth-century Britain have been written by Jennifer Aston, Paolo Di Martino, Alison Kay, and Stana Nenadic, among others.[25] Studies of gender also ventured into global comparison. Geoffrey Jones, in *Beauty Imagined* (2010), contributed to this effort to look at the construction of gender globally by analyzing how entrepreneurs and firms shaped perceptions of beauty through the gender and ethnic assumptions behind brands, between the nineteenth century and the present. [26]

Together, the work of these historians had the effect of expanding the definition of business to include all types of economic activity, including work within the household, in barter, in entertainment, in the professions, and even in prostitution. Mary Yeager collected many examples of the formative scholarship in this field in her three-volume set, *Women in Business* (1999).[27] By the early twenty-first century, core journals in the field including *Business History Review* and *Enterprise & Society* were publishing special issues on gender and business history.[28]

Methodological Trends in Detail

The articles in this special issue discuss in more detail four alternative methodologies. The first two articles deal with the growing

[25] Jennifer Aston, *Female Entrepreneurship in Nineteenth-Century England* (London, 2016); Jennifer Aston and Paolo Di Martino, "Risk, success, and failure: female entrepreneurship in late Victorian and Edwardian England," *Economic History Review* 70, no. 3 (2017): 837–58; Alison C. Kay, *The Foundations of Female Entrepreneurship: Enterprise, Home and Household in London, 1800–1879* (Oxford, 2009); Stana Nenadic, "The Social Shaping of Business Behaviour in the Nineteenth-Century Women's Garment Trades," *Journal of Social History* 31, no. 3 (1998), 625–45; Stana Nenadic, "Gender and the Rhetoric of Business Success: The Impact on Women Entrepreneurs and the 'New Woman' in Late-Nineteenth Century Edinburgh," in *Women's Work in Industrial England: Regional and Local Perspectives*, ed. Nigel Goose (Hatfield, U.K., 2007).

[26] Geoffrey Jones, *Beauty Imagined: A History of the Global Beauty Industry* (Oxford, 2010). See also Hartmut Berghoff and Thomas Kühne, eds., *Globalizing Beauty: Consumerism and Body Aesthetics in the Twentieth Century* (New York, 2013).

[27] Mary A. Yeager, ed., *Women in Business*, 3 vols. (Cheltenham, U.K., 1999).

[28] See *Business History Review* 72, no. 2 (1998), and 81, no. 3 (2007); and *Enterprise & Society* 2, no. 1 (2001), and 2, no. 2 (2001).

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literatures in organizational and management history and the history of capitalism. The second set of articles considers what could be called emergent methodologies. Interestingly, enthusiasm for these methodologies is largely regionally based. Organizational history has attracted the most enthusiasm in Europe, where many business historians are based in schools of business and management. The history of capitalism literature, as economic historian Eric Hilt has recently observed, is almost exclusively composed of Americanists working in history departments in the United States.[29] The emerging-markets literature is by definition one composed of scholars working on Africa, Asia, and Latin America.

There is strikingly little interaction between these different methodologies, although they all have precedents in earlier approaches. Organizational history, for example, represents a reversion to the sociological theory that so influenced Chandler. The history of capitalism literature can be seen as reaching back to Cole's desire to see business in a broad societal context. Transnational history has antecedents in the history of international business literature from Wilkins onward.[30] Finally, the emerging-markets literature draws heavily on the early enthusiasm in the field for studying the entrepreneur and is most faithful to Chandler in seeking to study businesses as central actors; however, the entirely different institutional context results in "un-Chandlerian" subjects being studied.

The first article, by Mairi Maclean, Charles Harvey, and Stewart Clegg, calls for business historians to embrace the methodology of organizational theory. Critics have sometimes caricatured the approach as substituting sociological jargon for empirical research, but the authors make a strong case for how business historians could benefit from incorporating into their research three cognitive frameworks: institutional entrepreneurship, evolutionary theory, and Bourdieusian social theory. They suggest that exhibiting a higher level of theoretical fluency would enable business historians to gain a greater hearing in business and management studies, provided that the virtue of strong empirical research and contextualization is not lost.

The second article, by Jonathan Levy, makes the case for the history of capitalism approach. Critics have regularly accused historians of capitalism of reinventing the wheel, or simply giving business history a new label, minus any mention of individual firms. Quantitative business historians such as Lamoreaux and Hilt have lambasted the studies of

[29] Eric Hilt, "Economic History, Historical Analysis, and the 'New History of Capitalism,'" *Journal of Economic History* 77, no. 2 (2017): 512.

