Reassembling the Economic: New Departures in Historical Materialism[[1]](#footnote-1)

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Historians are examining the economy once again. They are studying commodities, markets, corporations, and banks. They are mapping trade patterns, dissecting marketing strategies, and deconstructing managerial ideologies. Graduate schools now offer courses on the history of finance, political economy and the grandest topic of all, capitalism. Sensitive to cultural history’s critique of simple materialism, the new scholarship in business and economic history offers the possibility of a synthesis of the material and mental in the study of the past.

Fifty years ago history was anchored in what Geoff Eley and Keith Nield term a “sovereign materialism.”[[2]](#footnote-2) Even when studying culture and social relations, historians assumed that at base the past was shaped through material forces, notably systems of production, technology, property, and exchange. Much of the debate in the profession over the past half century has been about establishing the authority of ideas, values, and identities independent of coarse materiality or narrow economic interests. That project was largely successful, but it isolated the study of economic matters from the mainstream of history.

The return of the economic reflects a desire to take the material side of life seriously once again. Things, nature, technologies, labor and commodities count, not just as cultural representations or referents in language, but in their own right. But things, their making and exchanging, cannot be separated from language and ideas. Understanding the interconnections between material and symbolic life is at the heart of the new literature. The best examples have found original and compelling ways to bring the economic back into the larger narratives of history.

In what follows, I shall explore the projects of the new economic and business historians. The works discussed largely cover the past two hundred years. Most, though not all, concern the West, or examine other regions as they connect with or compare to the West. This is partly a matter of my own professional expertise, but also a reflection of where much of the new work has concentrated. Nonetheless, as we shall see, some of the topics have deep roots in the pre modern past while others span the world. Likewise, I have selected key examples from labor history, environmental history and the history of technology, but not attempted to do justice to the important and related developments in those fields. Instead, I draw from these literatures as well as texts central to economic and business history to address three big issues: the industrial revolution; capitalism; and the global economy. I conclude by arguing for tearing down the walls between economic, social, and cultural history, a reunification plan that requires historians to rethink materiality.

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In the early 1970s, economic history was one of the most stimulating fields in the profession.[[3]](#footnote-3) Drawing on economic theory, with its noted precision and rigor, so-called cliometricians bid to overturn long standing historical interpretations.[[4]](#footnote-4) Leading the uprising was future Nobel laureate Robert Fogel. His books on railroads and then, with Stanley Engerman, on slavery, argued that historians had misunderstood transportation, agriculture, slave plantations, and indeed many other features of the past. Economic theory would help set the record straight.[[5]](#footnote-5)

 Cliometricians made the boldest statements of this era, but economic history more broadly could be found in multiple literatures that rested the social on a material base. In Europe Ferdinand Braudel guided the Annales School (originally *Annales d'histoire économique et sociale*) through both Marxian and mainstream economics, as well as geography, sociology, and anthropology to write a total history of society. Moving from geology to economy to culture, the Annales brought both mountains and mentalities under the purview of the historian.[[6]](#footnote-6) In Britain, Eric Hobsbawm, E. P. Thompson, Christopher Hill and others led a new wave of Marxist scholarship that investigated the long history of capitalism.[[7]](#footnote-7) Back in the United States, Alfred Chandler and his followers combined economics and organizational sociology to map the history of the corporation.[[8]](#footnote-8) Scholars took different approaches and had different politics to be sure, but all “wrestled inside the ring of historical materialism,” seeking the connection between social experience, mentality and material forces.[[9]](#footnote-9)

The prominence of the economic in history declined quickly in the 1980s. By then historians had found a new appreciation for language and symbols that made reductive materialism seem too narrow and mechanistic. Post structuralists questioned the presumption that human experience took place outside of language. Focusing on the semiotic systems that shaped subjectivity, they unseated the long standing belief that class interests would arise out of objective economic circumstances. Their critique “played havoc” with material and structural history and left it “badly in doubt.”[[10]](#footnote-10) Society could no longer be conceptualized as structures operating on human agency and consciousness. [[11]](#footnote-11)

As historians’ confidence in the base importance of material structures declined, so too did their interest in the economy. Labor historians looked outside of the workspace and studied communities and identities. Social historians turned their attention from class to language.[[12]](#footnote-12) New cultural historians interrogated texts and read systems of signs to understand the mental world of people in the past, even the inarticulate, subordinated, and anonymous. Post structuralists also challenged the positivist, empirical methods favored by economic historians. They pointed to the inevitably intertextual nature of what had been assumed to be objective evidence, and they deconstructed what had been taken as ahistorical categories, such as gender. Cliometricians and business historians, on the other hand, remained loyal to structural history and positivist methodology, affording them little connection with the move to subjectivity and semiotics.[[13]](#footnote-13) Economic theory lost status with most historians, who were now reading cultural anthropology and literary theory.[[14]](#footnote-14) At the very time when multinational corporations were restructuring the global economy and nations were embracing neoliberal policies, the economic found scant space in historical writing.[[15]](#footnote-15)

 The recent rebound of interest in economic matters grows from a sense that the profession has left itself without a way to engage these sorts of issues.[[16]](#footnote-16) The authors of this new literature, however, are less committed to old style structural analysis and more prepared to try on a variety of theoretical perspectives. Many are trained in history, but others come from sociology, anthropology, environmental studies, even accounting and management.[[17]](#footnote-17) Likewise, mainstream economists have grown more interested values, institutions and politics.[[18]](#footnote-18) The result has been something of a cross-disciplinary convergence in economic history, though with important differences in methods and interpretations.

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Industrialization, and the pattern of world economic development more generally, was one of the principal subjects of economic history decades ago. Traditionally framed by the question why did Europe industrialize first, the answers had once seemed clear. Mechanized factories, first in Britain, then on the European continent, vastly increased productivity.[[19]](#footnote-19) A relative handful of places harnessed the new production technology, riding an unprecedented “hockey stick” trajectory of upward economic growth. Consumer abundance, longer life spans, better health, taller bodies, shorter work hours, smaller families, more leisure time, and perhaps democratic politics, human rights and new personalities followed from this fundamental economic change.[[20]](#footnote-20)

In the 1980s and 90s, some writers challenged this dramatic, indeed heroic story of industrialization. They proposed that change was gradual not sudden, a slow accumulation of improvements in technology and markets. They emphasized not the industrial revolution but the earlier commercial revolution that swept across Northern Europe.[[21]](#footnote-21) Most recently, some have argued that there was nothing special about Europe, as the same economic potential existed elsewhere. Debate continues between the Eurocentric and world historical perspectives on industrialization and economic development.

Joel Mokyr has kept the European side of the argument alive. He sees industrialization as a long term development, but one with roots deep Europe’s past. In *The Gifts of Athena*, he gives credit to the unique freedom and intellectual culture fostered by the Enlightenment.[[22]](#footnote-22) New ideas about progress inspired a faith in human control and improvement of nature, which opened the doors to scientific and technological innovations.[[23]](#footnote-23) From these new forms of “useful knowledge” came factory mechanization and mineral energy sources, abundant agricultural yields and improving living standards.[[24]](#footnote-24)

Mokyr’s celebration of Enlightenment progress runs strongly against the prevailing historiography. Historians of technology question the presumed links between science and industrialization and historians of science deemphasize the notion of culture-wide revolution in thought and knowledge.[[25]](#footnote-25) The Enlightenment also encompassed a far broader range of people than Mokyr considers. Free and enslaved Africans and colonial subjects were equally engaged with the new climate of thought, but were unable to participate in entrepreneurial activities or technological innovations.[[26]](#footnote-26)

Many economists nonetheless remain convinced that there was something distinctive in European history that explains its early and fast pace of industrialization. Some have examined the region’s political and civil institutions.[[27]](#footnote-27) This vein of research has been mined most intensively by Nobel Prize winning economist Douglass North, a leader in a revived field of institutional economics. North argues that institutions are crucial to a society’s economic fate. By institution he means the implicit rules of the game people play by, something more like the anthropological definition of culture. Depending on the institutional matrix, a society may or may not develop practices that promote growth and innovation.[[28]](#footnote-28)

In *Violence and Social Orders*, North and his co-authors look back over the centuries, concluding economic growth is fostered by “open access orders.” In these societies, the state relinquishes its monopoly of violence, allowing private institutions to flourish. [[29]](#footnote-29) Citizens are thus free to experiment and innovate on their own. By contrast, in closed access orders, the state maintains tight control over all functions, usually resulting in small, self-perpetuating elites who expropriate economic rents and protect the status quo.[[30]](#footnote-30) Societies that transition to open access orders place constitutional limits on the state and develop strong property rights that encourage individual initiative. The typical example is Britain after the Glorious Revolution. Its constitutional politics prepared the way for the nation’s leap to industrialization.[[31]](#footnote-31)

A more balanced assessment of institutions comes from the pens of Daron Acemoglu, an MIT economist, and James Robinson, a Harvard political scientist. In *Why Nations Fail*, they ambitiously survey world history, cataloguing the political and institutional conditions that lead to good or bad economic outcomes. The pattern they find is similar to North’s closed versus open access orders.[[32]](#footnote-32) The main difference is that closed societies, dominated by elites who refuse to share resources and wealth, cannot be blamed solely on the state. Private actors are equally avid in pursuit of rents, and frequently create the type of state that serves their interests. “Wealth creators” in all societies are vested in protecting their positions, and their wealth can be translated into political power.

Although Acemoglu and Robison find examples of institutional failure in many societies, institutionalists generally end up with the narrative of Western triumphalism. The roots of the European economic miracle lie in European cultural, political and social norms. Economic stagnation stems from the absence of such traits. Sometimes, as with Latin America, the problem is the wrong European institutions—civil law rather than common law for example.[[33]](#footnote-33) In theory, any nation could have jumped on the growth path of open access orders; but in these histories, only a few places in the West, plus some close imitators elsewhere, made the leap.[[34]](#footnote-34)

The recent work of Kenneth Pomeranz has seriously undermined claims that link European industrialization to the broad features of the history of the West. In his 2000 book, *The Great Divergence*, Pomeranz showed that China was as wealthy as Europe until the mid to late 18th century.[[35]](#footnote-35) Europe was finally able to “break the Malthusian shackles” that restricted per capita growth by drawing on resources from the “ghost acres” of its Atlantic colonies and, for England, easily accessible coal.[[36]](#footnote-36) China’s falling behind was due to an unfortunate set of events and environmental constraints. Neither the Enlightenment, nor constitutions, nor long standing cultural values can explain what is actually a quite recent and rather sudden divergence between the economic fortunes of the East and West.[[37]](#footnote-37) More generally, there was nothing inherent in either society that mandated (or inevitably stifled) growth.

Responding to Pomeranz’s critique, some economic historians have tried to develop a less Eurocentric view of industrialization. Contingencies and material endowments, rather than unique practices, beliefs, or knowledge, set places apart. Often the difference hinged on small variations in initial conditions. The particular crops that could be grown or the relative abundance of land or labor shaped technologies and institutions in ways that led toward or away from growth.[[38]](#footnote-38) Robert Allen contends that such material incentives stimulated the invention labor saving technology in Great Britain.[[39]](#footnote-39) Where Pomeranz and his followers place special emphasis on the environment and basic materiality, Allen looks to the ever adjusting market as the cause of divergence. High wages, a legacy of the Black Death, gave British producers the motivation to invent and deploy textile machines and steam engines.[[40]](#footnote-40) This was a completely rational decision but presumably one that any people would have made under similar conditions.[[41]](#footnote-41)

There was also nothing unique about western political institutions. Jean-Laurent Rosenthal and R. Bin Wong critique North’s claim that freedom from the state promotes economic success. They argue that China in fact benefitted from a strong imperial state, which kept the peace and encouraged a lively internal trade. This record compared favorably with fractious Europe, which wasted resources on defense and military competition.[[42]](#footnote-42) The great divergence was merely an unintended outcome of the perfectly intelligible, if rather different political trajectories of Europe and Asia. Ironically, Europe’s factionalized politics encouraged competitive investments in new technology to keep ahead of rivals, while moving manufacturing behind the safety of city walls (whereas it stayed in countryside in China). What had been a wasteful display of military rivalry fertilized the ground for the European breakthrough in labor saving technology.[[43]](#footnote-43)

By providing a comparative context, Pomeranz and those following his lead have shown that industrialization cannot be traced to the deep roots of European history alone. In fact, there were multiple possible paths to development. In many ways the West’s labor saving model was the exception, as industrialization has often proceed elsewhere in a more labor intensive way. Without adopting the classic capital intensive machinery, China, India, Japan, West Africa, even parts of Europe were able to increase output and improve productivity using high quality, disciplined labor. [[44]](#footnote-44) It is a mistake to see these alternative paths as traditional, pre-industrial, or backward.[[45]](#footnote-45)

We now have a richer, more subtle narrative of industrialization and economic development. The new literature takes advantage of economics’ parsimonious model of historical agency, using individual self-interest to explain behavior in markets, politics and civil institutions. At the same time, it acknowledges contingency and historical difference, in contrast to standard neoclassical theory, which often simply assumes that preferences, technology, and endowments lead to unique and predictable outcomes in any period.[[46]](#footnote-46) Some authors delve into historical detail, cutting off the historian’s retreat to the archives and “yes, but surely other things mattered as well” defense.

