

By Ralph W. Hidy

ISIDOR STRAUS PROFESSOR OF
BUSINESS HISTORY
HARVARD UNIVERSITY

The Battle of the Bulge: A Memoir

IN spite of the fact that the assigned title evokes visions of potbellied males and of females with bust and hip measurements in excess of 36 inches, this paper really deals with the problem of impressing the historian's control over the large volume of information associated with writing the history of large businesses. It is a sketch of my experience with four studies. Personal papers of one businessman often exceed in volume what one historian could peruse and master in a short period of time. Many large corporations have retained literally tons of records. And the bulk of information that could and should be collected, analyzed, and put into meaningful form for an effective history of an industry is inevitably impressive. In fact, it is large enough to inspire misgivings, if not fear, in the mind of any aspiring historian.

Under such circumstances the historian first must acquire an estimate of the volume of data and records which he faces in connection with the projected history. (Often such a survey of available records is a prerequisite to the decision on the feasibility of the proposed project.) In most instances he must include in this preliminary step answers to a host of questions. Among the first that comes to mind is the query: How many records are available or extant under the control of the prime subject of the inquiry, be it an individual, a corporation, or the group of corporations and associations which constitute the industry under investigation? A second question is equally important: Are the papers adequately calendared or indexed? Equally essential is the knowledge of the size and character of monographic and periodical literature on the subject or subjects of the study, including major issues in the projected history. For example, what are the essential monographs and periodical articles needed to provide the researcher with the knowledge of technological change in the industry? Not to be ignored in such a survey and analysis is the volume of newspapers and governmental documents that should be or must be consulted and examined.

My own experience with estimates of volume of materials has been varied. When I started on the history of the Barings, I had had no experience with this size of project. In the Public Archives of Canada at Ottawa the records of the firm covered the wall of one half of a large room from floor to ceiling. I did not even give a thought to the need of a calendar, for an employee of the

institution had already made one that served the purpose. As to bibliography of outside literature, I spent six months studying international trade and international banking and the history of both prior to my first research in Ottawa. Other gaps in information I filled by recourse to books and articles in libraries as it became necessary from time to time.

In connection with the history of Jersey Standard the survey of records under the control of the firm and its affiliations had been made before the Hidys had been engaged to write the first volume. That survey served as a general guide to extant company records. It was inadequate on the history of the industry, on legal materials outside the firm, and on journals, periodicals, and consular reports. Larson's *Guide to Business History* was published soon after we started research and provided good leads to printed materials on the industry. No aids, however, gave a true indication of how large the total commitment would be. Departmental listings were seldom detailed but always helpful.

In the Jersey Standard Study a major problem was to find inside documentary evidence on company decision making. From the survey it was clear that the bulk of the records of the Trust period had been destroyed or abandoned when the company moved its headquarters to Rockefeller Center. Perhaps some remained in offices of former or present day affiliates? The search carried us downtown to Socony-Vacuum at 26 Broadway, to Atlantic Refining in Philadelphia, to Pittsburgh, Titusville, and Oil City, to Ohio Standard at Cleveland, to Toronto, and elsewhere. We located some but not all the pre-1911 documents retained by Socony-Vacuum, found few in Cleveland, Philadelphia, Pittsburgh, and Tulsa (Carter Oil Company). At Oil City we were refused access to the files of National Transit Company, left those known to be in possession of Indiana Standard to the ministrations of Paul Giddens, and concluded that, given the amount of data located on California Standard, we should not seek more information in San Francisco. (In consequence, Gerald White has corrected our findings in some respects.) We came near to making a search in London (Anglo-American Oil Company), Bremen (Deutsche-Amerikanische Petroleum Gesellschaft), and several other European headquarters of Jersey Standard affiliates; we decided to forego that plan, however, after receiving some data by correspondence and being told (in one instance incorrectly) that most records had been destroyed or burned in fires and bombing conflagrations.

