BUSINESS HISTORY

Christopher McKenna

N.B. The most current and accurate version of this reading list can always be found on the Intranet, printed copies will rapidly go out of date.

SOLO tag: embas16marbh

Aims of the Course

This paper will blend historical with managerial analysis to understand the process of institutional evolution from the Eighteenth through the Twenty-First Centuries around the world. Using Oxford as the lens to understand global business history, most of the class sessions will take us outside of the Said Business School in the museums, libraries, and colleges of Oxford. The course is aimed at non-historians who want to understand better why history matters in the modern world, how institutional change occurred, and how entrepreneurs profited from fundamental changes to the world economy. It is also, unusually, a chance to understand how business school teaching operates since the participants will write their own case study and describe how they would teach that case in a class which they might run.

Learning Outcomes for the Course

This paper will probe the evolution of modern management in the United States, Europe and Asia over the past three centuries. The first part of the course will examine how the structure of big business emerged in the United States, Great Britain, Germany, and Japan during the second industrial revolution. We will consider the traditional explanation offered by business historian Alfred Chandler, alternate explanations offered by other leading business historians, and the work of economists, sociologists, and management theorists on industrial evolution. In doing this, students should come to understand the historical development of “varieties of capitalism” around the globe by the middle of the twentieth century.

In the second half of the course, we will examine the important role of banks and financiers in the organization of the industrial economy, globalization as a historical phenomena in the transmission of commercial products and fashion, the rise of new technologies during the “information” revolution, and, finally, some lessons to be applied to the “third” (and “fourth”?) industrial revolution. Through these various topics (and the trips to museums, libraries, and colleges) students should be able to use material culture, not simply documents, to contextualize economic change. They should also be able to use historical differences among industrial countries to better analyse the future of the global corporation.
**Method of Assessment**

The course assessment will take the form of an individual written assignment (100% of the total course mark):

For the first part of the assignment, you are expected to research and analyse the history of an organisation over a period of ten years or more and, using both primary and secondary sources, describe the history of the institution. This should be prepared in the form of a “case study” (modelled on Harvard Business School case studies) suitable for a business school class, like the historical case studies we have read in this course. You should normally choose an organisation in which you work or already have strong ties so that you can get access to internal archival records. Alternately you may wish to choose an organisation whose archival records are deposited near where you reside. Your history should not simply be based on secondary sources but also on primary documents (these might include correspondence, internal reports, regulatory filings, contemporary surveys, etc.), including internal records. Your history itself should, using academic references, explain how the organisation has evolved over time and the important inflection points in its development. It is important that you also contextualize the organisation within the industry in which it competes and its major national and international competitors. Your analysis should be a maximum of 3,000 words, and should constitute an academically-based, theoretically-informed, narrative history in the form of a business school case study. All word counts normally cover the main body of text, including tables, figures, and diagrams, and excluding appendices, footnotes, and references. Please note that any primary documents and/or internal records are for examination purposes only. This section will be assessed as 60% of the final assignment.

For the second part of the assignment, you should also prepare a “teaching note” that explains the pedagogical purpose of the case study that you wrote, the explicit lessons that the case might convey to a group of MBA students, and your suggested theoretical framework(s) for analysing the case. This teaching note should be designed to lead a group of 30 students through a one-hour analysis of the case with the suggested questions to frame the case, the important theoretical context that might otherwise have been absent in your narrative of the case, and the explicit pedagogical purpose for the case study session. It would be useful if you make reference to a couple of important academic articles or books that might serve as background reading for the instructor who is preparing to teach the case. This teaching note should be a maximum of 1,000 words. This section will be assessed as 40% of the final assignment.
General Information on the Course

We will be drawing on three essential texts throughout the course:


[Search Oxford Libraries Online for this book](#)


[Search Oxford Libraries Online for this book](#)


Ebook available on Very Short Introductions Online.

The remainder of the materials are available online.

Each session we will discuss a case study. The case studies serve both to illustrate fundamental theoretical concepts in the development of business history and also how case studies function as pedagogical tools to link managerial theory with narrative explanation. As such, it is useful to read the case studies both to understand the materials in them and also for the rhetorical techniques that the authors have employed in writing them.

As you explore potential case study topics, it may be useful to speak with the lecturer both to find potential archival (aka primary) sources and also for potential links to the theoretical literature. There will be plenty of opportunities to speak but you are welcome to arrange a time, via email, to meet privately.