Still, the focus on endowments, institutions, and incentives often ignores the power dynamics that play across societies. The same Western culture that might promote growth and freedom at home could be highly exploitative abroad.[[47]](#footnote-47) Many once wealthy civilizations experienced a “reversal of fortune” when they came under European rule.[[48]](#footnote-48) The slave trade had devastating effects on parts of Africa and fomented institutions that inhibited economic development for generations to come.[[49]](#footnote-49) Far from standing at the forefront of free market policies, Europe benefited from strategic use of state power to promote its economic interests.[[50]](#footnote-50) British imperial policy, for example, undermined India’s highly successful textile industry, giving British producers the opportunity to build textile factories at home.[[51]](#footnote-51) As an imperial power, Britain repurposed the subcontinent as a supplier of low wage, low value goods and raw materials. What looked like a traditional culture keeping people poor and backward was actually the erasure of the earlier Indian economy from history, a misreading that fooled even Marx.[[52]](#footnote-52)

To historians attuned to the cultural critique, even the new, more relativistic institutional economics will seem reductionist and deterministic. Institutions are not pre-existing structures, but historically situated assemblages with both material and expressive features. Their full properties only become manifest in context. Some institutional economists, for example, argue that religious and ethnic ties can promote trust and enforce rules against cheaters and frauds in economic exchange. Culture and social relationships thus substitute for weak markets and fill in for states unable to regulate transactions.[[53]](#footnote-53) As Francesca Trivellato warns, however, historians should not "assume that blood ties and putative likeness…forged bonds of trust” that offered “significant competitive advantages.” In her study of Jewish merchant communities in early modern Livorno, she finds that trading partners established relations over time, both among and beyond those who shared the same religion.[[54]](#footnote-54)  In fact, rather than culture serving the needs of trade, trade served expressive ends, spreading values and beliefs, establishing new cultural patterns and connections.[[55]](#footnote-55)

Subjectivity is not fixed, nor is identity primordial and preexisting. Identities form in time and place, with both economic and noneconomic experiences interacting. Culture and economics each work on their own time scale and by their own logic. They come together at some moments, separate at others. The result is that we cannot predict the effects of institutions such as family, ethnicity, or religion on trade, exchange, or finance, outside of a particular context.[[56]](#footnote-56) Looking, in the manner of positivism, for stable, enduring relationships between cultural practices or beliefs, on the one hand, and economic behavior on the other, is to mistake what are contingent and constructed connections for strong universal patterns.

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Sorting these matters out requires a rich narrative attendant to the complex relationships between systems of meaning and material forces. This is the approach taken by a diverse group of scholars writing a new history of capitalism. Their work challenges both older structural interpretations, as well as alternatives that stress agency and resistance. Abandoning the notion of historical stages or determinate laws of motion, they instead attend to the mosaic of economic forms and institutions that constitute a capitalist system. They replace the traditional Marxian focus on labor’s reduction to a commodity with a more encompassing view of commodification reaching into many parts of life.[[57]](#footnote-57) In this way their work upsets the historiography on both labor and consumption.

In the 1980s and 90s historians had stressed the agency of consumers and celebrated the world of goods as a refuge from the grim advance of wage labor.[[58]](#footnote-58) Even in a market driven society, men and women could attach their own signification to the objects they purchased and brought into their homes.[[59]](#footnote-59) The new scholars of capitalism are less sure that consumption can be so easily isolated from production. Commodification involved technology, transactions, and scale economies, along with “social habits” and “cultural logics.”[[60]](#footnote-60) Markets worked through not against the deep symbolic resonances of goods. Things traveled from the realm of scared objects to monetized commodities and back again, as with art that moves between museum and collector.[[61]](#footnote-61) The result is a story of subtle but relentless capitalist expansion, with few opportunities for opposition by consumption alone.[[62]](#footnote-62) Animated not by a tension between agency and structure, capitalism moved forward through a process of gradual enrollment.[[63]](#footnote-63) “Ordinary material practices,” ensnared people in ways they only “dimly and bemusedly” perceived.[[64]](#footnote-64) Property law, aesthetics, gender relations and even economic thought and language were brought into concert to gradually “reformat” the economy along capitalist lines, closing off “alternative ways of living and thinking.”[[65]](#footnote-65)

In the new scholarship, the maw of capitalism appears much bigger than was once assumed. It swallowed agriculture as well as industry.[[66]](#footnote-66) Money and market relations had penetrated so-called “traditional” French society long before the French Revolution, creating something of an agrarian proletariat.[[67]](#footnote-67) Nineteenth century America farmers may have resented Wall Street, but they eagerly took advantage of mortgages to satiate their appetite for land. They got more than they bargained for, however, soon finding themselves chained to national, indeed international markets for commodities and capital.[[68]](#footnote-68)

In place of the earlier history of capitalism that sought to explain transitions between discreet economic stages, the new history is one of ongoing transformations and hybrid forms of production. Capitalism’s strength was its skill at winding its way through a variety of productive systems using many types of labor.[[69]](#footnote-69) As Seth Rockman shows, Baltimore prospered as a commercial center in the early nineteenth century by creating a flexible labor force that included both the nominally free and formally enslaved.[[70]](#footnote-70) Though they were not industrialists imposing factory discipline, Baltimore’s capitalists found a permanent pool of labor among those with the fewest cultural and economic resources: the urban poor, immigrants, slaves who hired their own time, convicts, free blacks, the “hidden labor” of women in the home. They cultivated a labor landscape populated by mixed and hybrid forms.

In this narrative, slavery no longer belongs in the pre capitalist world. Where Eugene Genovese defined slavery as a paternalistic system of non-capitalist exploitation, the new historians of capitalism incorporate slavery as an alternative, but fully viable form of capitalism.[[71]](#footnote-71) It was another example of relentless commodification, where cotton and black bodies were drawn into the market, weighed, measured, sold and turned into property. Ownership of human property, which could be mortgaged for capital, rather than just control of labor, made slavery a capitalist enterprise.

In *River of Dark Dreams*, Walter Johnson tracks this alternative form of capitalism through the great cotton boom of the 19th century. American planters aggressively secured slavery’s domain. They removed native populations and drew on British capital to acquire land and labor, making the slave states the most heavily capitalized and monetized parts of North America. [[72]](#footnote-72) As rational, entrepreneurial, and grasping as any factory titan, planters understood clearly that the value of their human property was linked to world demand for their crops.[[73]](#footnote-73) In the United States, as Edward Baptist notes, they eagerly reorganized agricultural production to satiate the growing need for cotton. They did so, however, with a “technology” based not on machines but on exacting physical punishment. Combining the “calibrated lash” of overseer with sophisticated measurement and bookkeeping methods, owners wrung every last ounce of effort from their slaves.[[74]](#footnote-74) The rapacious imagination of the slave masters reflected the reality of an Atlantic market that stretched from the factories of Europe and North America through the plantation estates of the American South, Caribbean, and Latin America.[[75]](#footnote-75)

Including slavery in the lineage of capitalism makes it much more difficult to separate out a progressive, forward looking entrepreneurial class from supposed traditionalists. Slaveholders were conservative when it came to ideas of individual freedom, but were financial and organizational innovators, as much as the merchants of New York, the bankers of London or the industrialists of Lowell. The image of capitalism here is not black and white but chiaroscuro. Against the wall of history are now thrown up the shadowy figures of forgers, bankrupts, land sharks, gamblers, slave stealers, and plantation masters riding into the heart of darkness.[[76]](#footnote-76)

 This economic narrative is marked by crises and cultural conflicts, rather than a smooth trajectory of growth and market transparency.[[77]](#footnote-77) Indeed, capitalism was built on conflicts over even its most basic component--money. As Stephen Mihm shows, the extensive problem of counterfeit banknotes in 19th century America reflected fights over what constituted legitimate money and who had responsibility for policing it. Partisans of different forms of currency--paper, gold, silver—wielded heavy symbols of civilization and savagery against each other. Counterfeiters played on public confidence, manipulating social clues to gain trust and exploiting people’s desire to grasp the main chance. This economy is best represented in the get rich quick schemes lampooned by Herman Melville and Mark Twain, not by the “plodding, gradual pursuit of wealth” lauded by Max Weber.[[78]](#footnote-78)

The fraught question of money provided an extreme demonstration of how “at its core capitalism was little more than a con game.”[[79]](#footnote-79) Confidence is a multivalent word. For those who believe in a fundamentally a rational market, it means techniques to mitigate risk, secure contracts, and establish trust. But the new historians of capitalism also stress what John Maynard Keynes called the system’s animal spirits: wild enthusiasms, boom and bust investments, misdirection, deception, and a desire for dominance.[[80]](#footnote-80) One measure of this side of the confidence game was the many anxious schemes promoted to tame such excesses by policing virtue and moralizing the amoral market. As credit expanded merchants devised systems seeking to link credit to character.[[81]](#footnote-81) Nations passed new bankruptcy laws that asked who was a cheat, and who a mere hostage to fortune to be redeemed with a second chance.[[82]](#footnote-82) Moral codes and interpersonal relations, in fact, continue to operate in even the most abstract and modern markets today.[[83]](#footnote-83)

In treating finance as a political and cultural matter, historians depart from economists, who generally emphasize the efficiency of financial markets and their contribution to growth.[[84]](#footnote-84) Economists have argued that strong financial institutions give creative entrepreneurs the means to innovate and sweep away old, inefficient industries.[[85]](#footnote-85) The financial sector is the heart of a strong economy and those who would restrict it are only depriving themselves of the life blood needed for good economic health.[[86]](#footnote-86) Historians are less sanguine about unfettered finance. Rather than promoting transparency and empowering would-be entrepreneurs, creative finance may just as easily obscure the workings of the market to fleece the unwary.[[87]](#footnote-87) Through their control of the most abstract form of capital, financiers gain the power to make workers, middle class savers, retirees, even states and corporations do their bidding.[[88]](#footnote-88)

Borrowing money, for example, was once a rare and often questionable activity for the non-wealthy.[[89]](#footnote-89) Through a combination of government policy and economic innovations, however, lenders discovered how to manage risk and extract profit from debt. They repositioned consumer credit as the stepping stones to a better life. Doing so hid or ignored structural changes that moved manufacturing off shore and undermined wages and unions. Rather than leading people into the middle class, the path of debt stranded them in a quagmire of unpaid mortgages and perpetual credit card balances. Not every nation was profligate with consumer debt, a variance which suggests that the financial sector rises and falls by its cultural and political as well as monetary capital.

There is a long tradition of looking at the interests behind the money to explain such patterns. But a new group of sociologists of finance argue that financial power (and the power of markets more generally) comes less from actors behind the scene and more from the performativity of intellectual systems and theoretical apparatus. Finance calls all to dance to its tune not by coercion but by idealization and normalization, remaking economic subjects in the image of theory.[[90]](#footnote-90) Thus aligned, markets began to resemble the textbook models. Performativity is not just a matter of representation, however. As Donald MacKenzie notes, it has a material side. “Economic actors are socio-technical ensembles,” hybrids of mind and the material capacities that fall to hand. [[91]](#footnote-91) Rather than speak of abstract markets, we should speak about specific markets, defined by specific material conditions and technologies, including the “technology” of economic theory. As William Cronon demonstrated, what made a wheat market possible was the coming together of grading systems, futures contracts, grain silos, railroads, mercantile practices, and new financial concepts in nineteenth century Chicago. It is almost impossible, and perhaps missing the point, to try to separate out the material aspects of such transformations from the discursive or intellectual elements.[[92]](#footnote-92)

Capitalism transforms not only social relations but relations with nature as well.[[93]](#footnote-93) Spaces and environments, as well as our perceptions of them, are reshaped through market expansion and entrepreneurship. One way this happens is through what economists call negative externalities, or placing on to others the full cost of producing a good. The classic example is pollution, whereby the producer incurs no cost for fouling the air or contaminating the water. Neoclassical economists hold that externalities arise from insufficient markets. Air, water and other “commons” are owned by no one so there is no one to charge for their use.[[94]](#footnote-94) Commodification scholars, on the other hand, argue that the degradation of the natural world is an inevitable part of the extension of the market and the turning of more and more of nature into a commodity.[[95]](#footnote-95) This procedure often entails colonial penetration of remote lands, separating production and consumption to keep disagreeable effects out of the backyards of the wealthy and impose them on the poor and weak. Capitalism as commodification reduced moral sensibility, rather than enhanced it as Thomas Haskell argued.[[96]](#footnote-96)

Natural resources are not neutral resources. They are linked to people and their culture. Power struggles between planters and laborers were written into the landscape, Thomas Rogers shows in his study of the twentieth century Brazilian sugar industry. The “deepest wound” was not the traditional externality of pollution or soil depletion, but a material and mental dependency that kept nominally free workers tied to the land.[[97]](#footnote-97) Landscapes also change social relations. Rogers’ sugar tenants were radicalized by the breakdown of the traditional land-labor system following a renewed demand for sugar for Brazil’s ethanol industry. An earlier global energy market played out in similar fashion among coal miners in the American West, as Thomas Andrews shows in *Killing for Coal*. A new coal based economy gave cities heat and light and allowed the mine owners to quite literally live high on the hill, while their workers toiled underground in polluted valleys below. At the “workscape” of the coal face miners converted themselves from a diverse band of mutually suspicious ethnic groups into strikers who challenged John D. Rockefeller’s Colorado Coal and Iron Company at Ludlow in 1914.[[98]](#footnote-98)

 In arguing that sugar, coal, and other naturally occurring materials yielded new social relationships, environmentally focused histories afford the natural world a measure of what might be called of agency.[[99]](#footnote-99) Nature speaks to humans with its own voice, and not just through the categories of experience formed by language. The coal mine held a sensual materiality.[[100]](#footnote-100) Reverberating with the harrowing echoes of failing timbers, suffused with the deathly presence of suffocating gasses, it shaped workers’ identities, or ended their lives. In contrast to Marx, nature does not simply await the transforming power of human labor; nor is it a resource made tractable and predictable by prices and markets. There is a complicated “dance of agency” between natural and human actors through which the material world and our subjective experience of it are shaped together, often in unpredictable ways with unexpected results.[[101]](#footnote-101)

One of the most liberating features of the new economic and business literature has been its willingness to historicize capital with the same attention to detail that labor historians lavish on labor.[[102]](#footnote-102) The literature breaks with the standard assumption that capital can be taken as “given and fixed,” or that profit is sufficient to explain the strategy and conduct of the capitalist class.[[103]](#footnote-103) Instead, we see that all economic actors, even the elite, have multiple motives and complicated subjectivities. All economic institutions are complex, partial, and flexible in form and function.