Another reason for not going to Europe was that we struck a bonanza in Toronto. There we found hundreds of letters written by the key men in the export trade of the Standard Oil combination between 1890 and 1911. The boxes and crates were stored in a sub-basement of Imperial Oil Company although they were ostensibly the property of International Oil Company and covered a much broader field. Walter Teagle had taken copies of correspond-

ence on foreign operations when he went to Toronto as a director of Imperial and had not taken them back to New York. Some of the papers had suffered water damage and were stuck together, but most of them could be pulled apart gently and read. We had good and plentiful evidence for the statements that were made in the foreign trade chapters.

When I was asked to be co-author of the history of the Weyerhaeuser enterprises, an analysis of the company's records was available but had been made in a general fashion only. The authors had no real idea of the extent or content of the records in a score or more locations; the exceptions were the St. Paul office of F. Weyerhaeuser Co. and the Minnesota Historical Society. We had no good histories of the industry and, aided by Larson's *Guide*, we had to build our own lists of periodical and newspaper sources as we went along. As any experienced historian might guess, the volume of records available was much more extensive than anticipated in a number of instances, much less than desired in other areas. The necessities of examining trade journals and other contemporary sources called for much larger expenditures of time and energy than at first visualized by the people of Columbia University who made the arrangement to write the history.

The history of the approach to the Great Northern project differed from that of any of the other three. The Hidy's had been instrumental in discussing the possibilities and terms of plans for a comprehensive history of the company. They stipulated that, prior to any commitment to write the history, a comprehensive analysis of company records and external research needs must be made. They then made the analysis of records held by the company and supplementary collections of documents as well as working bibliography on the history of the railroad industry. The bibliography included books, academic journals, and trade periodicals, as well as decisions in legal cases and attendant testimony.

By the time that the report was drawn up and submitted two conclusions were clear. In terms of data available, the project was eminently feasible. Secondly, the volume of company holdings was so tremendous as to constitute a major problem in deciding how to proceed if and when the directors approved the project. When the company occupied its new office building in 1915, it left the old one standing three blocks away. Since that time it has been used primarily as a repository of records, the preponderance of which have been retained. They occupy tables and shelves on floor after floor. Additional files were located in offices along the line, with extensive amounts in Seattle. A comprehensive card index of topics by code numbers provided a facile reference to all files in possession of the company.

Obviously, for any of the foregoing projects the key word in the mind of the author or authors must be "selection." As early as possible the author must choose an hypothesis to test—a major question to be answered—for the complex

investigation as a whole. Without a central idea the study would lack focus and unity. Time and energy would be wasted in fruitless research; some such wastage is inevitable but it must be minimized. Before asking the unifying question or formulating the major hypothesis, however, research must yield enough information on changes inside and outside the firm to suggest the reasonableness and feasibility of the statement. In every instance some months of intensive accumulation of data preceded the formulation of the unifying idea.

Although decision making in response to changes in external and internal environments was central to all four studies, the unifying hypotheses were all different. In the case of the Barings the idea was simple. Their emphasis on specific areas of activity varied directly in accordance with market opportunities perceived in this country and elsewhere; as a consequence the partners manifested first an increasing preoccupation with American trade and finance after 1815, then a gradual decline in the 1840's and 1850's.

In writing the history of the Standard Oil combination the conflicting evidence, the paucity of company-held materials, and our tardiness in gaining access to the Rockefeller Papers unfortunately delayed our perception of our unifying theme for several months. Finally, we hypothesized that the behavior of Standard Oil leaders was directly related to the development of their attitudes and ideas in youth and early experience in the petroleum industry. They reacted positively and strongly to the economic pressures that came primarily in their early more flexible years, and negatively and less effectively to social criticism and political pressures in their later, less flexible years.

Again, on the Weyerhaeuser project a series of obstacles delayed for months the formulation of a central theme. The lack of a good history of the lumber industry, the geographically scattered documentary evidence, the sheer bulk of the records that had to be examined, and the inclination of one author to minimize analysis in favor of straight narration presented difficulties that had to be resolved. Finally, we agreed that we were dealing with a group of men of good will who had, with remarkable consistency, solved the problems in a natural resource industry in a highly pragmatic fashion. In the process of piecemeal reaction and adjustment to internal and external pressures the participating men and firms had moved from short-term, completely individualistic behavior to a marked degree of collaborative action of a long-term nature with other private firms and associations as well as with state and federal agencies.

