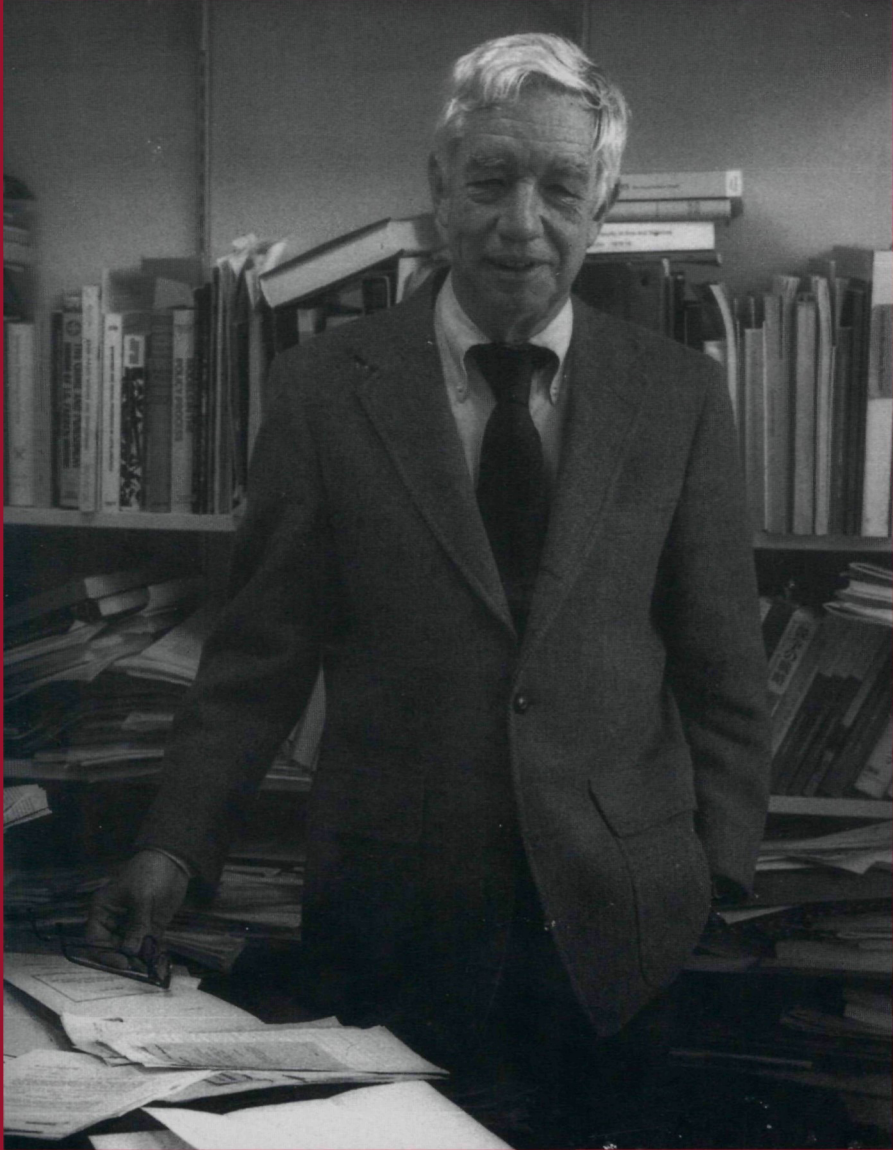


Business History Review

S U M M E R 1 9 9 7



Alfred D. Chandler, Jr.'s *The Visible Hand* after Twenty Years



Published by the Harvard Business School

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Front Cover: Alfred D. Chandler, Jr., in his office at the Harvard Business School in the 1980s.

In 1998 Chandler received the American Historical Association's Award for Scholarly Distinction, which in the years since its inception in 1984 has been given to others such as Felix Gilbert, Gerda Lerner, Edmund S. Morgan, George F. Kennan, and Kenneth M. Stamp. The citation reads, in part, "Chandler is linked to business history in much the same way that Frederick Jackson Turner led and mirrored the field of frontier history. Because of Chandler's enormous impact on the direction of modern scholarship, the descriptive adjective 'Chandlerian' long ago entered the lexicon of every economic and business historian, as well as the vocabulary of many members of related disciplines.... We are all indebted to him for his pathbreaking contributions to our discipline and to other disciplines—including economics, sociology, and political science—that have been influenced by his innovative and meticulous scholarship." (Photograph courtesy of Richard A. Chase.)