Much of the writing in this vein comes from the pens of business historians, a group of scholars who overlap with but also are distinct from the self-identified historians of capitalism. Business history has moved considerably beyond the paradigm developed a generation ago by Alfred Chandler.[[104]](#footnote-104) Chandler had portrayed firms, notably the modern corporation, as rational and efficient responses to technology and market conditions. Businesses prospered by their ability to manage economies of scale and scope in production and distribution. Nations that failed to develop “managerial capitalism” were doomed to second rate economic status. [[105]](#footnote-105)

For a time it seemed that Chandler’s model would be replaced with a much more traditional economic one that emphasized markets and entrepreneurs over the visible hand of management. Corporations were coming into eclipse as information technology made efficient transactions possible without the intermediation of large-scale organization.[[106]](#footnote-106) In a series of books and articles, Naomi Lamoreaux, Peter Temin and Daniel Raff established a compromise position. Mapping the shifting boundary between the corporate and non-corporate sectors through history, they saw an evolutionary process at work, with different mechanisms of economic coordination emerging at different times and places, depending on informational, technological, and socio-political conditions.[[107]](#footnote-107)

The most recent work in business history engages a vast ecology of private enterprises and broad array of activities. Historians have written on “cultural businesses,” from books, music, and film, to greeting cards, to iconic foods such as chocolate and champagne. They have shown how cultural practices such as marriage and religion used business strategies to adapt to new conditions. While the marketization of culture might be interpreted as the decline of authenticity, the new studies highlight the complex entanglements of technology, organization, profit, representations, values, and meanings. They point causal arrows in both directions, from business to culture and culture to business.[[108]](#footnote-108)

Business activity had different meanings and functions for the many different groups of people who undertook it.[[109]](#footnote-109) Small, non-elite firms provided self-employment for those shut out of skilled labor markets, contributed to the income of struggling immigrant families and offered an escape from oppressive conditions for subaltern classes. African Americans started beauty shops and operated funeral parlors and insurance companies, both as profit making ventures but also to fulfill a social need in a segregated society.[[110]](#footnote-110) Business offered the minority and oppressed a measure of agency, even against the most repressive of forces, such as slavery.[[111]](#footnote-111)

 The social nature of business enterprise was not, however, only to be found among the non-elite. Male entrepreneurs took advantage of social capital and favorable connections, even while proclaiming themselves “self-made.” Female entrepreneurs, while subject to gender constraints, engaged in business to make a profit and pursue opportunity just as men did. [[112]](#footnote-112) At the same time, for most men and women self-interest was inflected by personal values and community responsibilities. The old gender distinction that automatically treated men as ambitious, would-be tycoons and women as modest, family oriented shopkeepers no longer holds.

More generally the new literature on business decreases the space between traditional social or communal activities, and modern, rational behavior. Even in large corporations managers still had to interpret their environment, fight internal bureaucratic struggles, communicate values, and cultivate consent.[[113]](#footnote-113) Employees brought their class, gender, and ethnic aspirations into firms.[[114]](#footnote-114) Indeed, organizations were often successful only when they called on traditional values and moral language to train workers or entice consumers. Far from being a self-contained institution, business now appears as fluid mixture of parts running from the material to the expressive.[[115]](#footnote-115)

Business’s influence also expands outward, with permeable barriers between private firms and their social and political milieu. Sinuous networks connect professionals, experts, administrators, scientists, engineers, and consultants.[[116]](#footnote-116) These firm-transcending and industry spanning linkages contributed to early manufacturing, spurred vast improvements in agriculture, and gave rise to scientifically advanced sectors such as pharmaceuticals.[[117]](#footnote-117) Many important public issues also get enacted inside of business: civil rights, environmentalism, gender relations.[[118]](#footnote-118) Modern capitalism, economist Richard Nelson notes, is so complex that it only operates by mixing many structures, institutions, and practices together—from firms to families, from education to criminal justice.[[119]](#footnote-119)

Interlocking circuits of business, politics, and society have given rise to a critical literature as well. Power and profit, rather than innovation and social value, were the outcome of the great railroad building era of the nineteenth century, argues Richard White. Private sector buccaneers manipulated the state and invented new ways to separate investors from their cash.[[120]](#footnote-120) They offloaded the costs of their transportation schemes onto workers, taxpayers, and nature. This was not a failure of markets; it was a perfect example of how entrepreneurs exploit market opportunities and operate across the socio-political spectrum, leaving problems behind for others to clean up. White emphasizes the destructive part of creative destruction: undercapitalized facilities, inefficient expansions, and a lack of transparency. He highlights not the corporation’s inhuman efficiency but its capacity to disorganize markets and send resources crashing into useless (though lucrative) ventures. Much like Walter Johnson’s slave masters, White’s railroad builders were capitalists whose primary mission was the enlargement of their capital. Any other outcomes—innovation, growth, new consumer products—were merely fortuitous.[[121]](#footnote-121) We are far from Alfred Chandler’s professional managers, let alone Joel Mokyr’s Enlightenment rationalists.

This darker portrayal can be accused of underestimating the human qualities of business people, reducing them once more to monomaniacal (if sometimes bumbling) profit seekers. Even while railroad barons were chasing profits, engineers, regulators, and middle managers were working to bring unpredictable and often intractable technologies under control to improve efficiency and safety. The effort of these less heroic figures, Steven Usselman notes, gave America the most impressive rail system in the world by the end of the nineteenth century.[[122]](#footnote-122) Industrialists often saw their business endeavors in the light of social improvement. They merged profit with social and religious missions. Such mixtures can be found in Robert Owen’s utopian factories, in the Lowell textile mills, in company towns, profit sharing plans, worker welfare programs, and human relations-type management systems.[[123]](#footnote-123) English confectioners Cadbury and Rowntree, French tire magnate Michelin, German industrialists Siemens and Rathenau all devised their own versions of business with a social conscience.[[124]](#footnote-124)

The latest manifestation of this pattern, argues Bethany Moreton, is the linkage between evangelical Christianity and America’s newest largest corporation, Wal-Mart. In a Sun Belt culture favorable to free enterprise, Wal-Mart connected its service sector jobs to the Christian ethic of service, an abiding tenet for the store’s rural workers and suburban customers. The retail giant grew by way of a cultural agenda that had a broad populist appeal to those alienated from mainstream secular values.[[125]](#footnote-125) Even as it pioneered a new level of selling efficiency, it opened new spaces of belief and meaning in its brightly lit stores.

Moreton is clear that the ideology of Christian service benefited the company at the expense of its workers (as was often the case with the earlier business missionaries). But she upends the notion that the corporation was a purely secular institution. Salvation did not give way to self-realization, the usual trajectory predicted by modernization theory. “Despite frequent paeans to *laissez faire* competition,” Moreton writes, Wal-Mart “sought to abstract and inculcate the rather pre capitalist values that early employees brought to the corporation.”[[126]](#footnote-126) Nor did pre market values provide a cultural alternative to capitalism. Christianity offered “sanctuary” when “market logic became unbearable” and but this only kept the “free market holy, and wholly available to the powerful.”[[127]](#footnote-127) Capitalist enterprise was assembled through such creative mergers of technology, organization, and culture.

The older literature of economic history had neglected the symbolic systems that code experiences. The new literature on capitalism pays closer attention to subjectivity, and it does so both with regard to labor and capital. Neither class has direct access to unmediated experience and in neither case are structural conditions and material incentives sufficient to explain action. Incentives only operate through systems of meaning. But unpacking capitalism cannot be done by deconstructing discourses alone. It also requires attention to the material features of daily routines and everyday practices that take place with objects, technologies, money, labor, and nature.[[128]](#footnote-128)

The result is to return to capitalism the sense of wholesale radical transformation seen in the works of Marx and Schumpeter—a creative destruction that remakes material life, thought, and feeling in equal measure.[[129]](#footnote-129) It is not an interpretation that will satisfy those seeking to recover some non-market tradition or locate some oppositional culture, for even conflicts take place on the plane of capitalism. [[130]](#footnote-130) But it is a literature with a moral perspective. With their easy incorporation of slavery, their willful flouting of the supposed bourgeois virtues of thrift, character and trust, their ensnaring webs of debt, capitalists have a lot to answer for.[[131]](#footnote-131)

For all its strengths, the new history of capitalism must leave aside a good swath of the economic past. It cannot fully engage earlier periods before capitalism or the history of non-capitalist or mixed economies.[[132]](#footnote-132) It is not even clear what defines capitalism. For some authors it is commodification, for others the coercive control of labor, for still others it is about profiting from radical uncertainty. Some of these definitions are inconsistent with each other. Capitalism is a pitiless revolutionary force uprooting the past, yet it cloaks itself in traditional values. It relishes war and violence but vastly increases productivity and promotes innovation. It irrationally wastes resources, yet also takes command. It started with the intermediation of merchants in world trade, or with factory industrialization, or existed back in ancient Babylonia. Perhaps this why, one author notes, most historians just assume they will know capitalism when they see it. [[133]](#footnote-133)

Treating capitalism as a many-headed hydra might be a way to capture its monstrous complexity. Cut off one head and another grows in its place, always moving the capitalist beast toward the same essential end. But the heads sometimes seem to have a will of their own, with no connection to the main body. There is quite a difference between an economic system predicated on ownership of labor, and one trying to substitute capital for labor. What sort of history is possible if capitalism exists in so many places and wears so many faces that it is impossible to know when an economy is capitalist and when it is not?

Assimilating many different forms and processes to a single category misses the marvelous diversity of the economic experience. Looking across the globe, we see a strikingly variegated economic landscape. Labor relations, production regimes, welfare policies, and the distribution of wealth and income differ significantly between North America, Europe, Latin America and Asia.[[134]](#footnote-134) So too do business institutions.[[135]](#footnote-135) In some places family firms are more important than bureaucratic corporations.[[136]](#footnote-136) In others, business groups, networks, industrial districts, or cartels dominate.[[137]](#footnote-137) Big business, small business, and medium size business and cooperatives can coexist in the same economies.[[138]](#footnote-138) Choice and variation adhere in the ways that nations define even the most basic, seemingly universal economic categories, such as savings and investment.[[139]](#footnote-139)

Seen through the lens of diversity, what we call capitalism is perhaps no more than a convenient name for a mixing of different types of capital, the connecting of private and public institutions, the drawing together of forms of knowledge, localized practices, and varied governance structures in an economy. Viewed longitudinally, there is no evidence that capitalism follows a single path or resolves itself into a single form, such as corporate monopoly, as critics once feared. The particular capitalist assemblage will depend on any number of factors, from the material to the cultural, with different logics that govern how production is carried out, how its fruits are distributed, and where the line between the public and private sectors gets drawn.[[140]](#footnote-140)

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Economies not only diverge, they also connect, making economic and business history a part of global history. Sinews of commerce, capital and consumption linked East and West for centuries. Colonial policies fueled the growth of Europe and North America with raw materials extracted from Africa, Latin America and Asia. Slave, immigrant, and semi-free labor circulated around the globe. Sugar, bananas, and pineapples brought the tastes of the tropics to the tables of the industrial world, as trade, transportation, and marketing transformed what had been distant, exotic, and unfamiliar into goods of daily consumption.[[141]](#footnote-141)

In the 1980s, world systems theorists, following the pioneering work of Immanuel Wallerstein, explained economic globalization as a function of unequal exchange. [[142]](#footnote-142) They incorporated elements of commodification theory, arguing that the drive to find and exploit markets, labor, and resources was an ineluctable dynamic of capitalism.[[143]](#footnote-143) Wealthy states organized the world economy for their benefit. They used peripheral areas as low wage, raw material suppliers. Places did not rise and fall according to their own capacities, and the world would not converge to the industrial West’s levels of income, wealth and productivity.

More recent work has both extended and questioned the world systems model. By following the life of individual commodities, scholars have been able to tease out the connections between production and consumption in numerous places in the world. But this new literature also questions the periodization of globalization and argues for greater agency on the part of places and peoples that Wallerstein considered to be in the dependent periphery of Western economies.

As measured by the movement of goods, labor, and capital across borders, the world became highly globalized in the nineteenth century through improvements in transportation, advances in communication, reductions in tariffs, and stabilization of exchange rates under the gold standard.[[144]](#footnote-144) Globalization declined in the protectionist interwar period and collapsed with the Great Depression and World War II. It revived after the war with a commitment to free trade and stable currencies led by the United States. Since the 1970s, globalization has entered a new phase where capital moves freely and production can be carried out in a series of coordinated steps in different locales.[[145]](#footnote-145) But this narrative can be teleological, the story of a fragmented world awaiting the connecting devices of technology and markets. Newer studies of globalization emphasize a long term process, incomplete, partial, nonlinear, and often destructive in its effects.[[146]](#footnote-146)

Historians following the circulation of commodities have drawn detailed maps of these tangled economic configurations.[[147]](#footnote-147) Cotton has been perhaps the most studied. Sven Beckert argues it created the first truly global capitalist system by the nineteenth century. But this was not an agentless process of market convergence. An assortment of actors coordinated the division of labor that grew, graded, and shipped fiber, spun cloth, and distributed goods to millions of consumers.[[148]](#footnote-148) The global cotton economy redefined consumption as well as production. Throughout history cotton textiles had place-specific cultural and religious meanings tied to people and place. It took both material and cultural work to convert them into homogenous goods that could be sold across borders.[[149]](#footnote-149) Europe used state power, colonial plantations, and new centralized production methods to supplant an earlier global cotton economy based in India and Asia. Whether one or both of these global systems were capitalist is perhaps less significant than our recognizing the way that modern globalization built on and displaced earlier long distance economic connections.

Cultural politics is also part of the way that global economies get made. Victoria De Grazia’s *Irresistible Empire* shows how American marketers, promoters, and advertisers, with help from the state, stoked the world’s desire for American goods and cultivated a fascination with the “Fordist” production regime. They adroitly linked consumer abundance to the admirable features of the American way of life.[[150]](#footnote-150) Other scholars have examined the influence of American banks, which provided poorer nations with the financing to purchase American goods, and depended on the American government to assure that loans and investments would be repaid. [[151]](#footnote-151) Economic policy makers and managers of multinational corporations projected a soft imperialism through stereotyped representations of Third World people who needed to be trained and uplifted into proper economic behavior.[[152]](#footnote-152)

In the twentieth century, multinational corporations have emerged as arguably the most powerful global actors. Their place in the world remains controversial. An earlier literature portrayed them as economic leviathans that bestrode the globe and loomed over states.[[153]](#footnote-153) Newer literature emphasizes both the positive contributions that global firms make to the global economy, as well as a more subtle interaction between corporations, states, and other actors.[[154]](#footnote-154) Business firms do extensive developmental work in the places they operate. They build infrastructure, direct investments, establish trade flows, and transfer intellectual property, manufacturing methods, and ways of doing business around the world. A substantial portion global activity takes place within business enterprises and never enters the marketplace. [[155]](#footnote-155) Global capital, in short, does not move abstractly; it is embodied in management and organization, and culture too, since ethnic groups and families are important actors in global business.