Rather quickly, at least relative to earlier experience with large historical enterprises, the authors of the Great Northern history arrived at a working hypothesis, if it may be so labelled. Perhaps the ease of decision was largely attributable to the fact that the authors find it not too difficult to see eye to eye on many issues. Also, documentary evidence and printed materials tended

to point toward the actual formulation of our answer to the question: What is the best explanation of the strategy and tactics of Great Northern leaders, not only James J. Hill but executives of antecedent lines? The answer for the period to 1916 seemed to us to be: Through innovative entrepreneurship, usually adaptive and occasionally creative, leaders devoted themselves to building and operating a pioneer railroad. For the period after 1916 emergence of the unifying idea had to await research and thought at a later date

In pursuing the collection of enough data to formulate unifying ideas for testing, the researcher faced with voluminous records must choose definite points to attack first. In my estimation and experience, building a body of statistical information in time series is of prime importance. These should include data on volume of production of goods or services, on unit and aggregate costs, on earnings, dividends, and many other topics. Historical balance sheets can be very revealing. The objective of such statistical compilations, whether adjusted for changes in the value of the dollar or not, is to develop a skeleton on which the living flesh of an analytical narrative can be imposed. Without knowledge of turning points provided by time series the scholar will have greater difficulty in asking meaningful questions of qualitative sources of information.

My personal experience with gathering statistics has been varied, sometimes quite frustrating. As you can tell from the book, such data were few in the Baring Papers and had to be taken as located. When I arrived in London in June 1939 for examination of the account books of the firm, I found that they had already been stored for safety at a country estate. The core of Jersey Standard statistics were the Consolidated Accounts (Red Books) from 1882 - 1911; these proved easily accessible, but supporting, explanatory data were generally insufficient for further probing. Over the research period we located some other helpful statistics, some unpublished and not inconsiderable amounts in legal sources, but we had little information of this kind early in the game. An impressive amount of trial balances on Weyerhaeuser enterprises were found in St. Paul, but few were more than scraps for the years prior to 1900. Hence, our statistical information on companies had to await research on the post-1900 period as it could be done at various times and places. For the Great Northern project we could find literally boundless statistical data, including a wide variety of ratios and financial information. Many were maintained year by year. The problem was to designate the series to be compiled or checked and to select someone to take on the task.

While compiling, or after compiling, the statistical skeleton, on what type of qualitative records should the researcher concentrate? Perhaps I should say, from the mass available what selection must he make if he wants to complete the task in his lifetime? The answer is simple, at least if we take the ideal

He should next read and analyze annual reports and extract pertinent data from minutes of the board of directors and executive committee. On the basis of data from those two sources the skeleton will begin to take on a rough appearance of flesh and blood. Of course, much desired information will be lacking, particularly the reasons for, and thinking behind, key decisions.

At this point the need for selection becomes acute, even in the ideal situation where the researcher has easy access to all the information he can imaginably desire. To the best of his perception and ability, he must search for the "why" of decisions, not only the main ones but those in the ensuing chain. His obvious and best recourse is top level correspondence files, whether they be official or personal. In many instances background material from other departments and staff members is attached, showing the thinking back of both key and implementing decisions. If the answers cannot be found in executive sources or if the researcher is still dissatisfied, then he must search in the files of other people and departments or divisions, either at once or later. Normally in such circumstances he can obtain the desired data in short order.

As you can readily imagine, such ideal situations rarely occur. In the Baring study I had no records of decisions made through daily discussions of partners; I had only correspondence with American agents and Canadian clients. For the Standard Oil combination we found no minutes of meetings by the Trustees. Minute books as well as certificate books of various corporations, including the Jersey Company, revealed little more than the barest legal essentials. From the Rockefeller Papers and especially from printed legal sources we dug up a large proportion of the data used. Not even top executive letters remained available in the company in any sizable amount, except on foreign operations.