[30] Mira Wilkins, *The Emergence of Multinational Enterprise: American Business Abroad from the Colonial Era to 1914* (Cambridge, Mass., 1970); Mira Wilkins, *The Maturing of Multinational Enterprise: American Business Abroad from 1914 to 1970* (Cambridge, Mass., 1974).

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Beckert, Louis Hyman, Julia Ott, and others for constructing arguments that, they claim, ignore well-established empirical evidence.[31] Such criticisms, though, miss the real methodological contribution of the literature, which is to offer social criticism of capitalist institutions. In contrast to Chandlerian business history or organizational history, the history of capitalism methodology identifies capitalism and capitalist firms as deeply flawed, willful, and imposing a harsh social and environmental cost.[32] Beckert's concept of "war capitalism" in a recent study of the cotton industry is indicative of this approach.[33] This critical view, though, was not new to the field of business history. Schumpeter famously described capitalism as a process of "creative *destruction*."[34] Jones, to give another example, recently published a book that explicitly blames Chandlerian corporations for driving environmental degradation.[35] Yet the "new history of capitalism" has focused overwhelmingly on the evils of capitalism, reflecting perhaps the prevailing ideological beliefs in history departments in the United States—the country in which the new field has exclusively had an impact.

In trying to define a methodology for studies of capitalism, Levy explores a more conceptual approach, one less necessarily rooted in the United States. He urges historians to see capitalism as a continual "process" of investment, forecasting, and valuation—a process that historians must try to analyze by looking forward from a particular historical point. The process of "capitalization," Levy argues, is the predominant characteristic of capitalist economies. "Capitalism may designate any economic form of life in which the economic logic of the capital process—capitalization—has become both habitual and dominant, subordinating the production and distribution of wealth in large part to its pecuniary ends," he writes. Levy looks at the logic of capitalization in the broadest sense, taking it out of a strictly financial context, and sees it permeating a future-oriented culture. This perspective, the article argues, could provide business historians with an approach to write inclusively about firms *and* society.

The third article, by Marten Boon, calls for business historians to develop analyses and narratives that integrate business historiography into the history of globalization. Boon shows how transnational historians have developed ways to think flexibly and reflexively about the

[31] Hilt, "Economic History"; Naomi Lamoreaux, "The Future of Economic History Must Be Interdisciplinary," *Journal of Economic History* 75, no. 4 (2015): 1251–57.

[32] Hilt, "Economic History."

[33] Sven Beckert, *Empire of Cotton: A Global History* (New York, 2014).

[34] A point elaborated on by Thomas K. McCraw in his biography of the economist, *Prophet of Innovation* (Cambridge, Mass., 2007).

[35] Geoffrey Jones, *Profits and Sustainability: A History of Green Entrepreneurship* (Oxford, 2017).

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nation-state and national narratives. Boon argues that a greater adoption of transnational methodology would enable business history to escape its rather marginal status at the moment.

The final article, by Gareth Austin, Carlos Dávila, and Geoffrey Jones, adopts yet another approach to methodology. The authors argue that the discipline of business history developed around the corporate strategies and structures of developed economies. This dominated the research questions asked in the field. They suggest that an alternative business history of emerging markets has developed that addresses themes that are largely different from those related to the developed markets. In contrast to the developed West, their context consisted of long eras of foreign domination, extensive state intervention, institutional inefficiencies, and extended turbulence. This article suggests that the different institutional and other contexts of emerging markets drove different business responses than in the West. In this alternative business history world, entrepreneurs and their families counted more than managerial hierarchies; immigrants and diaspora were critical sources of entrepreneurship; illegal and informal forms of business were commonplace; diversified business groups rather than the M-form became the major form of large-scale business; corporate strategies to deal with turbulence were essential; and radical social responsibility concepts were pursued, if not by the majority of businesses.

Like the authors of the other articles, Austin, Dávila, and Jones suggest that the future of business history rests in part on recognizing the centrality of this alternative business history, rather than treating the business history of Africa, Asia, and Latin America as tangential to the central themes of the discipline. They note that the world's twenty largest economies in terms of nominal GDP today include (in descending order of size) China, India, Brazil, South Korea, Mexico, Indonesia, Turkey, and Saudi Arabia. They suggest that if business history is to remain relevant as a subject, the discipline needs to transition from being heavily focused on North America, Europe, and Japan to fully incorporating the historical experiences of Africa, Asia, and Latin America.

The Editors do not believe there is a single methodological path going forward. We do believe it is time to engage explicitly with alternative methodologies and to discuss their relative merits and shortcomings. The articles in this special issue are valuable for bringing these issues to the fore.

– The Editors

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