Recent texts have tended to view the relationship between firms, states, and people as multilateral rather than top down. Geoffrey Jones notes that the most successful corporations balance the efficiency of centralized control and standardization with the particularities of local markets and cultures. In the beauty industry, for example, firms acted as intermediaries between products and particular cultural concepts of bodily adornment.[[156]](#footnote-156) Global brands have often replaced local brands in the twentieth century, yet at the same time marketing around the world has become increasingly segmented, with products targeted at highly specific audiences and attuned to different tastes and traditions.[[157]](#footnote-157) Even where it seemed that American style mass consumption was going to triumph, consumers often adopted those aspects of the American model they wanted, modifying business structures, technology, and policies as they went.[[158]](#footnote-158)

Seen this way, the global is but a collection of many local economic relationships worked into connection. Indeed, globalization does not necessarily require full interconnection. It may instead be built of numerous highly local and specific links. Networks of loosely allied actors, Michael Miller writes, were crucial to the creation of a global shipping industry in the twentieth century.[[159]](#footnote-159) Associations born of familiarity, cultural ties, and shared values provided the glue that bound the movement of goods, the scheduling of ships, and the coordination of transportation modes in an apparently seamless web of commerce.

Even as markets knit together diverse places, local people were afforded opportunities to gain new resources and assert economic agency.[[160]](#footnote-160) In the early twentieth century a small town in Northern Italy negotiated its way to the center of world jewelry production by building on artisanal traditions, family lineages, lines of credit, marketing relationships, and a long history of political independence. In Mexico and Japan women found new economic openings outside of traditional patriarchal structures when Singer brought sewing machines to their towns and villages. In the Caribbean migrant workers formed transnational ties of family and ethnicity to allow them to make the best of their opportunities.[[161]](#footnote-161) Commodity chains and global manufacturing permit underdeveloped nations to produce and sell higher value products.[[162]](#footnote-162) Even during the devastating incursions of the slave trade, the supposedly weak and stateless societies of Africa were able to bend external economic forces to their own ends. They acquired resources and linked themselves to the international economy to preserve their way of life, not to uproot it.[[163]](#footnote-163)

It is important not to romanticize the local. In an age of capital mobility and multinational corporations, the divisions of wealth and inequality of incomes across the globe remain stark. Still, the salient lesson of business history is that capital is not always footloose nor markets frictionless, making capitalism lumpy rather than seamlessly dominant.[[164]](#footnote-164) However much internationalist might have wanted to remake the world over in their own image, not everyone capitulated to space-transcending forces.[[165]](#footnote-165)

When global convergence occurs, it may be more the result of ideology than economics. This ideology has been particularly strong since World War II, embodied in a set of policies known as neoliberalism. Neoliberalism is characterized by an abiding faith in unrestricted trade, free flows of capital, and open markets with limited government interference. Angus Burgin and Kim Phillips-Fein trace it to the resurgence of free market conservatives who refused to be plowed under by Post World War II liberalism.[[166]](#footnote-166) The ideology drew support from financial economists and supply side policy makers who argued that tearing down barriers to trade and removing fetters on finance would unleash entrepreneurship and innovation. The neoliberal ideology contributed to the demise of the old “Fordist” production regimes and undermining of welfare capitalism, reversing the historic role of the state as supervisor of the market. Instead, the market became the controller of the state, while states worked to produce liberal subjects fit for such an economy through the regulation and “perfection” of individual freedom.[[167]](#footnote-167)

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New work by economic and business historians has shown us that the economy is far more diverse in its practices and subtle in its effects than we once imagined. It has unseated traditional assumptions about the pecuniary fortunes of Asia and Europe. It has dismantled old divisions between free and unfree labor. It has complicated the master narrative of the corporation and unpacked concepts such as profit and risk to embed business activities in cultural and social contexts. The salient move has been to replace older structural models of economic history and rework periodization to open our eyes to hybrid practices, alternative paths, and mixtures of the seemingly modern with the putatively archaic. Historiographers, however, will rightly want to know how such studies will reshape the practice of history? The answer, I believe, lies in their contributions to a new type of materialism.

When historians turned from economic and social to cultural history they left behind much of the material world. To a degree this was understandable. Materialism had been conceived largely in structural terms.[[168]](#footnote-168) Nature and objects stood outside of culture and subjects. The material was presumed to determine consciousness and limit agency. But in freeing themselves from structural materialism, historians ended up giving far too little attention to commodities, labor, capital, money, technology, and the attendant institutions of markets and business. Or else they addressed them only semiotically—as representations of identities or articulations of meanings—failing to engage the recalcitrant presence of matter. [[169]](#footnote-169)

If we do not want to return to the materialism of old, we have to take seriously the cultural critique, but at the same time avoid reducing materiality to a mental construction. The material is real and outside the mind. It has, however, no inherent structural properties or deterministic requirements. It does not yield automatic meaning that can be read off its blunt reality.[[170]](#footnote-170) Materials are open-ended, indeterminate, their capacities revealed only in networks with people and other objects. A steam engine does not “demand” one and only one response from us. It has various capacities, and the ones activated will depend on the materials and subjects with which it is linked.[[171]](#footnote-171) Cultural theory had the salutary effect of reminding us that the material can only work on subjectivity when categories of experience are already present.[[172]](#footnote-172) Its mistake was to assume, in Kantian fashion, categories were only made in the mind, governed by a system of linguistic differences that prefigured action. The new materialism avoids the trap of both structural and linguistic determinism, seeing instead the social (and thus the economic) as formed through assemblages composed of relationships among heterogeneous collections of subjects and objects. [[173]](#footnote-173)

Thinking in terms of assemblages demands an ontological symmetry, where the human and non-human are equally real, equally vital, and neither is an effect of the other.[[174]](#footnote-174) In place of the traditional opposition between materialism and semiotics, assemblages offer a material semiotics, bridging the “Cartesian divide” separating thinking, human subjects from presumably mechanistic material conditions. [[175]](#footnote-175)  Material things can act in the sense that they can produce effects or inflect what happens in history, just as symbols can mobilize real resources. [[176]](#footnote-176) Who we are, how we identify, and what we think depends in part on the objects we have access to. But alone, without expression and language and connections to other objects, material things only offer potential and capacity, not clear outcomes. Put another way, both the material and the human are alive and open ended to possibility. What matters is how they assemble and connect.

Assemblage theory upends both the positivist methodology of cliometrics and the linguistic model of culture. Standard economics treats actors as atomistic and isolated, a methodological individualism that often turns to ontological individualism where nothing exists except choice.[[177]](#footnote-177) We can agree with the aphorism of Margaret Thatcher that there is “no such thing as society,” at least until it is assembled, but we should also remember that there is no such thing as an individual. People are not pre-loaded with universal self-interest. [[178]](#footnote-178) Rationality is situational, derived from its place in a larger context.[[179]](#footnote-179) Like material objects, people have multiple capacities, their subjectivity emerging out of the interactions of the assemblage.[[180]](#footnote-180) At the same time, the assemblage departs from cultural theory by treating discourses not as disembodied truth claims but as a blend of linguistic and practical elements.[[181]](#footnote-181) Subjective categories harden when they mix with everyday practices rooted in laws, events, technologies, labor systems, markets, standards, experiments, and measuring devices, what Foucault called the *dispositif.*[[182]](#footnote-182) Only when the material and non-material elements are interacting do they gain purchase on history, not by their separate and independent effects but by the emergent qualities of their interacting.[[183]](#footnote-183)

Although none of the works discussed above explicitly frames itself as a study of assemblages, many of the best are organized in ways highly amenable to this approach. Capitalism arises as concepts of risk, systems of transportation, customs of labor, even religion, aesthetic values, and ideals of love and affection bump against each other. Businesses operate as networks of people, values, knowledge, and technologies extending within and beyond the legal boundary of the firm. Trade and culture form together, built from diverse materials ranging from ethnic identities to the basic materiality of the written word.[[184]](#footnote-184) Money is defined not just through its economic functions, but in a contested political and cultural space where pecuniary and non- pecuniary boundaries are reworked. Globalization is result of many different actors independently establishing connections with each other, for many different reasons.

In each of these cases, economics is not called upon to explain the past, but rather the past is used to show how the economy, and economics, came to assume its form. We cannot start with present day assumptions about where the economic is located, for it may appear in what to us are very unlikely places.[[185]](#footnote-185) We cannot even take our study to be the different ways that people in the past have confronted the material challenges of their lives, for materiality itself is worked into shape, its particular capacity revealed by where it fits into the larger assemblage of objects.[[186]](#footnote-186)

Assembling the economic means avoiding abstractions in favor of tracing relations among concrete actors (human and otherwise). The economic past is not the story of the market, or the corporation, or even capital. It the construction of specific versions of these things in specific times and places. This requires us to focus not on the finished objects but on the relations among the parts coming together to make them. Those parts may be quite diverse, ranging from material artifacts to moral language, and may exhibit surprising or even counterintuitive affinities. We have to avoid the search for the essence of economic objects and instead remain open to the prospect of hybrids, like global family corporations or slave based capitalism.[[187]](#footnote-187)

For this work we need plausible causal stories, not just statistically valid relationships. And these stories cannot be imposed after the fact, taken from *a priori* theory, or based on commonplace assumptions about how the world works.[[188]](#footnote-188) We have to get under the hood of history, so to speak, map the connections, follow the assembling and disassembling of social patterns and institutions, expose the mechanisms of causation that keep the network together, or allow it to fall apart. Constructing such accounts means more of our labors will go into rich description and unpackings, less into narrow analytical studies.[[189]](#footnote-189)

Not surprisingly, with so many diverse elements and contingent properties to address, we are far from weaving a master narrative of the economic past, assuming that is even a good thing to do. Instead, this history will operate at the level of conjuncture, the coming together of events, practices, deeper patterns and stable institutions. There is nothing organic at work, no economic or historical laws pushing one way or another. The results are contingent, possibly serendipitous—an unbidden alignment of gradually coalescing elements. But because conjunctures have so many different, independent but connected parts, and because the parts operate on many different time scales, there are many points of change, making for a loose coherence, much different than the strong determinative structures of old. The most forceful outcomes are often the unintended ones. Indeed, as Andrew Pickering puts it, “unintended consequences are what we should expect,” as with Europe’s history of internecine struggle promoting industrialization.[[190]](#footnote-190) Likewise what seem to be stable relationships, between for example, religion and accumulation or ethnicity and trade, soon break down when the context changes. The shape of the network of components yields both the actors and the outcomes, neither pre-determined but always emerging in relationship with each other.

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The revival business and economic history comes at a time when issues of wealth, poverty, and distribution are subjects of great debate in the world.[[191]](#footnote-191) It is an opportune moment for historians to contribute to the discussion, as they did in an earlier era, not just by borrowing from other disciplines, but by speaking back through historically informed work. Such work challenges assumptions about how economies operate by engaging the radical differentness of past worlds and opens up new optics on how societies and economies might be organized by recognizing that even when they seem most stable, they are merely temporary assemblages of diverse elements in time.