Eventually, for a subset of the case studies, it may be possible to include them among the cases for the Global History of Capitalism project that will be distributed around the world. In that way, this course is a virtuous cycle that will produce historical cases for future cohorts and support further research on the specific topics that we will discuss.
## Outline of Course Structure:

<table>
<thead>
<tr>
<th>Session &amp; Date</th>
<th>Topic</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Session 1:</td>
<td><strong>Business History and the First (and Second) Industrial Revolution: Agriculture</strong></td>
<td>Said Business School</td>
</tr>
<tr>
<td>Thursday, 26 April 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Session 2:</td>
<td><strong>Alfred Chandler’s Model of the Second Industrial Revolution: Transportation</strong></td>
<td><em>Boat Trip</em>, Departing from Folly Bridge in Oxford (adjacent to Folly Restaurant)</td>
</tr>
<tr>
<td>Thursday, 3 May 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Session 3:</td>
<td><strong>Germany and Alternate Models of Capitalism in the Second Industrial Revolution: Industrials</strong></td>
<td>Said Business School</td>
</tr>
<tr>
<td>Thursday, 17 May 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>*NB: Skipped Week</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Session 4:</td>
<td><strong>Japan and the Second Industrial Revolution: Weapons</strong></td>
<td>Pitt Rivers Museum</td>
</tr>
<tr>
<td>Thursday, 24 May 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Session 5:</td>
<td><strong>International Trade and Cycles of Globalisation in India: Textiles</strong></td>
<td>Ashmolean Museum</td>
</tr>
<tr>
<td>Thursday, 31 May 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Session 6:</td>
<td><strong>The Financial Revolution: Silver and Coinage</strong></td>
<td>Brasenose College</td>
</tr>
<tr>
<td>Thursday, 7 June 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Session 7:</td>
<td><strong>The Information Technology Revolution: Wireless</strong></td>
<td>Weston Library (Broad Street) and Museum of the History of Science (Broad Street)</td>
</tr>
<tr>
<td>Thursday, 14 June 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Session 8:</td>
<td><strong>Contextualizing the Third (and Fourth?) Industrial Revolution: Medicine</strong></td>
<td>Brasenose College</td>
</tr>
<tr>
<td>Tuesday, 19 June 2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>NB: 9th Week</em></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
About the Lecturer

Christopher McKenna

*University Reader in Business History & Strategy, Saïd Business School and Fellow & Tutor in Management at Brasenose College, University of Oxford*

Chris is currently the Co-Director of the Global History of Capitalism project in the Oxford Centre for Global History. He is particularly interested in the historical development and evolving strategies of professional firms and their role in the global transformation of business, non-profit organisations and the state. McKenna is currently overseeing a research project on the history of the corporation for the British Academy in London.

Chris teaches on a number of executive education programmes as well as undergraduate, MBA, Executive MBA and doctoral courses. A popular teacher, Chris was twice chosen as one of Oxford’s very best teachers for the United Kingdom's National Teaching Fellowship Award, and he has been awarded grants within Oxford to support his teaching innovations. He coordinates the production of a series of case studies in the global history of capitalism that, in turn, constitutes a core element of that research project.

McKenna first worked on Wall Street and later in the City of London before entering academia. He has held research fellowships at Yale University, the Harvard Business School, and in the Law School at Georgetown University. He has also held visiting teaching appointments at Warwick Business School and the University of Toulouse. Prior to joining Oxford Said in 2000, Chris taught at the Wharton School at the University of Pennsylvania.

Chris has a wide variety of research interests, including the international history of white-collar crime, the development and administration of professional firms, the transmission and translation of management models and the influence of professionals in shaping corporate governance. His first book on the growth of elite management consulting firms, *The World’s Newest Profession*, was named one of the best books of the year by the *Financial Times*. His next book, *Partners in Crime*, will examine the international history of white-collar crime from the eighteenth century to the present. Chris’ research has been featured in the *Harvard Business Review*, *the Sunday Times*, *The Wall Street Journal*, *The New Yorker* and the *Economist*.

Chris has a doctorate in history from The Johns Hopkins University and an undergraduate degree in economics from Amherst College.
Detailed Course Structure: Before the Class Starts:

Readings


Cases


Suggested YouTube Video:

On the Industrial Revolution:
https://www.youtube.com/watch?v=zhL5DCizj5c

Lecture 1: Business History and the First (and Second) Industrial Revolution

This lecture will introduce both the structure and purpose of the course as well as the central theoretical logic that will guide us for the next eight sessions. The metaphor of “Revolution” is particularly important for both its strengths and weaknesses. We will start our discussion with the national context of the United Kingdom since it was the first country to become industrialised via the European model of development.
Outside Class: Before Session 2

Readings


Cases


Suggested YouTube Videos:

On the Transportation Revolution:
https://www.youtube.com/watch?v=GYAk5jCTQ3s

On the history of Walt Disney:
https://www.youtube.com/watch?v=B-xMYy3Xg1u

Lecture 2: Alfred Chandler’s Model of the Second Industrial Revolution

This lecture will discuss Alfred Chandler’s conception of the Second Industrial Revolution that provides the basis for the modern industrial world as we know it. Based in both the concepts of scale and scope (and hence transaction costs) as well as the importance of investments in both transport and marketing, Chandler’s theory is the central spine of our analysis – and worthy of comparative challenge from other global economies. Our context will be the transportation revolution and the United States vs the United Kingdom.
Outside Class: Before Session 3

Readings


Search Oxford Libraries Online for this book


Cases


Search Oxford Libraries Online for this book


Suggested YouTube Video:

