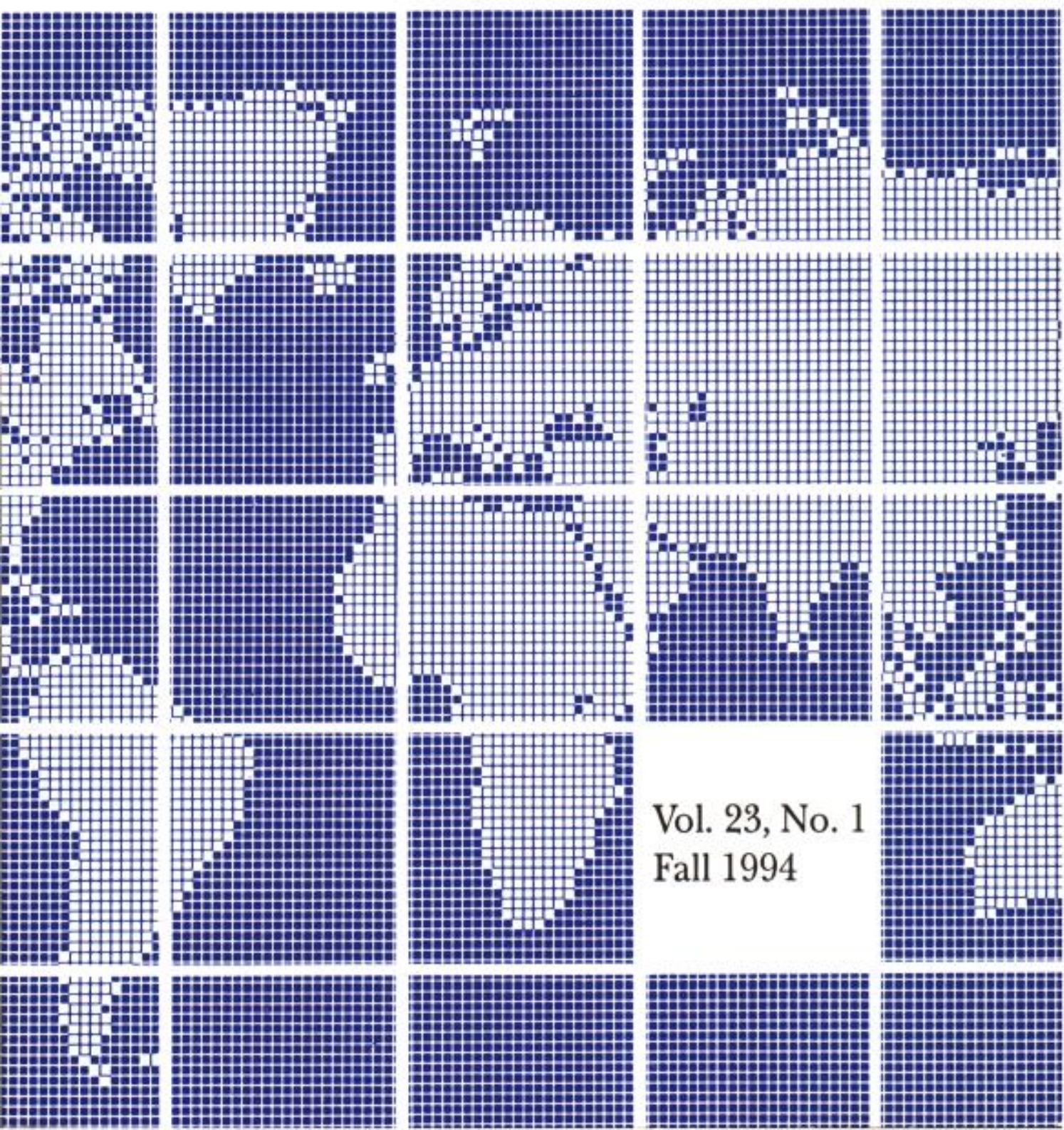


# Business and Economic History

The Journal of the Business History Conference



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# BUSINESS AND ECONOMIC HISTORY

Volume Twenty-three, no. 1, Fall 1994

William J. Hausman, editor  
*College of William and Mary*

Papers presented at the fortieth annual meeting of the  
Business History Conference  
March 11-13, 1994  
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## Preface

I was delighted to host the 40th annual meeting of the Business History Conference, which was held March 11-13, 1994, in Williamsburg. Ed Perkins organized the conference program, while the dissertation session was chaired by Bill Childs.