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2. Geoff Eley and Keith Nield, *The Future of Class in History: What’s Left of the Social*? (Ann Arbor, 2007), 32-33, 81. [↑](#footnote-ref-2)
3. Sven Becket notes that in this era, economic history “was considered one of the most exciting fields of study in American history.” Beckert, “History of American Capitalism,” in Eric Foner and Lisa McGirr, *American History Now* (Philadelphia, 2011), 316. [↑](#footnote-ref-3)
4. Economists’ interest in the past stemmed in part from the work on national income by Simon Kuznets, which allowed for more precise measurement of GDP and its components. History provided economists with long runs of data and past experiences they could use for directing economic policy. See Simon Kuznets, *Modern Economic Growth: Rate, Structure and Spread* (New Haven, CT, 1966); Robert Fogel, Enid Fogel, Mark Guglielmo, and Nathaniel Grotte, *Political Arithmetic: Simon Kuznets and the Empirical Tradition in Economics* (Chicago, 2013); Jeremy Adelman, *Worldly Philosopher: The Odyssey of Albert O. Hirschman* (Princeton, NJ, 2013). The Kuznets tradition of measuring and comparing economic growth over time and across nations was carried on by Angus Maddison, in *Contours of the World Economy*, 1-2030 AD (Oxford, 2007), and *The World Economy: A Millennial Perspective* (Paris, 2001). His data are available online and since his death have been maintained and updated by his colleagues. http://www.ggdc.net/maddison/maddison-project/home.htm [↑](#footnote-ref-4)
5. The audaciousness of the cliometric vision was perhaps best expressed in a textbook project led by Fogel and joined by luminaries of the new field, who set out to replace “impressionistic” scholarship with a new quantitative evidenced- based history. Robert Fogel and Stanley Engerman, *The Reinterpretation of American Economic History* (New York, 1971). See also Lance Davies, Richard Easterlin, William Parker, et. al., *American Economic Growth: An Economist’s History of the United States* (New York, 1972). Fogel also squared off with G. R. Elton, a representative of more traditional, literary style narrative history in *Which Road to the Past? Two Views of History* (New Haven, CT, 1983). For a recent review of the history of economic history, see William Sewell, “A Strange Career: The Historical Study of Economic Life,” *History and Theory*, 49, no. 4 (2010): 146-166. [↑](#footnote-ref-5)
6. Mentalities were presumed connected in some causal way to material and economic forces. Eley and Nield, *The Future of Class*, 21, 24. On how the Annales differed from Anglo-American style cliometrics, see Robert Forster, “Achievements of the Annales School,” *Journal of Economic History*, 38, no. 1 (1978): 58-76. Also Jonathan Dewald, “Crisis, Chronology, and the Shape of European Social History,” *American Historical Review* 113, no. 4 (2008): 1031-1052. [↑](#footnote-ref-6)
7. E. J. Hobsbawm, "The General Crisis of the European Economy in the 17th Century," *Past and Present* 5, no. 1 (1954): 33-53; Hobsbawm, "The Crisis of the 17th Century—II," *Past and Present* 6, no. 1 (1954): 44-65; Hobsbawm, *The Age of Revolution, 1789-1848* (Cleveland, OH, 1962); Hobsbawm, *Labouring Men: Studies in the History of Labour* (New York, 1965); E. P. Thompson, *The Making of the English Working Class* (New York, 1964); Thompson, *Whigs and Hunters*: *The Origins of the Black Act* (New York, 1975); Christopher Hill, *Society and Puritanism in Pre-Revolutionary England* (New York, 1964); Hill, *The World Turned Upside Down* (New York, 1972). Dewald, “Crisis, Chronology, and the Shape of European Social History;” Geoff Eley,” Historicizing the Global, Politicizing Capital: Giving the Present a Name,” *History Workshop Journal* 63, no. 1 (2007): 154-188. [↑](#footnote-ref-7)
8. Alfred D. Chandler, Jr., Strategy *and Structure: Chapters in the History of the American Industrial Enterprise* (Cambridge, Mass., 1962), and *The Visible Hand: The Managerial Revolution in American Business* (Cambridge, Mass., 1977). Louis Galambos, “The Emerging Organizational Synthesis in Modern American History,” *Business History Review* 44, no. 3 (1970), 279-290; Galambos, “Technology, Political Economy and Professionalization: Central Themes of the Organizational Synthesis,” *Business History Review* 57, no. 4 (1983): 471-493; and “Recasting the Organizational Synthesis: Structure and Process in the Twentieth and Twenty-First Centuries,” *Business History Review* 79, no. 1 (2005): 1-38. Earlier, the short lived but influential Center for Research on Entrepreneurial History at Harvard focused on the entrepreneur as the agent of economic change. Geoffrey Jones and R. Daniel Wadhwani, “Entrepreneurship,” in Geoffrey Jones and Jonathan Zeitlin, eds., *The Oxford Handbook of Business History* (Oxford, 2009), 501-528.; Louis Galambos, “Identity and the Boundaries of Business History: An Essay on Consensus and Creativity,” in Franco Amatori and Geoffrey Jones, eds., *Business History Around the World* (Cambridge, 2003), 11-30. [↑](#footnote-ref-8)
9. Alan Dawley, “A Preface to Synthesis,” *Labor History,* 29, no. 3 (1988): 363-377. Jim Obelkevich, “New Developments in History in the 1950s and 1960s,” *Contemporary British History* 14, no. 4 (2000): 143-167; Eley and Nield, *The Future of Class*, 25, 35, 53, 75-83. Richard Evan, “From Historicism to Postmodernism: Historiography in the Twentieth Century,” *History and Theory*, 41, no. 1 (2002), 79-87; Dewald, “Crisis, Chronology,” 1034-1039. History’s grand narratives at this time were materialist, either liberal or Marxian, points out Allan Megill, “Coherence and Incoherence in Historical Studies: From the "Annales" School to the New Cultural History,” *New Literary History*, 35, no. 2 (2004): 207-231. Eley and Nield, *The Future of Class*, 41-45; 93-99, note that in Europe, the emphasis on total social experience brought mentality and materiality together, whereas in the United States, the influence of E. P. Thompson was read as encouraging a somewhat greater separation of culture from economics. By focusing on materialism, my argument brings together schools of historians and individuals such as Thompson and Chandler who normally would not be seen as having much in common. But I think the separate paths later taken by social, economic, business and cultural history make this pairing seem more unlikely than it was at the time. [↑](#footnote-ref-9)
10. Eley and Nield, *The Future of Class*, 48-9; 104-109. [↑](#footnote-ref-10)
11. William Sewell, *Logics of History: Social Theory and Social Transformation* (Chicago, 2005) provides the best discussion of the relationship between social and cultural history and the debate over structure and agency. Eley notes the turn to culture pushed the study of politics and power even further away from material structures and social systems into the ordinary and personal. Eley and Nield, *The Future of Class*, 142-146; Joan W. Scott, “The Class We Have Lost,” *International Labor and Working-Class History* 57, no. 1 (2000): 69-75. We can think of this as a three way split: the unseating of materialism--Marxist or neoclassical--by language theories emphasizing signs, symbols, expressions, and discourse; the decline of structural social theory in favor of agency, process, change, and social construction; and the replacement of positivism and mechanistic causation with interpretation and hermeneutical explanation. Most economic and business historians remained realist empiricists who believed in the primacy of the material and approached history in a positivist and structural manner. [↑](#footnote-ref-11)
12. Business history also engaged a more cultural paradigm promoted by Chandler’s contemporary, Thomas Cochran. See David Sicilia, “Cochrane’s Legacy: A Cultural Path Not Taken,” *Business & Economic History* 24, no. 1 (1995): 27-39. [↑](#footnote-ref-12)
13. Most cliometric work would be done by economists residing in economics departments. Peter Temin, “The Rise and Fall of Economic History at MIT,” Massachusetts Institute of Technology Department of History Working Paper, 13-11. The Social Science History Association also continued to attract historians and historically minded sociologists and political scientists who used social science methods and quantification. [↑](#footnote-ref-13)
14. Gabriel Spiegel, “Introduction,” in Spiegel, ed. *Practicing History: New Directions in Historical Writing After the Linguist Turn* (New York, 2005), 1-32. Alternative views on the emergence of cultural history are offered by Judith Surkis, “When Was the Linguistic Turn? A Genealogy,” American Historical Review 117, no. 3 (2012): 700-722; James W. Cook, “The Kids Are All Right: On the “Turning” of Cultural History,” *American Historical Review* 11, no. 3 (2012): 746-771; Gary Wilder, “From Optic to Topic: The Foreclosure Effect of Historiographic Turns,” *American Historical Review*, 117, no. 3 (2012): 723-745. [↑](#footnote-ref-14)
15. In Europe and Latin America economic and business history seem to have entered into a peaceful coexistence with social and cultural history. [↑](#footnote-ref-15)
16. For some discussion of the way that the renewed interest in the economic relates to contemporary issues, see Timothy Shenk, “Apostles of Growth,” *The Nation*, November 5, 2014, [http://m.thenation.com/article/188369-apostles-growth](http://m.thenation.com/article/188369-apostles-growth%20accessed%20on%20December%2031)  accessed on December 31 2014; Sven Beckert, “Slavery and Capitalism,” *Chronicle of Higher Education*, December 12, 2014, <http://chronicle.com/article/SlaveryCapitalism/150787/> accessed on December 31, 2014. [↑](#footnote-ref-16)
17. Work by several non-historians appear in Marcelo Bucheli and R. Daniel Wadhwani, eds., *Organizations in Time: History, Theory, Methods* (Oxford, 2014). See also Neil J. Smelser and Richard Swedberg, *The Handbook of Economic Sociology* 2nd ed. (Princeton, NJ, 2010). [↑](#footnote-ref-17)
18. Earlier institutional economists (indeed, even Adam Smith) were interested in values and society, but these traditions were displaced by the rise of marginalist economics at the end of the nineteenth century and the synthesis of neoclassical and Keynesian economics after World War II. See Mark Blyth, *Great Transformations: Economics Ideas and Institutional Change in the Twentieth Century* (New York, 2002); Malcolm Rutherford, *The Institutionalist Movement in American Economics, 1918-1947: Science and Social Control* (New York, 2011); Geoffrey Martin Hodgson, *The Evolution of Institutional Economics: Agency, Structure, and Darwinism in American Institutionalism*. (London, 2004). My thanks to Laura Phillips Sawyer for these citations. [↑](#footnote-ref-18)
19. David S. Landes, *The Wealth and Poverty of Nations: Why Some are so Rich and Some so Poor* (New York, 1998); Eric Jones, *The European Miracle: Environments, Economies and Geopolitics in the History of Europe and Asia* (Cambridge, 1981); Alfred D. Chandler, Jr., Franco Amatori and Takashi Hikino eds., *Big Business and the Wealth of Nations* (Cambridge, 1997). For a longer term and more balanced view see Ronald Findlay and Kevin H. O'Rourke, *Power and Plenty:  Trade, War, and the World Economy in the Second Millennium* (Princeton, NJ, 2007). On the historiography of the industrial revolution through the early 1980s, see David Cannadine, “The Present and the Past in the English Industrial Revolution 1880-1980,” *Past & Present* 103 no. 1 (1984): 131-172. [↑](#footnote-ref-19)
20. Walt W. Rostow, *The Stages of Economic Growth: A Non-Communist Manifesto* (Cambridge, 1960). On modernization theory, see David McClelland, *The Achieving Society* (Princeton, NJ, 1961); Dean. C. Tipps, “Modernization Theory and the Comparative Study of Societies: A Critical Perspective,” *Comparative Studies in Society and History* 15, no. 2 (1973): 199-226. C. E. Black, *The Dynamics of Modernization: A Study in Comparative History* (New York, 1966); Everett Hagen, *On the Theory of Social Change* (Homewood, Ill, 1966); Myron Weiner, ed., *Modernization: The Dynamics of Growth* (New York, 1966). For a Marxian interpretation, see Andre Gunder Frank, *Capitalism and Underdevelopment in Latin America: Historical Studies of Brazil and Chile*, (New York, 1967); Barrington Moore, *Social Origins of Dictatorship and Democracy: Lord and Peasant in the Making of the Modern World* (Boston, 1966). For a critical history of modernization theory see Michael E. Latham, *Modernization as Ideology: American Social Science and ‘Nation-Building’ in the Kennedy Era* (Chapel Hill, NC, 2000) and David Ekbladh, *The Great American Mission: Modernization and the Construction of an American World Order* (Princeton, NJ, 2010). James E. Cronin, “Convergence by Conviction: Politics and Economics in the Emergence of the ‘Anglo-American Model’,” *Journal of Social History* 33, no. 4 (2000): 781–804. [↑](#footnote-ref-20)
21. Franklin F. Mendels, “Proto-Industrialization: The First Phase of the Industrialization Process,” *Journal of Economic History* 32, no. 1 (1972): 241-261, was an important precursor. Jan de Vries and Ad van der Woude, *The First Modem Economy: Success, Failure, and Perseverance of the Dutch Economy, 1500-1815* (Cambridge, 1997); Jan de Vries, *The Industrious Revolution: Consumer Behavior and the Household Economy, 1650 to the Present* (Cambridge, 2008); Kenneth Sokoloff, “Invention, Innovation, and Manufacturing Productivity Growth in the Antebellum Northeast,” in Robert E. Gallman and John Joseph Wallis, eds., *American Economic Growth and Standards of Living before the Civil War* (Chicago, 1992), 345-384. [↑](#footnote-ref-21)
22. #  Joel Mokyr, *The Gifts of Athena: Historical Origins of the Knowledge Economy* (Princeton, NJ, 2002). See also his earlier work, *The Lever of Riches: Technological Creativity and Economic Progress* (New York, 1990). His third book, on England, takes this same analysis to the first industrial nation, explaining why it was England within Europe that made the breakthrough. Joel Mokyr, *The Enlightened Economy: An Economic History of Britain* 1700-1850 (New Haven, CT, 2009).