On the history of Volkswagen
https://www.youtube.com/watch?v=DNnV3Jb3pkA

Lecture 3: Germany and Alternate Models of Capitalism in the Second Industrial Revolution

This lecture will challenge the universality of the Anglo-American model of industrial development offered by Alfred Chandler and suggest alternative tracks for economic development. Looking to a more positive view of cartels, worker involvement, and state sponsored welfare capitalism, the Continental model epitomized by the German Mittelstand both supports and rejects the Anglo-American historical model of industrial development. We will link our analysis of German industrialisation to the
Outside Class: Before Session 4

Readings


Cases


Suggested YouTube Videos:

On traditional soy sauce:
https://vimeo.com/204490277

On the history of Sony:
https://www.youtube.com/watch?v=cV4sTLgncm0

Lecture 4: Japan and the Second Industrial Revolution

If Germany offers alternative models for the industrial organisation, Japan offers an alternative model for economic development. Following the Meiji Restoration in 1868, Japan would pursue rapid industrialization that would result in the countries emergence as a major industrial power. That process of imitation and adaptation would become the dominant model for other Asian countries as they industrialised in the twentieth century. We will examine that process with the help of swords and guns held in the Pitt Rivers Museum at Oxford.
Outside Class: Before Session 5

Readings


Cases


Suggested YouTube Video:

On the history of Tata:
https://www.youtube.com/watch?v=ku6SAMsyHbo

Lecture 5: International Trade and Cycles of Globalisation in India

Having surveyed the major powers of the Second Industrial Revolution, it is now time to return to the true workshop of the world prior to Britain’s industrialisation: India. Prior to the development of mechanical looms, India’s workshops provided textiles to the world, with merchant networks carrying their goods to the Middle East and Africa. Our focus at the Ashmolean Museum will be on the Paisley, the teardrop-like device so central to Indian textiles and so prominent, even to this day, in design. In tracing the global diffusion of this device, from the Middle East to India, from the European Continent to Scotland, and from India back to America, we will chart multiple cycles of global trade and development over more than five-hundred years.
Outside Class: Before Session 6

Readings


Cases


Suggested YouTube Video:

On the history of Money: https://www.youtube.com/watch?v=YCN2aTlocOw

Lecture 6: The Financial Revolution

Whether in the financing of industrial development, the trade in global goods, or the origins of modern science in the alchemists of medieval universities, finance has always been central to global commercial development. It is no coincidence that the “Financial Revolution” of the late 17th century in Britain happened at the same time as the “Scientific Revolution”. Both would provide powerful theoretical models aimed at taming seemingly unworldly forces. And both would contribute to the industrial revolutions that would follow. In our class sessions, we will consider the role of silver as a commodity, a product of global empires, and a practical store of value through the silver plate held by Brasenose College, the global demand for silver in China from the 18th century onwards, and the development of paper currency as an alternative store of value.
Outside Class: Before Session 7

Readings


Cases


Suggested YouTube Videos:

On the history of LaserDiscs: https://www.youtube.com/watch?v=PRFQm0eUvzs

On the history of Video Games: https://www.youtube.com/watch?v=uuxoThzFPPw

Lecture 7: The Information Technology Revolution

Like the other revolutions we will study, information technology revolutionized industries by reducing the cost of production to a fraction of what it used to be. Oxford is lucky to be the repository of the GE/Marconi papers documenting the rise not simply of radio as a technology but also as a commercial business. We will examine the archives held in the Bodleian Library (Weston Building) and the commercial models held in the Museum of the History of Science to better understand how a new scientific technology was adapted to commercial needs. We will then consider this in light of the theoretical models of technological disruption and S-curves that are popular in among technologists.
Outside Class: Before Session 8

Readings


Cases


Yamshon, S., Kubie, O., & McKenna, C. (2017) *Organ transplants at Cedars-Sinai Medical Center, Los Angeles, and the Third Industrial Revolution*, SBS Business History Case #2. To be distributed in class.

Suggested YouTube Videos:

On the history of Capitalism:
https://www.youtube.com/watch?v=B3u4EFTwprM

On the history of Walmart:
https://www.youtube.com/watch?v=Timt1H6eYw4

Lecture 8: Contextualizing the Third (and Fourth?) Industrial Revolution

The final session of the course, held in an Oxford medieval college, will paradoxically try to contextualise the most recent industrial revolution(s) through our shared understanding of prior industrial revolutions around the world. In particular, we will look at the market for modern medicine – which remains extraordinarily expensive despite (and perhaps because of) rapid scientific advancement. Is the Fourth Industrial Revolution upon us or is it the aftermath of the Third Industrial Revolution still in process? We will consider the future of the corporation by reconsidering the alternative models offered throughout history.
Additional Resources:

Business History in Popular Culture: Historicizing “Mad Men”

Readings

Taube, A. (2014) ‘MAD MEN’ vs. REALITY: Compare Don Draper’s Ads With Those That Actually Ran In The 1960s, Business Insider [online], 22 April. Available at <www.businessinsider.com/>


Cases