I received generous support from many individuals at the College of William & Mary and the Colonial Williamsburg Foundation which made it possible to host the conference. Direct financial assistance was provided by Gillian Cell, Provost of the College, David Lutzer, Dean of the College of Arts & Sciences, and Al Page, Dean of the School of Business. The Winthrop Group again provided direct financial support for the conference. Cary Carson organized the superb program provided Friday morning by the Colonial Williamsburg Foundation, and Norman Beatty provided valuable assistance in securing a venue for the Friday reception. The Columbia Workshop of the Consortium on Competitiveness and Cooperation (supported by the Sloan Foundation) again made it possible for several graduate students to attend the conference.

Three of the organization's prizes were awarded at the meeting. Rosalind Remer was awarded the Herman E. Krooss Prize for her dissertation on the American book trade. The second annual Newcomen Prize for the best paper from the 1993 meeting was formally awarded to Steven Usselman, whose paper, "IBM and its Imitators: Organizational Capabilities and the Emergence of the International Computer Industry," was published in the Winter 1993 (vol. 22, no. 2) issue of the journal. The prize is made possible through the generosity of the Newcomen Society of the United States. The third biennial Harold F. Williamson, Sr. Prize in Business History, which honors one of the founding members of the organization, was awarded to Geoffrey Jones. The award recognizes the contributions to business history of a scholar and teacher in mid career.

This is the second year that the proceedings of the conference will be produced in two volumes. The method of selection is still evolving, but a committee of referees selected seven papers from those presented at the conference for expansion or further revision. One of these papers will be awarded the Newcomen Prize for 1994. The volume will appear this winter.

The 1995 Business History Conference will be held in Ft. Lauderdale, Florida, on March 17-19 (and host Mark Rose has assured me that should your students be on spring break, they will be in Daytona Beach). Bill Becker, President-elect and Professor of History at George Washington University, is the program chair. Roger Olien is chairing the dissertation session.

I would like to give a very special note of thanks to Pat Denault, who has helped me in many and complex ways this year. My sincere thanks go as usual to Mary Ferraro, who makes it possible to keep this operation going, and to Cheryl Shelburne, who competently and cheerfully helped with the conference this year. Paulette Parker came out of retirement to help with the editing chores and I again am pleased to be able to thank her. Bob Fritts also was instrumental in making the conference a success. It is a privilege to work with these fine individuals.

Will Hausman, August 1994

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## **Annual Prize for Young Scholars Working on European Banking History**

The European Association for Banking History will award a Prize for an individual scholar or a team of two or three scholars working on institutional, economic, or social aspects of the history of European banking or on a biography of a European banker or banker's dynasty. The studies should meet academic requirements, be unpublished, and consist of 80,000 to 120,000 words. The applicants should not be over 35 when submitting their manuscripts. The text will be accepted in any European language but must be accompanied by an abstract of 3,000 words (10 pages) in English. The Prize of 2,500 Ecus will be awarded for the first time in 1995. The EABH will commit itself to publishing the award-winning manuscript. Final submission date for the 1995 Prize is 31st December 1994. For further details please contact:

Prof. Manfred Pohl,  
European Association for Banking History e.V.,  
Alte Rothofstr. 2-4  
60313 Frankfurt, Germany  
Tel. (69) 131 0231 / Fax (69) 295074

## Hugh G. J. Aitken

Hugh G. J. Aitken, Professor Emeritus at Amherst College, died April 14, 1994 of a heart attack. He was seventy-one. Although not formally a member of the Business History Conference, Aitken served as an important contributor to business history throughout his substantial career. Aitken's first brush with business history occurred in 1948 when he moved from the University of Toronto, where he had received a masters degree in economics under Harold Innis and W. T. Easterbrook, to Harvard University, where he became one of five junior members of the newly established Research Center in Entrepreneurial History. Inspired by Joseph Schumpeter, created by Arthur H. Cole, and funded by the Rockefeller Foundation, this center sought to create a new, analytic history aimed at understanding the entrepreneur and entrepreneurship. The center was loosely associated with two venerable Harvard institutions, the Department of Economics and the Business School. Aitken gravitated toward the former and earned his Ph.D. from that department in 1951.