 [↑](#footnote-ref-22)
23. Joel Mokyr, “The European Enlightenment, the Industrial Revolution, and Modern Economic Growth,” Max Weber Lecture, European University, March 27, 2007, p. 2, emphasizes changes in attitudes and beliefs about nature. He seems not to consider the Foucauldian point that one controls people by controlling nature, through claims about science and reason that construct discourses. Margaret Jacob, *Scientific Culture and the Making of the Industrial West* (New York, 1997) has a similarly favorable view of Scientific Revolution’s connection to industrialization. [↑](#footnote-ref-23)
24. Mokyr, “European Enlightenment,” 27. Mokyr, “Eurocentricity Triumphant,” *American Historical Review* 104, no. 4 (1999): 1241-1246. [↑](#footnote-ref-24)
25. Lissa Roberts, Simon Schaffer and Peter Dear, eds., *The Mindful Hand: Inquiry and Invention from the Late Renaissance to Early Industrialization* (Amsterdam, 2007). Steven Shapin provides a critical perspective on the scientific revolution as a social and cultural artifact in, *A Social History of Truth: Civility and Science in Seventeenth-Century England* (Chicago, 1994), and Steven Shapin and Simon Schaffer, *Leviathan and the Air-pump: Hobbes, Boyle, and the Experimental Life* (Princeton, NJ, 1985); Nathan Sivin offers a less Eurocentric perspective on Chinese science, “Why the Scientific Revolution Did Not Take Place in China—Or Didn’t It?” *Chinese Science* 5, no. 2 (1982): 45-66. [↑](#footnote-ref-25)
26. Laurent Dubois, “An Enslaved Enlightenment: Rethinking the Intellectual History of the French Atlantic,” *Social History* 31, no. 1 (2006): 1-14; David Scott, *Conscripts of Modernity: The Tragedy of Colonial Enlightenment* (Durham, NC, 2004); Jonathan Israel, *Radical Enlightenment: Philosophy and the Making of Modernity*, 1650-1750 (Oxford, 2001); Michel Foucault, “What is the Enlightenment?” in Paul Rabinow, ed., *The Foucault Reader* (New York, 1984), 32-58. These works suggest that Mokyr has cut the fabric of the Enlightenment to suit his argument. [↑](#footnote-ref-26)
27. The key theoretical work is Mark Granovetter, “Economic Action and Social Structure: The Problem of Embeddedness,” *American Journal of Sociology* 91, no. 3 (1985): 481-510. Avner Greif, “Cliometrics after 40 Years,” *American Economic Review* 87, no. 2 (1997): 400-403. The recent emergence of a behavioral economics also challenges presumptions of perfectly functioning markets and perfectly rational individuals, though through psychology rather than history. Daniel Kahneman, *Thinking Fast and Slow* (New York, 2011); Colin Camerer, George Loewenstein, and Matthew Rabin, *Advances in Behavioral Economics* (New York, 2004). [↑](#footnote-ref-27)
28. As North and his co-authors state: “Institutions are the ‘rules of the game’…. the patterns of interaction that govern and constrain the relationships of individuals….. The rules that apply include written laws, formal social conventions, informal norms of behavior, and shared beliefs about the world.” Douglass C North, John Joseph Wallis, Barry R. Weingast, “A Conceptual Framework for Interpreting Recorded Human History”, NBER Working Paper 12795, p. 20. North developed his position in a number of works, including “Institutions,” *Journal of Economic Perspectives* 5, no. 1 (1991): 97-112; “Institutions, Ideology, and Economic Performance,” *Cato Journal* 11, no, 3 (1992): 477-488; *Institutions, Institutional Change and Economic Performance* (Cambridge, 1990); *Understanding the Process of Economic Change* (Princeton, NJ, 2005). [↑](#footnote-ref-28)
29. Douglass North, John Wallis, and Barry Weingast, *Violence and Social Orders: Conceptual Frameworks for Interpreting Recorded Human History* (Cambridge, 2009). North argues that institutions are the result of people trying to deal with risk and uncertainty, universal human conditions that all people must take into account. For a critique, see Martin Daunton, “Rationality and Institutions: Reflections on Douglass North,” *Structural Change and Economic Dynamics* 21, no. 2 (2010): 147–156; Francesco Boldizzoni, *The Poverty of Clio: Resurrecting Economic History* (Princeton, 2011); Ben Fine, “New and Improved: Economics' Contribution to Business History,” SOAS Department of Economics Working Paper Series, No: 93, pp. 6, 8. Action in accord with self-interest is axiomatic for North, as William Sewell points out. William Sewell, “What’s Wrong with Economic History?” *History and Theory* 51, no. 3 (2012): 466-476. [↑](#footnote-ref-29)
30. North, Wallis, Weingast “A Conceptual Framework,” 44-46; 64-66. Rent in economics has a broader meaning than in the vernacular. It refers to any activity that earns a return greater than its cost. Rent seeking behavior can be extremely lucrative if successful, but it is also detrimental to efficiency and growth. See Naomi Lamoreaux, “The Mystery of Property Rights: A U. S. Perspective,” *Journal of Economic History*, 71, no. 2 (2011): 275-306; Naomi Lamoreaux and John Wallis, “The Economics of Civil Society,” unpublished paper**,** August 2012. [↑](#footnote-ref-30)
31. Put forth most strongly by Douglass C. North and Barry Weingast, “Constitutions and Commitment: The Evolution of Institutional Governing Public Choice in Seventeenth-Century England,” *Journal of Economic History* 49, no. 4 (1989): 803-32. Other economic historians are more skeptical of the specific claim for the Glorious Revolution. See Gregory Clark, “Political Foundations of Modern Economic Growth: England, 1540-1800,” *Journal of Interdisciplinary History* 26, no. 4 (1996): 563-588; Anne L. Murphy *The Origins of English Financial Markets: Investment and Speculation before the South Sea Bubble* (Cambridge, 2009). For a view that tends to support North, see Gary Cox, “Was the Glorious Revolution a Constitutional Watershed?” *Journal of Economic History* 72, no. 3 (2012): 567-600. [↑](#footnote-ref-31)
32. Daron Acemoglu and James Robinson, *Why Nations Fail: The Origins of Power, Prosperity and Poverty* (New York, 2012). The result is not a neo Whig history, for the traits that make for riches in one era may well be impoverishing in another. [↑](#footnote-ref-32)
33. Stephen Haber, Douglass North, and Barry Weingast, eds., *Political Institutions and Financial Development* (Stanford, 2008); Anne G. Hanley, *Native Capital: Financial Institutions and Economic Development in São Paulo, Brazil*, 1850–1920 (Stanford, 2005); Noel Maurer, *The Power and the Money: The Mexican Financial System,* 1876–1932 (Stanford, 2002). Rafael La Porta, Florencio–Lopez-de-Silanes, Andrei Schleifer, and Robert Vishny, “Law and Finance,” *Journal of Political Economy* 106, no. 6 (1998): 1113-1155. [↑](#footnote-ref-33)
34. The studies argue that history matters, but in a “path dependent” way. Adopting institutions and practices at one point in time sets societies on their future course, with effects that reinforce the institutions and practices. The seminal article on path dependency is Paul David, “Clio and the Economics of QWERTY,” *American Economic Review* 75, no. 2, (1985): 332-337. [↑](#footnote-ref-34)
35. #  Kenneth Pomeranz, *The Great Divergence: China, Europe and the Making of the Modern World Economy* (Princeton, NJ, 2000). Other works that suggest far more dynamism in the East than as portrayed in Eurocentric history include K. N. Chaudhuri, *Trade and Civilisation in the Indian Ocean: An Economic History from the Rise of Islam to 1750* (Cambridge, 1985); Philip Curtin, *Cross Cultural Trade in World History* (Cambridge, 1984); R. Bin Wong, *China Transformed: Historical Change and the Limits of European Experience* (Ithaca, NY 1997); Jack A. Goldstone, *Revolution and Rebellion in the Early Modern World* (Berkeley, CA, 1991).