Experiences on Weyerhaeuser and Great Northern research stand in sharp contrast. Since there was only the most amorphous central control of the former's enterprises, there was no real body of top level correspondence except in the fragmentary personal collections of Frederick Weyerhaeuser and his sons, plus personal files of associated men in scattered cities and towns, such as those of the Mussers in Muscatine and of O. H. Ingram in the Wisconsin Historical Society at Madison. We had to rely on information found in the records of some twenty companies located from Arkansas to Minnesota and from Illinois to Washington and Oregon. For the Great Northern we found minute books (Record Books by formal name) with an extensive Sub-Record of documents used at almost every meeting of the board, executive committee, and stockholders. Well-indexed top-level correspondence, especially after 1890, available either in the new or old office buildings, provided detailed answers to more questions than we could ask in anything less than a multi-volumed study.

To be sure, we have had problems on the Great Northern project, especially on the period prior to 1890. Extensive collections of correspondence were practically non-existent for the years up to 1879; the story had to be reconstructed largely from printed sources, to a large extent from legal cases and accompanying testimony. The papers of James J. Hill, then housed in the Great Northern office building, remained under family control and definitely restrictive direction. They had to be utilized in a less systematic fashion than we could have desired. For example, given the way we had to conduct our research, we had to make many more notes and reproduce more documents than would have been necessary had we been able to pinpoint easily the key decisions, their motivation and implementation.

As soon as possible some tentative method of organizing the written presentation of the findings must be selected. The Baring study emerged as an exposition of the role of the firm in financing American trade and marketing American bonds prior to the Civil War, always related to cyclical fluctuations in international business activity, particularly from 1825 to 1861. This tentative idea did not dawn on me until the second summer of research.

Organization of the Standard Oil data fell easily into pre-Trust, Trust, community of interest, and Jersey Standard holding company periods. Each period provided a stage in the process of adjustment and failure to adjust to external and internal pressures. This schema was clear within six months after we started.

In terms of reactions to environmental changes, not only economic and socio-political but also internal to the firms and groups, the Weyerhaeuser book clearly must differentiate between the pattern of decisions for midwestern activities and that for those in the Far West. It so happened that the shift in geographic circumstances paralleled those related to the rapid rise of public attack and to steady growth of state, federal, and private cooperative endeavors. Although the broad division was perceptible almost at once, setting the topics of chapters was the subject of discussion and alteration down to almost the final revision.

For the Great Northern Railway history we perceive two major periods, with subdivisions. The first centers on the battle to create and operate a pioneer railroad to 1916, the second on the struggle, against difficulties and setbacks, to become a superior common carrier for the community between the Great Lakes and Puget Sound since the death of James J. Hill and World War I.

To write the desired thorough, analytical history of a large enterprise from voluminous records in a limited length of time, an author must obviously have associates, either as co-authors or as research assistants. Recruiting, guiding, and working with them always poses interesting problems. First, the limita-

tions in the training and available time of the prime authors must be analyzed. From that point the authors then must decide upon the knowledge and skills that the associates should have. Often the biggest obstacle is getting the type of assistant most needed. In other words, the author or authors often must tailor their needs to the aptitudes and interests and skills of available personnel.

Since I had no money other than the Hidy's slim earnings for research on the Barings, the assistant problem resolved itself. I did almost every bit of the research, Mrs. Hidy typed thousands of notes, a gift I repaid later only in part on the Peabody research.

The only continuous, systematic bulky batch of material inside the Jersey Company was the legal files from the 1890 to 1911. We thought that these ought to be examined in detail and decided to get help to do it. We chose a woman historian, Elizabeth Bacon, trained in social history under Arthur M. Schlesinger, Senior. She was available for the six to eight months that we needed her, and she turned in an excellent performance. A major factor in that outcome was the continuous attention given to her by the authors. By resolving questions as they arose, particularly with Mrs. Hidy, Dr. Bacon was able to see significant relationships that otherwise would have meant little or nothing to her. And Muriel Hidy, with typing assistance, performed prodigious feats of research, some while I was writing first drafts of early chapters.

In the research on the Weyerhaeuser enterprises the personnel requirements were quite different from those on Standard Oil. Both authors were teaching and had other obligations; they knew that they had to have extensive assistance as soon as they realized the widespread location of the documents, the number of firms to be covered, and the sheer bulk of material to be examined. Interviews had to be held with people living on or near both coasts as well as in the interior of the country. Collections of papers ranged from New York to the Pacific Coast (California, Oregon, Washington and British Columbia), from Arkansas to Minnesota, including records of various families and firms in Muscatine, Iowa, Rock Island, Illinois, Winona, Cloquet, and Little Falls in Minnesota, not to mention sizable collections in Weyerhaeuser family hands and in vaults of the Minnesota and Wisconsin historical societies.