Aitken's view of business history, as practiced at the Business School by N. S. B. Gras and Gras's few followers at the time, was rather negative. As he wrote in 1965, "What was the relation between entrepreneurial history and business history? Was there any significant difference, and if so, what? To questions such as these Cole attached an importance which some of the rest of us--at a time when entrepreneurial history had no literature of its own--failed to understand. As we then saw it, business history was nontheoretical and even antitheoretical, and that was all that needed to be said."<sup>1</sup> But in addition to Aitken, the center also attracted the likes of Thomas C. Cochran, John E. Sawyer, Leland Jenks, Fritz Redlich, Harold C. Passer, David S. Landes, Bernard Bailyn, and Alfred D. Chandler, Jr., scholars who would contribute markedly to the history of enterprise, some more heavily weighted in the economic history part of the spectrum, others in the sociological range, still others in the more purely firm-centered region. Although the center's early demise led to the departure from Harvard of most of its associates, this cast of characters all shared with Aitken the goal of producing a more analytic history than that prevailing at the time.

Aitken's goals for such an approach were realized to a large extent in several books, the most significant of which were his revised doctoral dissertation, *The Welland Canal Company: A Study in Canadian Enterprise* (1954); *Taylorism at Watertown Arsenal* (1960); *Syntony and Spark: The Origins of Radio* (1976); and *The Continuous Wave: Technology and American Radio, 1900-1932* (1985). Aitken was at work on a wide-ranging and thoroughly relevant study of the development, exploitation, and allocation of the electromagnetic spectrum that had won research support from the National

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<sup>1</sup>Hugh G.J. Aitken, "Entrepreneurial Research: The History of an Intellectual Innovation," in idem. *Explorations in Enterprise* (Cambridge, 1965), p. 11

Science Foundation. Altogether, Aitken wrote, co-authored, or edited eleven books.

Although his degree was in economics, Aitken largely rejected neoclassical economic thought as an adequate explanation for phenomena attending business enterprise. He believed that it "eliminate[d] the entrepreneur completely." At the same time--and unlike Alfred Chandler--he initially rejected "the Parsonian system which, whatever its other virtues, was clumsy to work with in historical research."<sup>2</sup> But in the long run, Aitken returned to Parsonian thought in *Syntony and Spark* and *The Continuous Wave*, both of which won the Dexter Prize of the Society for the History of Technology and were favorably reviewed in the business history literature.<sup>3</sup> His unique contribution to the literature on enterprise in these works was his explication of how individuals and organizations innovate technologically. His identification of the critical role of certain individuals--"translators"--whose expertise and interests cut across the communities of science, engineering, business, and capital will long remain a landmark of his work, as will his graceful prose.

Aitken lived long enough to see the return to fashion of Schumpeterian economics through the significant work of evolutionary economists such as Richard R. Nelson and Sidney Winter. The rise of this approach has also served to rekindle the interest of economic historians in understanding the historical development of technologies and the dynamics of organizations and institutions. Aitken had left the sphere of economic historians in the 1960s and 70s when the econometricians took over the Economic History Association, and he became a major critic of the excessive model building and other methods of this school. Aitken's work has now become highly relevant to both economic historians and evolutionary economists, and I am sure that he recognized that he could now read this work with an enthusiasm that he had not had for economics and economic history in a very long time. Although he sought throughout his scholarship to build an analytically rich picture of the past, a picture that included both individuals and institutions, Aitken's work also stands out for the quality of its storytelling. In this respect, Aitken's scholarship is--and will long remain--highly accessible to those outside the boundaries of business and economic history and the history of technology. His death is thus a severe blow to those who would understand enterprise or simply enjoy a good story.

David A. Hounshell  
*Carnegie Mellon University*

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<sup>2</sup>Ibid., p. 15.

<sup>3</sup>Aitken acknowledged his return to Parsonian thought in remarks at a session in his honor at a meeting of the Society for the History of Technology in Dearborn, Michigan, in 1985.