 [↑](#footnote-ref-35)
36. Peter Coclanis, “Ten Years After: Reflections on Kenneth Pomeranz’s The Great Divergence,” *Historically Speaking* 12, no. 4, (2011): 10-12. [↑](#footnote-ref-36)
37. Madeleine Zelin, *The Merchants of Zigong: Industrial Entrepreneurship in Early Modern China* (New York, 2005) has shown that Chinese entrepreneurs could effectively mobilize capital and developed profit oriented business institutions. See also Madeleine Zelin, Jonathan K. Ocko, and Robert Gardella, eds., *Contract and Property in Early Modern China* (Stanford, 2004). [↑](#footnote-ref-37)
38. Kenneth Sokoloff and Stanley Engerman argue that culture and institutions change with environmental conditions, notably the crops best cultivated in different environments. Stanley L. Engerman and Kenneth Sokoloff, *Economic Development in the Americas since 1500* (Cambridge, 2012). This analysis accords with a “post dependency” school of Latin American economic history, which places the blame for the region’s underdevelopment not on the First World but on domestic politics and institutions. Stephen Haber, ed., *How Latin America Fell Behind: Essays on the Economic Histories of Brazil and Mexico* (Stanford, 1997). [↑](#footnote-ref-38)
39. Robert Allen, *The British Industrial Revolution in Global Perspective* (Cambridge, 2009). Nicholas Crafts and Knick Harley have argued that the high productivity growth in industrial revolution Britain was confined to a few sectors—textiles, coal, iron and steel. These findings reinforce Allen’s contention that incentives rather than broad, culture wide changes in attitudes, knowledge, or institutions were what really counted. N. F. R. Crafts and C. K. Harley, “Output Growth and the British Industrial Revolution: A Restatement of the Crafts-Harley View,” *Economic History Review* 45, no. 4 (1992): 703-730; Nicholas Crafts, “Productivity Growth in the Industrial Revolution: A New Growth Accounting Perspective,” *Journal of Economic History* 64, no. 2 (2004): 521-535. [↑](#footnote-ref-39)
40. As Allen points out, Britain had long had coal in the ground, but lacked sufficient incentive and market demand to mine it in large quantity until the 19th century. Phillip Hoffman also points to the commercialization of European society, with new consumer products from the New World, as a reason wages rose. Phillip T. Hoffman, “Comment on Ken Pomeranz’s The Great Divergence,” *Historically Speaking* 12, no. 4, (2011): 16-17. [↑](#footnote-ref-40)
41. Some dispute Pomeranz by arguing that if Asia matched some parts of Europe in the mid-18th century, it was well behind the most commercially and agriculturally advanced sections of northern Europe, which were the seats of industrialization and capitalism. Stephen Broadberry and Bishnupriya Gupta, “The Early Modern Great Divergence: Wages, Prices and Economic Development in Europe and Asia, 1500-1800,” *Economic History Review* 59, no. 1 (2006): 2-31; J. L. van Zanden, *The Long Road to the Industrial Revolution: The European Economy in a Global Perspective, 1000-1800* (Boston, 2009). [↑](#footnote-ref-41)
42. Jean-Laurent Rosenthal and R. Bin Wong, *Before and Beyond Divergence: The Politics of Economic Change in China and Europe* (Cambridge, Mass., 2011). They also point out that a peaceful empire needed less taxation than did the divided, competitive European states, which also could not reap economies of scale in provision of public goods and services. [↑](#footnote-ref-42)
43. Urbanization, following Robert Allen’s argument, forced European producers to deal with high wages, while also providing them with Silicon Valley-like networks to spread technological innovation. [↑](#footnote-ref-43)
44. Gareth Austin and Kaoru Sugihara eds., *Labor-Intensive Industrialization in Global History* (London, 2013); Masayuki Tanimoto, ed., *The Role of Tradition in Japan’s Industrialization* (Oxford, 2006). [↑](#footnote-ref-44)
45. If anything, the European model succeeded more as a cultural trope, taken by the world as the way industrialization “should” transpire. Of course, if one defines industrialization or growth as purely a matter of high per capita income, then labor intensive processes will not meet this criterion. But then industrialization is tautologically defined as European style industrialization. [↑](#footnote-ref-45)
46. Greif, “Cliometrics after 40 Years,” 400. [↑](#footnote-ref-46)
47. This is not universally true. See Acemoglu and Robinson, *Why Nations Fail*, 245-273 for an overview. Power is at least implicit in Pomeranz, who stresses the colonial resources of Europe. [↑](#footnote-ref-47)
48. Daron Acemoglu, Simon Johnson, James A. Robinson, “Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution,” *Quarterly Journal of Economics* 117, no. 4 (2002): 1231-1294. [↑](#footnote-ref-48)
49. For a review and latest work on this topic, see Emmanuel Akyeampong, Robert Bates, Nathan Nunn and James Robinson, eds., *Africa’s Development in Historical Perspective*. (Cambridge, 2014). [↑](#footnote-ref-49)
50. Sophus A. Reinert*, Translating Empire: Emulation and the Origins of Political Economy* (Cambridge, Mass., 2011); Philip Stern, *The Company State: Corporate Sovereignty and the Early Modern Foundations of the British Empire in India* (New York, 2011); James Fichter, *So Great a Proffit: How the East Indies Trade Transformed Anglo-American Capitalism (*Cambridge, Mass., 2010). On the role of military power in the world economy generally, see Findlay and O’Rourke, *Power and Plenty*. [↑](#footnote-ref-50)
51. Prasannan Parthasarathi, *Why Europe Grew Rich and Asia Did Not: Global Economic Divergence, 1600–1850* (Cambridge, 2011), 251-262. Protectionism and a strong state were often the key factors that allowed places to industrialize. Sven Beckert, *Empire of Cotton: A Global History* (New York, 2014), 155-74, 192-196. Tirthankar Roy, *India in the World Economy: From Antiquity to the Present* (Cambridge, 2012) also emphasizes the long history of Indian trade, but sees British imperialism in a far more positive light, and gives it credit for helping India to industrialize. [↑](#footnote-ref-51)
52. Parthasarathi, *Why Europe Grew Rich*, 52. Many institutional economists accept that slavery and imperialism had deleterious effects, but they see the mechanism operating through local institutions and local rulers. Historians such as Parthasarathi, on the other hand, see a remapping of colonial spaces in ways that undermined local potential and possible alternative routes to growth and industrialization. [↑](#footnote-ref-52)
53. Avner Greif, *Institutions and the Path to the Modern Economy: Lessons from Medieval Trade* (Cambridge, 2006). Culture is reduced to a mechanism of information transfer and discipline enforcement. If so, then one does not really need a concept like trust. Timothy Guinnane, “Trust: A Concept too Many,” Economic Growth Center, Discussion Paper 907, February 2005. [↑](#footnote-ref-53)
54. Francesca Trivellato, *The Familiarity of Strangers: The Sephardic Diaspora, Livorno, and Cross-Cultural Trade in the Early Modern Period* (New Haven, CT, 2009), 3-4. Sarah Abrevaya Stein, *Plumes: Ostrich Feathers, Jews, and a Lost World of Global Commerce* (New Haven, CT, 2008); Jessica L. Goldberg, *Trade and Institutions in the Medieval Mediterranean:  The Geniza Merchants and their Business World* (Cambridge, 2012). [↑](#footnote-ref-54)
55. As Ghislaine Lydon shows, in the transaharan trade, trust and reputation were formed through a legal structure embedded in religion, and thus could accommodate both Muslim and Jewish merchants who shared a commitment to the written word. Ghislaine Lydon, *On Trans-Saharan Trails: Islamic Law, Trade Networks, and Cross-Cultural Exchange in Nineteenth-Century Western Africa* (Cambridge, 2009), 349-52. See also Claude Markovits, *The Global World of Indian Merchants*, 1750-1947 (Cambridge, 2000). [↑](#footnote-ref-55)
56. This approach is rather different than the “embeddedness” model where social structures and cultural patterns simply provide a useful “external environment” for instrumental economic action. Jeffrey C. Alexander, “Market as Narrative and Character: For a Cultural Sociology of Economic Life,” *Journal of Cultural Economy* 4, no. 4 (2011): 477-488; Fine, “New and Improved,” 8. [↑](#footnote-ref-56)
57. This literature draws not only from Marx, but from thinkers as diverse as Karl Polyani, *The Great Transformation: The Political and Economic Origins of Our Time* 2nd ed. (Boston, 2001) and Joseph Schumpeter, *Capitalism, Socialism, and Democracy* (New York, 1942); “The Creative Response in Economic History,” *Journal of Economic History* 7, no. 2 (1947): 149-159. See also Thomas McCraw, *Prophet of Innovation: Joseph Schumpeter and Creative Destruction* (Cambridge, Mass., 2007). Commodification could also be defined as a general *dependence* on the market, which then instills the discipline to seek profits and increase productivity. See John Clegg, “Capitalism and Slavery,” Critical *Historical Studies* 2, no. 2 (Fall, 2015): 281-304. [↑](#footnote-ref-57)
58. For a review of the literatures on consumer culture, see Frank Trentmann, “Beyond Consumerism: New Historical Perspectives on Consumption,” *Journal of Contemporary History* 39, no. 3 (2004): 373-401. Recent works include Lisa Jacobson, *Raising Consumers: Children and the American Mass Market in the Early Twentieth Century* (New York, 2004); Lawrence B. Glickman, *Buying Power: A History of Consumer Activism in Americ*a (Chicago, 2009); Rebecca Pulju, *Women and Mass Consumer Society in Postwar France* (Cambridge, 2011); Natalia Milanesio, *Workers Go Shopping in Argentina: The Rise of Popular Consumer Culture* (Albuquerque, NM, 2013); Daniel Horowitz, *The Anxieties of Affluence: Critiques of American Consumer Culture*, 1939-1979 (Amherst, MA, 2004); Laura Ugolini, *Men and Menswear: Sartorial Consumption in Britain*,1880–1939 (Burlington, VT, 2007); Pamela E. Swett, S. Jonathan Wiesen, and Jonathan R. Zatlin, eds., *Selling Modernity: Advertising in Twentieth-Century Germany* (Durham, NC, 2007); Sheldon Garon and Patricia L. Maclachlan, eds. *The Ambivalent Consumer:* *Questioning Consumption in East Asia and the West* (Ithaca, NY 2006); Nelly Oudshoorn and Trevor Pinch, eds., *How Users Matter: The Co-Construction of Users and Technologies* (Cambridge, Mass., 2003) is a sophisticated take on consumer agency, rethought as user co-production, where users are participants in the process of innovation and production. Eric von Hippel, *The Sources of Innovation* (New York, 1988), is a more general study of this matter. [↑](#footnote-ref-58)
59. David Steigerwald, “All Hail the Republic of Choice: Consumer History as Contemporary Thought,” *Journal of American History* 93, no. 2 (2006): 385-403, critiques the emphasis on consumer subjectivity. See also Ben Fine, “Consumption for Historians: An Economist's Gaze,” SOAS Department of Economics Working Paper Series. No: 91. [↑](#footnote-ref-59)
60. Michael Zakim and Gary Kornblith eds., *Capitalism Takes Command: The Social Transformation of Nineteenth-Century America* (Chicago, 2012), 5-7. Recent works that combine attention to production and consumption include Tracey Deutsch, *Building a Housewife’s Paradise: Gender, Politics, and American Grocery Stores in the Twentieth Century* (Chapel Hill, NC, 2010); Timothy Burke, *Lifebuoy Men, Lux Women: Commodification, Consumption, and Cleanliness in Modern Zimbabwe* (Durham, NC, 1996); Lara Kriegel, *Grand Designs: Labor, Empire, and the Museum in Victorian Culture* (Durham, NC, 2007); Sally H. Clarke, *Trust and Power: Consumers, the Modern Corporation, and the Making of the United States Automobile Market* (Cambridge,2007); Roger Horowitz, *Putting Meat on the American Table: Taste, Technology, Transformation* (Baltimore, 2006). [↑](#footnote-ref-60)
61. Sometimes it was the ethereal desires represented by a good that carried the greatest “material,” which is to say economic weight. This is a line of thought that stretches back to Cyril Stanley Smith’s insight that the impetus for metal working came first from jewelry and only later for practical goods. Cyril Stanley Smith, “On Art, Invention, and Technology,” *Leonardo* 10, no. 2 (1977): 144-147. [↑](#footnote-ref-61)
62. For a more positive view on the possibility of political action and consumer agency see Lizabeth Cohen, “Escaping Steigerwald's "Plastic Cages": Consumers as Subjects and Objects in Modern Capitalism,” *Journal of American History* 93, no.2 (2006): 409-13. [↑](#footnote-ref-62)
63. Earlier debates on the transition to capitalism emphasized the violent destruction of a peaceable agrarian world by naked market forces. Rodney Hilton ed., *The Transition from Feudalism to Capitalism* (London, 1976); Trevor Aston and C. H. E Philpin, eds., *The Brenner Debate: Agrarian Class Structure and Economic Development in Pre-Industrial Europe* (Cambridge, 1985). Michael Merrill, “On Our Marx: Exploitation, Crisis, and Capitalism in the Twenty-First Century,” *Labor: Studies in Working-Class History of the Americas*, 11, no. 1 (2014): 103-119. Charles Sellers, *The Market Revolution: Jacksonian America*, 1815-1856 (New York, 1991). For a critique, see Naomi Lamoreaux, “Rethinking the Transition to Capitalism in the Early American Northeast,” *Journal of American History* 90, no. 2 (2003): 437-461. [↑](#footnote-ref-63)
64. Economists tend to naturalize markets. As Oliver Williamson has put it, “in the beginning there were markets.” Oliver Williamson, *Markets and Hierarchies: Analysis and Antitrust Implications* (New York, 1975), 20. See also Ronald Coase, "The Nature of the Firm,” *Economica* 4 no. 16 (1937): 386–405. [↑](#footnote-ref-64)
65. Zakim and Kornblith, *Capitalism Takes Command*, 279; Amy Dru Stanley, “Wages, Sin, and Slavery Some Thoughts on Free Will and Commodity Relations,” *Journal of the Early Republic* 24, no. 2 (2004): 279-288. Stanley points out that the pervasiveness of commodification rested on the delineation of boundaries between what could and could not be up for sale. Michael Zakim, *Ready-Made Democracy: A History of Men’s Dress in the American Republic*, 1760-1860 (Chicago, 2003). William H. Sewell, “The Empire of Fashion and the Rise of Capitalism in Eighteenth-Century France,” *Past and Present* 206, no. 1 (2010): 81–120. On the manipulation of property rights in the service of capital see E. P. Thompson, *Customs in Common: Studies in Traditional Popular Culture* (New York, 1991); Adrian Johns, *Piracy: The Intellectual Property Wars from Gutenberg to Gates* (Chicago, 2009); Stuart Banner, *American Property: A History of How, Why, and What We Own* (Cambridge, Mass., 2011). [↑](#footnote-ref-65)
66. Deborah Fitzgerald, *Every Farm a Factory: The Industrial Ideal in American Agriculture* (New Haven, CT, 2003); Shane Hamilton, *Trucking Country: The Road to America’s Wal-Mart Economy* (Princeton, NJ, 2008). David Meyer, *The Roots of American Industrialization* (Baltimore, 2003). [↑](#footnote-ref-66)
67. Philip T. Hoffman, *Growth in a Traditional Society: The French Countryside*, 1450–1815 (Princeton, NJ, 1996). Hoffman sees an early capitalism at work, though he, like many economists, does not criticize this as do historians. Rather, he emphasizes the growth and productivity that market relations brought to pre-industrial French agriculture. [↑](#footnote-ref-67)
68. See essays by Christopher Clark, Jonathan Levy, Edward Baptist and Elizabeth Blackmar in Zakim and Kornblith, *Capitalism Takes Command*, 13-118. [↑](#footnote-ref-68)
69. Peter Linebaugh and Marcus Rediker, *The Many-Headed Hydra: Sailors, Slaves, Commoners, and the Hidden History of the Revolutionary Atlantic* (Boston, 2000); Robin Blackburn, *The Making of New World Slavery. From the Baroque to the Modern* (London, 1997); Amy Dru Stanley, *From Bondage to Contract: Wage Labor, Marriage, and the Market in the Age of Slave Emancipation* (Cambridge, 1998); Leon Fink, *Sweatshops at Sea: Merchant Seamen in the World’s First Globalized Industry, from 1812 to the Present* (Chapel Hill, NC, 2011). Coercion, servitude and labor with few options were common before industrialization, and they remain common parts of the labor experience in many parts of the world today. Eley,” Historicizing the Global, Politicizing Capital,” 163-68; Erin Hatton, *The Temp Economy: From Kelly Girls to Permatemps in Postwar America* (Philadelphia, 2011); Marcel van der Linden, “San Precario: A New Inspiration for Labor Historians,” *Labor: Studies in Working-Class History of the Americas* 11, no. 1 (2014): 9-21. [↑](#footnote-ref-69)
70. Seth Rockman, *Scraping By: Wage Labor, Slavery, and Survival in Early Baltimore* (Baltimore, 2009). Rockman and other scholars of capitalism make use of Schumpeter’s insight that capitalism draws on pre capitalist forms. [↑](#footnote-ref-70)
71. Eugene Genovese, *The World the Slaveholders Made: Two Essays in Interpretation*, 2nd ed., (Hanover, NH, 1988); *The Political Economy of Slavery: Studies in the Economy and Society of the Slave South*, 2nd ed. (Middleton, Ct, 1988).  [↑](#footnote-ref-71)
72. Walter Johnson, *River of Dark Dreams: Slavery and Empire in the Cotton Kingdom* (Cambridge, Mass., 2013); Walter Johnson, “The Pedestal and the Veil: Rethinking the Capitalism/Slavery Question,” *Journal of the Early Republic* 24, no. 2 (2004): 299-308; Joshua D. Rothman, *Flush Times and Fever Dreams: A Story of Capitalism and Slavery in the Age of Jackson* (Athens, GA, 2012); Steven Deyle, *Carry Me Back: The Domestic Slave Trade in American Life* (New York, 2005); Robert H. Gudmestad, *A Troublesome Commerce: The Transformation of the Interstate Slave Trade* (Baton Rouge, LA, 2003); Daniel Rood, “Plantation Technocrats: A Social History of Knowledge in the Slaveholding Atlantic World, 1830-1860,” PhD dissertation, 2010. The distinctive political economy and conservative nature of southern slave based capitalism is discussed in Robin L. Einhorn, *American Taxation, American Slavery* (Chicago, 2006); Sean Patrick Adams, *Old Dominion, Industrial Commonwealth: Coal, Politics, and Economy in Antebellum America* (Baltimore, 2004); and John Majewski, *Modernizing a Slave Economy: The Economic Vision of the Confederate Nation* (Chapel Hill, NC, 2009). [↑](#footnote-ref-72)