Back Cover: The Business History Group at Harvard, 1985.

Standing, left to right, Professor Richard S. Tedlow, Visiting Professor Robert D. Cuff, Professor Richard H. K. Vietor, Professor and Harvard-Newcomen Research Fellow William Lazonick. Seated, left to right: Professor Thomas K. McCraw, Professor Alfred D. Chandler, Jr., and Visiting Professor Leslie Hannah. (Photograph courtesy of Richard A. Chase.)

See in this issue, the article by Richard R. John, "Elaborations, Revisions, Dissents: Alfred D. Chandler, Jr.'s, The Visible Hand after Twenty Years," plus the several other historiographical essays that touch on the work of Chandler.

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Note from the Editor

This is an especially important issue of the *Review*, devoted largely to historiographical questions in business history. There are three major parts. The first, a long evaluation by Richard John of the influence of Alfred Chandler, his supporters, and his critics, comprises by itself an invaluable overview of the field. It will doubtless be cited for many years to come. The second part, introduced by David Edgerton's essay entitled "The Decline of Declinism," surveys British entrepreneurship and economic performance in the late nineteenth and early twentieth centuries, a subject of frequent debate. Articles by Kevin Whitston, Gary B. Magee, and Peter Botticelli add much to our understanding of this thorny and complex question. The third section, introduced by Louis Galambos, contains brief but penetrating essays on business history in Britain, by Geoffrey Jones; Japan, by Etsuo Abe; and Italy, by Franco Amatori.

The editors of the *Review* are very pleased to have been able to consolidate these contributions in a single issue. Within the next few years, we will have special issues or sections on gender in business history, business and environmental history, and other rapidly evolving topics in the field.

This issue on historiography is the first in our 70-odd years of publication to be produced in-house. Even though the physical appearance of this number of the journal is not appreciably different from that of recent issues, the process by which it was put together represented a radical change. We made the change primarily in order to catch up on our schedule. Long-time readers of the *Review* know that it has been running behind for more than a decade. It was to address this apparently intractable problem that I agreed to become editor three years ago. Since then, we have gone through two phases in our effort to catch up. The first reached the brink of success in 1996, only to hit a wall of technological obsolescence involving the layout of the journal. So we decided to go around the wall by acquiring some expensive hardware and software and doing the layout ourselves.

In both phases of this effort to catch up, the work of our Editorial Coordinator, Pamela Sawyer, proved little short of heroic. She identified the need to change the technology, persuaded me that it had to be done, and then persisted in the face of some administrative opposition

before finally emerging victorious. Much work remains to be done, because in making the change we had to trade off a slightly faster short-term production pace for a more reliable long-term capability to produce on time. But we now expect to become current within the next year or so.

—Thomas K. McCraw

CONTRIBUTORS

Etsuo Abe is professor of business history in the School of Business Administration of Meiji University, Japan. He received his M.A. from Hitotsubashi University, and has taught business history at Meiji University from 1978 to the present. He is the author of many articles and several books, including *Japanese Success? British Failure?* (1997), *The Origins of Japanese Industrial Power* (1995), *Daiei Teikoku no Sangyo Haken* (The Industrial Supremacy of the British Empire) (1993), and *Changing Patterns of International Rivalry* (1991). He is currently doing research on the international comparison of business systems and competitiveness of nations.

Franco Amatori is professor of economic history at Bocconi University, Milan, Italy. He studied at the University of Florence where he received a degree in political science. During the period 1978–79 he pursued post-graduate studies in business history at Harvard Business School as a participant in the Individual Studies Program. He has written extensively on Italian business history. Among his most important works are *Proprietà e direzione. La Rinascente 1917–1969* (1989), which offers a history of Italy's leading retailer, La Rinascente, and *Impresa e mercato Lancia 1906–1969* (1996) which focuses on the history of the Italian automobile manufacturer.