The volume of papers in the various cities and towns varied widely. In Rock Island, Muscatine, Clinton, Eau Claire, and several other lumber towns the extant materials were slight but had to be examined. In Winona, Cloquet, Little Falls, and St. Paul the collections were voluminous. In Idaho the significant records of the Edward Rutledge Timber, Clearwater Timber, and Potlatch Lumber companies were extensive. Potlatch Forests, Inc, had kept a considerable amount of materials, but with the exception of the last ten years the history of Boise Cascade Corporation had to be reconstructed from bits and

pieces That process called for considerable digging in order to locate significant documents; a few were found in the vaults of the company, others in family papers

The largest single collection of papers was in Tacoma — in the files of Weyerhaeuser Company Almost all the top level correspondence had been kept from the first day of organization to the last working hours For the twentieth century, this was the most important of all the associated corporations with which we had to deal Reconstruction of its history from inside and outside sources obviously called for full time research by one man for a year or more Only in such fashion could statistics be compiled, accounts analyzed, and motivation for key decisions be extracted from the correspondence of General Manager George S. Long and other chief executives

Because the research associates would necessarily be doing much of their work independently, we tried to choose the most competent available scholars who had been trained in economic and/or business history Fortunately, we succeeded in engaging for lengthy periods both Frederick W. Kohlmeyer and Norman F. Thomas, two of Herbert Heaton's students at the University of Minnesota Kohlmeyer concentrated on midwestern firms, Thomas on Weyerhaeuser Company To New York I brought Vincent P. Carosso, a Ph.D. in History from the University of California sponsored by John D. Hicks Carosso took over a share of my teaching load at New York University and did research on periodicals as well as in voluminous records of the Laird, Norton Company that were borrowed on inter-library loan from the Minnesota Historical Society

The authors gave guidance to the three young men by working with them as much as time permitted With Carosso this was done regularly at our Columbia office With the other two we worked in the summers and on periodic journeys to the Midwest and Pacific Coast A stream of letters went back and forth Questions were posed at the inception of research, suggestions and criticisms were given from time to time, and critiques rendered after summary drafts of findings had been written On the Idaho companies extensive joint research and interviewing trips by Hidy, Nevins, Kohlmeyer, and Thomas produced most of the data utilized

A variety of difficulties, many associated with problems of bulk, practically dictated the need for assistance in organizing and writing first drafts of chapters of the final manuscript Among the complications were the disparate character of the collected data, summaries of findings by five researchers, and the sheer volume of the notes, statistical data, and essays produced Fred Kohlmeyer's, Norman Thomas's and Vince Carosso's aid in drafting extensive segments of some chapters was invaluable Mira Wilkins also gave significant assistance on some chapters for the twentieth century In addition several young scholars

at Columbia wrote special manuscript monographs on the history of various functions — timberland acquisition and management, labor-management relations, shipownership, manufacturing, marketing, financial management, and the like. These were given to the companies under the terms of the original arrangements with Columbia University.

We had still one more problem in the Weyerhaeuser project. By the late 1950s, with first drafts largely done, Hidy was in Massachusetts and Nevins in California. Whereas they had discussed problems and reconciled differences easily when both were on Manhattan Island, they now were separated by 3,000 miles. It was decided that we should bring in Frank Ernest Hill to aid in re-writing, reconciling styles, and checking our work at the central spot in New York. His help was most important in making the book as integrated and polished as it is.

Authors of the projected history of the Great Northern Railway Company met still different requirements as to research associates. The Hidy's needed help in perusing and analyzing the quite extensive correspondence, both letter-books and incoming letters of James J. Hill and other executives from 1879 to 1916, not to mention the official letter-books of the antecedent St. Paul, Minneapolis and Manitoba Railway Company. As time went on, greater selectivity could be exercised with regard to executive correspondence and the authors could work with assistants under more direct guidance on particular topics. Several topics, however, required special skills; for example, we thought it desirable to have a study in some depth of the agricultural and industrial development policies of the Great Northern, particularly after 1916. Other topics meriting special investigation were water transport activities and changes in fuel used as well as numerous construction projects, such as branch lines, the extension to California, and others. Moreover, it seemed necessary to engage an accounting and statistical expert to use the many statistics already compiled and to add to them; to the extent possible we wanted to develop a consistent set of accounts from the present back as far as we could go; we also wanted a representative collection of time series and performance ratios over as long a period of time as possible.

