

Volume 25, No. 2

Winter 1996



Business and Economic History

The Journal of the
Business History Conference

BUSINESS AND ECONOMIC HISTORY

Volume Twenty-five, no. 2, Winter 1996

William J. Hausman, editor
College of William & Mary

Patricia Denault, associate editor
Harvard University

Jonathan Kajeckas, editorial assistant
College of William & Mary

Selected papers presented at the forty-second annual meeting of the
Business History Conference
March 15-17, 1996
Columbus, Ohio

Business and Economic History is published biannually by the
Business History Conference at the Department of Economics,
College of William & Mary, Williamsburg, Virginia 23187.
Subscription rate, \$20 per volume; individual issues, \$15;
back issues (1985-95), \$15 each.

Current and back issues (to 1975) of this journal are
available from University Microfilms, Inc.,
300 N. Zeeb Rd., Ann Arbor, Michigan 48106

Articles appearing in this journal are indexed or
abstracted in *Historical Abstracts*, *America: History and Life*,
Index to Social Sciences and Humanities Proceedings,
Index of Economic Articles, and are included in the online
Economic Literature Index.

Copyright © 1996 by the Business History Conference
ISSN 0849-6825

**OFFICERS OF THE BUSINESS HISTORY CONFERENCE,
1996-97**

President: Mansel Blackford, *Ohio State University*
President-Elect: Leslie Hannah, *London School of Economics*
Past-President: William H. Becker, *George Washington University*
Secretary-Treasurer: William J. Hausman, *College of William & Mary*

**TRUSTEES OF THE BUSINESS HISTORY CONFERENCE,
1996-97**

Colleen Dunlavy, *University of Wisconsin*
Wilfried Feldenkirchen, *Universität Erlangen-Nürnberg*
K. Austin Kerr, *Ohio State University*
Kenneth Lipartito, *University of Houston*
Larry Neal, *University of Illinois*
Edwin J. Perkins, *University of Southern California*
Christine Rosen, *University of California, Berkeley*
Philip Scranton, *Hagley Museum and Library*
David Sicilia, *University of Maryland*
Steven Tolliday, *University of Leeds*
Steven Usselman, *Georgia Institute of Technology*
Richard H. K. Vietor, *Harvard University*

Business History Conference WWW Homepage –
<http://cs.muohio.edu/~bhc/>

CONTENTS

NEWCOMEN PRIZE ESSAY

From Textiles to Automobiles: Mechanical and Organizational Innovation
in the Toyoda Enterprises, 1895-1933

William Mass

Andrew Robertson..... 1

Suppliers and Product Development in the Early American Automobile
Industry

David Hochfelder

Susan Helper..... 39

The Myth of the Corporate Economy: Great Britain's Cotton Textile
Industry, 1900-1913

Timothy Leunig..... 53

Tradition, Innovation, and Expertise: Writing the Steel Code for the
National Recovery Administration

Charles Cheape..... 69

The German National Railway Confronts its Competitors, 1920-1939

Alfred C. Mierzejewski..... 89

Diversification Strategies and Corporate Governance in Trading Companies:
Anglo-Japanese Comparisons since the Late Nineteenth Century

Geoffrey Jones..... 103

SYMPOSIUM

Thinking Big, Thinking Small, But Thinking Internationally:

Some Ruminations on the History of Business and Business History in
the Twentieth Century

Mira Wilkins..... 119

Pondering the Globalization of R&D: Some New Questions for Business
Historians

David A. Hounshell..... 131

Multinationality: Size of Firm, Size of Country, and History Dependence

Leslie Hannah..... 144

Multinationals: The Cultural Dimension

Patrick Fridenson..... 155

The Persisting Case Against the Multinational Corporation

Wayne G. Broehl, Jr...... 159

PREFACE

The six papers published in this issue were selected from those presented at the 42nd annual meeting of the Business History Conference held in Columbus in March 1996. The issue also publishes the symposium on "thinking internationally" organized by Mira Wilkins. The editorial committee this year comprised Mansel Blackford, Bill Becker, Jeremy Atack, Pat Denault, and myself. By vote of the editorial committee, William Mass and Andrew Robertson's paper, "From Textiles to Automobiles: Mechanical and Organizational Innovation in the Toyoda Enterprises, 1895-1933," has been awarded the Newcomen Prize for 1996.

The first issue of *Business and Economic History* for 1997 will contain papers delivered at the conference on "The Future of Business History" organized by the Hagley Museum and Library which will take place in Wilmington, Delaware on April 4-5, 1997. The second issue of the journal will be papers selected from the 1997 Business History Conference in Glasgow on July 4-6.

I would like to take this opportunity to thank once more the supporters of the 1996 conference in Columbus: the Ohio State University College of Humanities, College of Business, and Department of History, the Geon Corporation, Nationwide Insurance, Winthrop Group, and Business History Group. The College of William & Mary continues to provide generous support for the organization. This is the first complete issue produced under the direction of Jonathan Kajeckas, and his superb editorial and production skills should be evident in the final product. I thank him sincerely.

Will Hausman
January, 1997