Professor Amatori edited the Italian editions of two of Alfred D. Chandler's books, *The Visible Hand* and *Scale and Scope*. Together with Professor Chandler, he organized the "A" session of the 1994 International Economic History Congress on "Global Enterprise: Big Business and the Wealth of Nations." With Takashi Hikino, they edited a book of the same name which was published in 1997.

At present, Franco Amatori is working to form an international network of business historians to create a series of annual volumes (tentatively titled "Comparative Perspectives in Business History") each of which will focus on a single monographic theme.

Peter Botticelli is a business analyst currently writing a case study on a venture capital transaction as part of an ongoing research project on the role of family and kinship networks in emerging markets. In the past he has done extensive research on competitive strategy and has published works on Intel, IBM, and Rolls Royce plc.

David Edgerton is Head of the Centre for the History of Science, Technology and Medicine and Reader in the History of Technology at Imperial College, London. He graduated from Oxford University and Imperial College, and taught at the University of Manchester between 1984 and 1992, before taking up his position at Imperial College. He is the author of *England and the Aeroplane: An Essay on a Militant and Technological Nation* (1991), and *Science, Technology and the British Industrial "Decline," 1870–1970* (1996) and editor of *Industrial Research and Innovation in Business* (1996). He has also written papers on British militarism, scientific and industrial policy, and the history of industrial R&D. He is currently completing a book on the British welfare state in the twentieth century.

Louis Galambos is professor of history and editor of *The Papers of Dwight David Eisenhower* at Johns Hopkins University. Most of his work in recent years has focused on the process of innovation in large-scale, modern organizations, both public and private. His most recent articles include "The Innovative Organization: Viewed from the Shoulders of Schumpeter, Chandler, Lazonik, et al.," *Business and Economic History*, Second Series, 21 (1993): 79–91; "The Authority and Responsibility of the Chief Executive Officer: Shifting Patterns in Large U.S. Enterprises in the Twentieth Century," *Industrial and Corporate Change* 4, 1 (1995): 187–203; and *Networks of Innovation: Vaccine Development at Merck, Sharp & Dohme, and Mulford, 1895–1995*, with Jane Eliot Sewell (1995).

Richard R. John is associate professor of history at the University of Illinois at Chicago. His publications include the prize-winning *Spreading the News: The American Postal System from Franklin to Morse* (1995; paperback, 1998). He is currently working on a study of American communications policy that is tentatively entitled "Visions of Enterprise: The Political Origins of the Modern Communications Infrastructure in the United States, 1837–1917." During the 1998–99 academic year, he will be a fellow of the Woodrow Wilson Center at the Smithsonian Institution.

Geoffrey Jones is professor of Business History in the economics department of the University of Reading, U.K. He received his M.A. and Ph.D. from Cambridge University, and taught economic history at the London School of Economics from 1979 to 1988

before moving to Reading. He is the author of many articles and of several books, including *The State and the Emergence of the British Oil Industry* (1981), *Banking and Empire in Iran* (1986), *Banking and Oil* (1987), *British Multinational Banking 1830–1990* (1993), and *The Evolution of International Business* (1996). He is currently completing a study of British-based international trading companies from the nineteenth century to the present day, and is just starting a history of Unilever between 1965 and 1990.

Gary Bryan Magee is a research fellow in the Institute of Advanced Studies at the Australian National University, Canberra. He received his doctorate from the University of Oxford in 1994, where he was a Commonwealth Scholar at Nuffield College. He has written on British, European, and Australian economic history and his research has appeared in the *Journal of European Economic History*, *Business History*, and the *Australian Economic History Review*. He has recently published his first book, *Productivity and Performance in the British Paper Industry: Labour, Capital and Technology in Britain and America, 1860–1914* (1997). He is currently working on technological change and international technology transfer in the nineteenth century.

Kevin Whitston teaches industrial relations and organization theory at Bilston Community College in Wolverhampton, in Britain, and is a visiting lecturer at the Universities of Staffordshire and Wolverhampton. He has written articles on “Worker Resistance and Taylorism in Britain,” for the *International Review of Social History* (1997), and on “Scientific Management and Production Management Practice in Britain Between the Wars,” for the *Historical Studies in Industrial Relations* (1996). He is currently working on a history of management and labor relations in Britain from the 1930s.