To meet these requirements the authors engaged several people. Mrs. Frederick Kohlmeyer started primarily out as a typist but learned to do research in selected types of topics. Robert Battis, an economist trained at NYU, helped one summer in research on the St. Paul, Minneapolis and Manitoba correspondence. Roy V. Scott, a protegee of Fred Shannon at the University of Illinois, did the job of analyzing and writing the history of agricultural and industrial development since World War I and is now co-author of the second volume, the period since 1916. Robert Toole, a Ph.D. from the University of Penn-

sylvania (T. C. Cochran) and trained in engineering at West Point, made a number of studies of fuel costs and changes, branch lines, and other special topics. Richard Darr, a Nebraska-trained economist, investigated shipping activities and related subjects. Mrs. Ivor Spector, a Ph.D. from Columbia University, researched and wrote analytical surveys on a number of issues connected with the western end of the line, including Spokane's struggle for non-discriminatory rates. Charles Purdy, at the time a doctoral candidate in accounting at the University of Minnesota and now on the faculty there, constructed historical balance sheets and did his best to reconcile early accounts with later ones, compiled a variety of statistics, and made numerous graphs and charts. Scott Walton, M.B.A. at Harvard and Ph.D. in Economics at Iowa State, investigated chiefly labor-management relations since 1916

Ideally, research associates, to be most helpful to authors, should have several characteristics. They should be well trained in Economic and Business History as well as in particular specialities deemed essential to effective research on pressing problems. They should be willing and able to work in cooperation with others—to tackle assigned tasks, to ask questions, to take advice, and to give it. They should be willing to learn through experience and should have an enthusiasm for Business and Economic History, for the project, and for the opportunities for their own development.

In actuality, authors cannot reasonably expect such ideal characteristics in all associates in equal proportion at all times. No two scholars are alike in personality, temperament, or work habits. Even as you and I, the most enthusiastic and cooperative researchers often experience a waning of interest, a letting-up in drive to get work done, or frustration at the size of problem and the apparently endemic lateness in completion of assignment.

Naturally, the authors must vary their methods of guidance and control in order to maximize the productivity of each person. Some people can be given a general assignment in the expectation that they will plan well, design and lay out their work efficiently, make sound selections of pertinent data, and produce satisfactory resumes of their findings. Others may have to be persuaded and guided at each step; in some instances the researcher first has to be convinced that data are available and that answers to the questions posed can be found.

Given the size of investment in many large historical projects, the responsible institutions should probably carry insurance on the lives and health of the authors until the manuscript is ready for the printer. Although the insurance could never compensate for loss of knowledge accumulated by authors who later faded from the picture through accident, ill health or death, it would defray at least in part the cost of engaging someone to complete the manuscript. This action we have never taken, but we might well have done so.

Let me summarize the points made to date in connection with writing history from massive records. On such projects authors should have an estimate of the extent of the records available as well as some educated guess as to the total amount of research involved both inside and outside the business institution on which research is focused. Good calendars or indexes of records should be prepared or available if at all possible. As soon as feasible, authors should identify their main problems and frame hypotheses. While moving toward the formulation of unifying ideas, authors should build up selected statistics and read annual reports, minute books, and easily available general data. After identifying turning points and building skeletal information, researchers should next seek motivation of and reasoning behind key decisions from files of top administrators, supplementing the digging there by recourse to additional sources as necessary.

The next task is to write a first draft of the final manuscript. To do this is the greatest labor of all. All the collected data, the notes and preliminary essays of the author or authors and the associated researchers must be fused into an integrated whole. Inevitably, some of the information collected early in the game does not serve as a test of hypotheses or give answers to questions deemed important at the stage of writing the first draft. Regretfully, some of such products of research must be set aside; only selected parts can be used, but the whole process of collection must be considered as a part of the education preparatory to the actual writing. Often further spot research is called for. The problem of choosing from alternatives continues to the bitter end, even to selecting maps and pictures and an indexer, not to mention a reasonable recommendation to the company or companies as to disposition of all the documents still in their hands.

By *Arthur H. Cole*

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Notes on the Diminution of Pressures in the Writing of Business Histories

WHILE I must rank as an amateur as far as the composition of business histories is concerned, I have been close to the compounding of several such items and I venture also to draw on my experience as administrator of other institutions for stratagems of operation that might be helpful

1 I noted that both Professors Overton and Hidy assumed that the agreement with a company would include the specification of actual publication I do recall that Professor Robert S Smith of Duke wrote up the history of a cotton mill in North Carolina, thinking that the concern would surely be glad to have its career broadcast, only to find that the officers and directors saw no advantage themselves when the author had completed his study, and actually he had found no skeletons in any closet

2. It would seem to me almost essential that, before a scholar begins even to consider the undertaking of a company study, the books and papers of the concern should be assembled and arranged in proper order by experienced business archivists

3. I should think it advantageous for the prospective author to have the privilege of hiring, and in fact to hire a young assistant to work somewhat with the foregoing archivists, and to be present at the discussions with the officers of the concern. This was a scheme on which the Committee on Research in Economic History had agreed in its later years, whenever the undertaking of a large project was being debated. The young man should be initiated early and be present at all debates with the company officials

4. I liked the arrangement that Professor Harold Williamson devised in several of his projects as far as staffing was concerned, namely, the adding of a younger person as co-author. That should surely increase the young person's interest in the project and would almost surely enhance his sense of responsibility for the work as a whole

5. Also I liked Williamson's scheme of placing insurance on the health, even the life, of all persons connected with a large research activity. In a case of unforeseen difficulties, the director of the project would then have a financial means for covering the added costs of training a new person into the half-

finished activities of the individual who had had to withdraw or had become incapacitated. Probably the head of the scheme should carry insurance on his own life and health. All such protection should help to reduce the nervous pressures on the individual responsible for the whole enterprise.

6. Probably it is no loss of time and avoidance of trouble if the number of printed output to go to the active participants should be spelled out early. Young folk seem to think that they will be entitled to almost any number of copies at the end.

7. Of course participants should be bound to remaining with the project until it is completed, if this attachment is at all possible. There seems great loss of momentum if new people have to be added in mid-stream, so to speak.

In general, I venture to suggest that the appropriate concept for the director of a large company history to have or keep in his mind is not that of building a house next door while one remains comfortably housed in an adequate shelter, but that of constructing a skyscraper in a congested business quarter of a metropolis. In the latter case, delivery and incorporation of materials must be carefully scheduled, and no absences of personnel can be tolerated—at least without the possibility of immediate replacement—all in the endeavor to see that a given date of completion is attained. The composition of a large business history would appear more an engineering activity than that of a simple handicraftsman.

By Harold F. Williamson

PROFESSOR
DEPARTMENT OF ECONOMICS
NORTHWESTERN UNIVERSITY

Business History on the
History — Economic History — Economics Spectrum:
Collision, Consensus, or Co-operation?

THAT business history has a place on the history—economic history—economics spectrum is rather clearly evidenced by the backgrounds and interests of those attending this conference. What is not so evident, however, is just where the subject fits into the spectrum. This uncertainty persists, even though the question of how business history is or should be related to other disciplines has been the subject of numerous discussions and debates. It is not difficult to understand why there should be a lack of agreement among those working or interested in the field. By its very nature, business history has attracted individuals from a number of disciplines who because of their training and interests have tended to differ in respect to their research objectives, their selection of data, and in their methodology.

Yet the positive results of these discussions and debates should not be underestimated. Perhaps their most important contribution has been to promote a greater understanding and appreciation among historians of business of what each of the various disciplinary approaches can contribute to the field. In other words, they have served to emphasize the need for both an intellectual division of labor and cooperation among scholars with widely varied talents, if we are to understand what, in its entirety, is a highly complex and many-faceted subject.

Arthur H. Cole has recently noted the extent to which this pooling of intellectual talents has already taken place between historians of business units and entrepreneurial historians.¹ As a major contributor to this merger through his own research and the inspiration and leadership he has given to others, Dr. Cole is fully aware, however, that there is the further task of building closer relations with history, economic history, and economics if business history is to make its potential contribution to knowledge.² This is a challenging task, even though there has been an encouraging trend toward greater interdisciplin-

¹ 'Aggregative Business History,' *Business History Review*, Vol. XXXIX, No. 3, p. 287.

² See, Arthur H. Cole, *Business Enterprise in Its Social Setting* (Harvard University Press, 1959), especially Part I.

ary cooperation since 1958, when Herman Krooss could say all too accurately of business history, "Economic theorists apparently do not even know it exists, popularizers ignore it, and economic historians distrust it."³

In many ways the most pressing need is to improve the cooperation between business historians and economists. The problems of applying or testing what may be described as orthodox economic analysis to problems of major interest to business historians are too well known to require elaboration. What is encouraging, however, is the growing trend among economists themselves to question the usefulness of theories that have long been applied to areas of special interest to business historians; namely, the theory of the market, the theory of development, and the theory of decision making.⁴ The efforts of economic theorists to convert preexistent, predominantly static analysis into a truly dynamic form in these areas should be welcomed by business historians. Moreover, a joint effort would be helpful to economic theorists as well as business historians. Or as Louis Galambos has put it, "... hypotheses and evidence are essential to both crafts, but at this point economists have a monopoly of the forms and the business historians have a surplus of the latter."⁵

³*Journal of Economic History*, Vol XVIII, No. 4, p. 467.

⁴Note: Kenneth Boulding, "The Economics of Knowledge and the Knowledge of Economics," *American Economic Review*, Vol LVI, No. 2, pp. 1-13

⁵"Business History and the Theory of the Firm," *Explorations in Entrepreneurial History*, Vol. 4, No. 1, p. 10

By Donald J. Elliott

GRADUATE STUDENT
THE UNIVERSITY OF MONTANA

Commercial Banks and Economic Growth in the Ninth Federal
Reserve District: A Quantitative Approach

MY doctoral thesis concerns intraregional economic growth within the Ninth Federal Reserve District between 1910 and 1950 and its relationship to changes in commercial banking. This paper examines some of the methods and techniques that are used in one section of the thesis. This section was chosen because it demonstrates the use of modern electronic computers in historical research. In the present study more than 75,000 IBM cards are utilized, each containing a considerable amount of information. Such a study would be difficult without the use of a computer.

The objective of the study is to demonstrate the relationship of the commercial banking system to intraregional development of production. This relationship is demonstrated by a comparison of changes in agricultural and manufacturing production between 1910 and 1950 with changes in the banking system. All state and national commercial banks in the Ninth District are included.

The basic geographical reference for intraregional comparisons is a grouping of counties into economic areas. Each county is classified as agricultural, semiagricultural, or nonagricultural. Further categories provide more detailed information on county economies. These classifications provide the basis for the grouping of counties into economic areas. Generally, the information for these classifications can be obtained from the United States Census Reports. These reports provide detailed amounts for the value of agricultural and manufacturing production by county within each state. The total value added by manufacturing is combined with the total value of agricultural production to classify the type of county economy.

Data for individual banks are obtained from the annual reports published by the Comptroller or the Currency, the Federal Reserve System, and the state banking authorities. Detailed information obtained for each bank includes the account balances taken from annual balance sheets as well as information on the type of bank, type of ownership, incorporation date, failure date, cause of failure, and location. Summarizations of county totals form regional totals. Changes in financial ratios and account balances of regional bank averages will be utilized in comparisons with regional production records. Bank failure patterns, length of bank life, number and size of banks, changes in type of banks and in bank ownership patterns will be related to their regional environment. Further comparisons will be made of changes in the composition of regional production totals.

In conclusion, it must be emphasized that this study is only a part of a much broader problem. In final analysis, a digital computer can perform only limited functions. Indeed, the relationship between commercial banking and intraregional economic development is much more complex than even the most impressive array of statistics make it seem. It is hoped that the study will demonstrate this important relationship between commercial banking and economic growth.