73. Johnson expands on the earlier insights of economist Gavin Wright that escalating world demand for cotton made slaves ever more valuable, and made slave owners ever more invested in their human property. Gavin Wright, *The Political Economy of the Cotton South: Households, Markets and Wealth in the Nineteenth Century* (New York, 1978); and *Old South, New South: Revolutions in the Southern Economy since the Civil War* (New York, 1986). [↑](#footnote-ref-73)
74. Edward Baptist, *The Half Has Never Been Told: Slavery and the Making of American Capitalism* (New York, 2014). On bookkeeping, see Caitlin Rosenthal, “From Memory to Mastery: Accounting for Control in America, 1750-1880,” PhD dissertation, 2012. On time, see Mark Smith, *Mastered by the Clock: Time, Slavery and Freedom in the American South* (Chapel Hill, NC, 1997). On the dynamic nature of colonial slave plantations, see S. Max Edelson*, Plantation Enterprise in Colonial South Carolina* (Cambridge, MA. 2006). Robert Fogel and Stanley Engerman’s *Time on the Cross: The Economics of American Negro Slavery* (Boston, 1974) anticipated this interpretation. Other works that have built on the same premise include James Oaks, *The Ruling Race: A History of American Slaveholders* (New York, 1982). [↑](#footnote-ref-74)
75. Beckert, *Empire of Cotton*,95-106. [↑](#footnote-ref-75)
76. By contrast, in *The Enlightened Economy*, Joel Mokyr mentions slavery in only five of over five hundred pages. [↑](#footnote-ref-76)
77. Economic anthropology and sociology have made important contributions to this literature. Arjun Appadurai ed., *The Social Life of Things: Commodities in Cultural Perspective* (Cambridge, 1986); Fernando Coronil, *The Magical State: Nature, Money, and Modernity in Venezuela* (Chicago, 1997); Bill Maurer, “The Anthropology of Money,” *Annual Review of Anthropology*  35 (2006)*:* 15–36; Michael Ralph, “Commodity,” *Social Text* 27, no. 3 (2009): 78–84; Viviana Zelizer, *The Social Meaning of Money: Pin Money, Paychecks, Poor Relief, and Other Currencies* (New York, 1994). [↑](#footnote-ref-77)
78. Stephen Mihm, *A Nation of Counterfeiters: Capitalists, Con Men, and the Making of the United States* (Cambridge, Mass., 2007), 15; Michael O’Malley, *Face Value: The Entwined Histories of Money and Race in America* (Chicago, 2012). [↑](#footnote-ref-78)
79. Mihm, *A Nation of Counterfeiters*, 11. [↑](#footnote-ref-79)
80. Karen Hulttunen, *Confidence Men and Painted Women: A Study of Middle-Class Culture in America*, 1830-1870 (New Haven, CT, 1982); Steven Fraser*, Every Man a Speculator: A History of Wall Street in American Life* (New York, 2005); T. J. Jackson Lears, *Something for Nothing: Luck in America* (New York, 2003). On antebellum banking and culture, Robert E. Shalhope, *The Baltimore Bank Riot: Political Upheaval in Antebellum Maryland* (Urbana, IL, 2009); Mark W. Geiger, *Financial Fraud and Guerilla Violence in Missouri’s Civil War*, 1861– 1865 (New Haven, CT, 2010). Jeffrey Sklansky, “The Elusive Sovereign: New Intellectual and Social Histories of Capitalism,” *Modern Intellectual History* 9, no. 1 (2012): 233–248, argues that there is a danger of consensus history in this narrative, change without resistance or conflict. [↑](#footnote-ref-80)
81. Rowena Olegario, *A Culture of Credit: Embedding Trust and Transparency in American Business* (Cambridge, Mass., 2006); Josh Laurer, “From Rumor to Written Record: Credit Reporting and the Invention of Financial Identity in Nineteenth Century America,” *Technology and Culture* 49, no. 2 (2008): 301–324; Margot C. Finn, *The Character of Credit: Personal Debt in English Culture, 1740–1914* (Cambridge, 2003); Craig Muldrew, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England* (New York, 1998). On the case of fraud, credit and trust in nineteenth century Great Britain, see Ian Klaus, *Forging Capitalism: Rogues, Swindlers, Frauds, and the Rise of Modern Finance* (New Haven, CT, 2014). [↑](#footnote-ref-81)
82. Edward J. Balleisen, *Navigating Failure: Commercial Society in Antebellum America* (Chapel Hill, NC, 2001); Scott A. Sandage, *Born Losers: A History of Failure in America* (Cambridge, Mass., 2005). Deborah Valenze, *The Social Life of Money in the English Past* (New York, 2006). Eventually, Mihm notes, it required the intervention of the state to settle the money question in America and establish an “objective” basis for economic transactions. Another study of the long term impact of the civil war on business practice and capitalism is Mark R. Wilson, *The Business of Civil War: Military Mobilization and the State*, 1861–1865 (Baltimore, 2006). [↑](#footnote-ref-82)
83. The classic work on this is Zelizer, *The Social Meaning of Money*. For a review of recent literature see Gustav Peeples, “The Anthropology of Credit and Debt,” *Annual Review of Anthropology* 39 (2010): 225-240; David Graeber*, Debt: The First 5,000 Years* (Brooklyn, 2011)*,* looks at debt as a form of power and wealth extraction. Caitlin Zaloom, *Out of the Pits: Traders and Technology from Chicago to London* (Chicago, 2006) examines the social relations of sophisticated and technologically mediated financial markets. [↑](#footnote-ref-83)
84. Larry Neal, The Rise of Financial Capitalism: International Capital Markets in the Age of Reason (Cambridge,1990) ; Richard Sylla, Richard Tilly and Gabriel Tortella, eds., *The State, the Financial System and Economic Development* (Cambridge, 1999); Jeremy Atack and Larry Neal, eds., *The Origin and Development of Financial Markets and Institutions from the Seventeenth Century to the Present (*Cambridge, 2009); William N. Goetzmann and Geert Rouwenhorst, eds., *Origins of Value: The Financial Innovations That Created Modern Financial Markets* (Oxford, 2005); Stanley Engerman, Philip Hoffman, Jean-Laurent Rosenthal, and Kenneth Sokoloff, eds., *Finance, Intermediaries, and Economic Development* (Cambridge, 2003); Robert E. Wright, *The First Wall Street: Chestnut Street, Philadelphia, & The Birth of American Finance* (Chicago, 2005). Recently and particularly in the wake of the 2008 financial crises, behavioral economists have questioned the efficiency of markets, particularly financial markets, once taken as the epitome of an efficient market. Robert Schiller, *Irrational Exuberance* 2nd ed. (New York, 2005). [↑](#footnote-ref-84)
85. Credit, as Schumpeter argued, was the tool of creative destruction, allowing innovators to overcome resistance to change from existing holders of capital invested in current firms and technologies. [↑](#footnote-ref-85)
86. For a review of the “law and finance literature,” see Aldo Musacchio, *Experiments in Financial Democracy: Corporate Governance and Financial Development in Brazil, 1882–1950* (Cambridge, 2009), xvi, 6. Musacchio argues that in Brazil, the sort of legal and political protections that investors are said to require were absent, but a private structure of “democratic shareholding” nonetheless promoted investment. [↑](#footnote-ref-86)
87. Greta Krippner, *Capitalizing on Crisis: The Political Origins of the Rise of Finance* (Cambridge, Mass., 2011). For a longer historical perspective, see Youssef Cassis, *Crises and Opportunities: The Shaping of Modern Finance* (Oxford, 2011); Philip T. Hoffman, Gilles Postel-Vinay, Jean-Laurent Rosenthal, *Surviving Large Losses: Financial Crises, the Middle Class, and the Development of Capital Markets* (Cambridge, Mass., 2007).Economists acknowledge that there can be problems with information and opportunistic behavior in financial markets, but generally see these as deviations from a desired norm of transparency and efficiency. [↑](#footnote-ref-87)
88. A point made by Jeffrey Sklansky, “Labor, Money, and the Financial Turn in the History of Capitalism,” *Labor: Studies in Working-Class History of the Americas* 11, no. 1 (2014): 23-46. On changing concepts of risk and reward, see Jonathan Levy, *Freaks of Fortune: The Emerging World of Capitalism and Risk in America* (Cambridge, Mass., 2012); Timothy Alborn, *Regulated Lives: Life Insurance and British Society, 1800–1914* (Toronto, 2009); Sharon Ann Murphy, *Investing in Life: Insurance in Antebellum America* (Baltimore, 2010). [↑](#footnote-ref-88)
89. Louis Hyman, *Debtor Nation: The History of America in Red Ink* (Princeton, NJ, 2011); Wendy A. Woloson, *In Hock: Pawning in America from Independence through the Great Depression* (Chicago, 2009). On the rise of popular investing see Julia C. Ott, *When Wall Street Met Main Street: The Quest for an Investors’ Democracy* (Cambridge, Mass., 2011); [↑](#footnote-ref-89)
90. In the performative approach, the economy is not embedded in society but in economics. Economics is not taken as a simple reflection or representation of some external reality, but a model that “formats” the economy according to its own principles. Donald MacKenzie, *An Engine, Not a Camera: How Financial Models Shape Markets* (Cambridge, Mass., 2006). See also Michel Callon, ed., *The Laws of the Markets* (Oxford, 1998). For a criticism that stresses social construction and interest group power see Philip Mirowski and Edward Nik-Khah, “Markets Made Flesh: Performativity, and a Problem in Science Studies, Augmented with Consideration of the FCC Auctions,” in Donald MacKenzie, Fabian Muniesa, and Lucia Siu, eds., *Do Economists Make Markets? On the Performativity of Economics* (Princeton, NJ, 2007), 190-224. For a more ethnographic approach see Karen Ho, *Liquidated: An Ethnography of Wall Street* (Durham, NC, 2009); and Susie Pak, *Gentleman Bankers: The World of J. P. Morgan* (Cambridge, Mass., 2013). [↑](#footnote-ref-90)
91. Donald MacKenzie, Daniel Beunza, Yuval Millo and Juan Pablo Pardo-Guerra, “Drilling Through the Allegheny Mountains,” *Journal of Cultural Economy* 5, no. 3 (2012): 279-296. [↑](#footnote-ref-91)
92. William Cronon*, Nature’s Metropolis: Chicago and the Great West* (New York, 1991). For similar reasons it is a mistake to debate whether the market emerged at a moment in time, or whether, as many economists believe, the market has always been with us. Both treat the market as an abstraction. But actual markets are continually being invented, changed, remade and sustained, all of which takes material resources and discursive work. [↑](#footnote-ref-92)
93. Writing this history emphasizes the interaction, rather than ontological separation, of humanity and nature. For a review of the state of the field, see the roundtable “The World With Us: The State of American Environmental History,” *Journal of American History* 100, no.1 (2013): 94-119; Emily Wakild, “Environmental Justice, Environmentalism, and Environmental History in Twentieth-Century Latin America,” *History Compass* 11, no. 2 (2013): 163-176. [↑](#footnote-ref-93)
94. There is a well-developed neoclassical literature on externalities. See William Nordhaus, *The Climate Casino: Risk, Uncertainty, and Economics for a Warming World* (New Haven, CT, 2013); Elinor Ostrom, *Governing the Commons: The Evolution of Institutions for Collective Action* (Cambridge, 1990). Economics recognizes positive externalities too but when dealing with the natural environment, most of the externalities of concern are negative ones. [↑](#footnote-ref-94)
95. Gregory Cushman, *Guano and the Opening of the Pacific World: A Global Ecological History* (Cambridge, 2013). Raymond E. Dumett, ed. *Mining Tycoons in the Age of Empire*, 1870–1944 (Farnham, UK, 2009); Prakash Kumar, *Indigo Plantations and Science in Colonial India (*Cambridge, 2012)*.*  For a broad critique of commodification, managerial technique and western science applied to local environments, see James Scott, *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed* (New Haven, CT, 1998). For an economists take on the relationship between the natural environment and production, see Gavin Wright, “The Origins of American Industrial Success, 1879-1940,” *American Economic Review* 80, no. 4 (1990): 651-668. [↑](#footnote-ref-95)
96. Thomas L. Haskell, “Capitalism and the Origins of the Humanitarian Sensibility,” parts 1 and 2, in Thomas Bender, ed., *The Antislavery Debate: Capitalism and Abolitionism as a Problem in Historical Interpretation* (Berkeley, 1992), 107-160. Elinor Ostrom, *Governing the Commons,* takes a middle position, arguing that the commons need not result in a tragic outcome nor must it be privatized. Socially specific arrangements for collective action can provide a governing mechanism. [↑](#footnote-ref-96)
97. Thomas Rogers, *The Deepest Wounds: A Labor and Environmental History of Sugar in Northeast Brazil* (Chapel Hill, NC, 2010). [↑](#footnote-ref-97)
98. Thomas Andrews, *Killing for Coal: America’s Deadliest Labor War* (Cambridge, Mass., 2008). See also Aurora Gomez-Galvarriato, *Industry and Revolution*: *Social and Economic Change in the Orizaba Valley, Mexico* (Cambridge, Mass., 2013); Nicholas A. Robins, *Mercury Mining, and Empire: The Human and Ecological Cost of Colonial Silver Mining in the Andes* (Bloomington, IN, 2011). [↑](#footnote-ref-98)
99. Whether nature or material objects can be said to have agency or even quasi agency is a controversial issue, discussed further below. For a strong view of the agency of nature, see Jane Bennett, *Vibrant Matter: A Political Ecology of Things* (Durham, NC, 2010). The agency of the material something that the Annales also toyed with, as J. H. Hexter pointed out, where the mountains and rivers and seas seem to act in history. Quoted in Forster, “Achievements of the Annales School,” 74. [↑](#footnote-ref-99)
100. See Richard Swedberg “The Role of Sense and Signs in the Economy,” *Journal of Cultural Economy* 4, no. 4 (2011): 423-437. [↑](#footnote-ref-100)
101. The term “dance of agency” is from Andrew Pickering, “The Politics of Theory,” *Journal of Cultural Economy* 2, nos. 1-2 (2009): 197-212, here 198. As Pickering (199) notes, the unpredictable and unexpected results of this mutual shaping process means that we must abandon our dream of “knowing the future given the present… if only we could learn to do the sums properly.” On the limits of markets when dealing with the materiality of nature, see W. Jeffrey Bolster, *The Mortal Sea: Fishing the Atlantic in the Age of Sail* (Cambridge, Mass., 2012),who shows how simple calculations of supply and demand do not take into account the particularities of species or the summative effect of overfishing on fish populations. [↑](#footnote-ref-101)
102. Sklansky, “Labor, Money, and the Financial Turn,” 23, 29 terms this “the economic and political organization of capital.” For an overview of the study of capitalism in American history, see Beckert, “History of American Capitalism,” in Foner and McGirr, *American History Now*, 314-335; Nelson Lichtenstein, ed*., American Capitalism: Social Thought and Political Economy in the Twentieth Century*, (Philadelphia, 2006); Jurgen Kocka, “Writing the History of Capitalism,” *Bulletin of the German Historical Institute* 47 (Fall 2010): 7–24; Howard Brick, *Transcending Capitalism: Visions of a New Society in Modern American Thought* (Ithaca, NY, 2006). [↑](#footnote-ref-102)
103. For more recent works on capitalist class formation, see Judith Stein, *Running Steel, Running America: Race, Economic Policy and the Decline of Liberalism* (Chapel Hill, NC, 1998); Sven Beckert, *The Monied Metropolis: New York City and the Consolidation of the American Bourgeoisie*, 1850-1896 (Cambridge, 2001); Robert Dalzell, *Enterprising Elite: The Boston Associates and the World They Made* (Cambridge, Mass., 1987); David Hancock *Citizens of the World: London Merchants and the Integration of the British Atlantic Community*, 1735-1785 (Cambridge, 1995). [↑](#footnote-ref-103)
104. Business history and the history of capitalism overlap quite a bit, with scholars in both addressing similar issues. But not all business historians confine themselves to capitalist enterprises, or use a Marxian framework, and not all historians of capitalism study businesses and entrepreneurs. [↑](#footnote-ref-104)
105. Alfred D. Chandler, Jr., *Scale and Scope: The Dynamics of Industrial Capitalism* (Cambridge, Mass., 1990); and Chandler, Amatori and Hikino, eds., *Big Business and the Wealth of Nations.* Perhaps the strongest version of this argument is William Lazonick, *Business Organization and The Myth of the Market Economy* (Cambridge, 1991). Chandler’s interpretation did not go unchallenged even in its heyday. “Corporate liberal” scholars such as Gabriel Kolko, *The Triumph of Conservatism: A Reinterpretation of American History*, 1900-1916 (New York, 1963), James Weinstein, *The Corporate Ideal in the Liberal State*, 1900-1918 (Boston, 1968) and Martin Sklar, *The Corporate Reconstruction of American Capitalism*, 1890-1916 (Cambridge, 1988), argued that corporations needed and benefitted from the state, whose policies they controlled. [↑](#footnote-ref-105)
106. Oliver Williamson, “The Modern Corporation: Origins, Evolution and Attributes,” *Journal of Economic Literature* 19, no. 4 (1981): 1537-1568; Michael Jensen, “'Eclipse of the Public Corporation,” *Harvard Business Review* (September-October, 1989): 68-70; Jensen, “Takeovers: Their Causes and Consequences,” *Journal of Economic Perspectives* 2, no. 1 (1988): 21-48; Michael C. Jensen and William H. Meckling, “Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure,” *Journal of Financial Economics*  3, no. 4 (1976): 305-360. There were many popular versions of this argument, such as Bill Gates, *The Road Ahead* (New York, 1995). [↑](#footnote-ref-106)
107. Naomi R. Lamoreaux, Daniel M. G. Raff, and Peter Temin, “Beyond Markets and Hierarchies: Toward a New Synthesis of American Business History,” *American Historical Review* 108, no. 2 (April 2003): 404-433. See also Naomi Lamoreaux and Daniel Raff, eds., *Coordination and Information: Historical Perspectives on the Organization of Enterprise* (Chicago, 1995); Naomi Lamoreaux, Daniel Raff and Peter Temin, eds., *Learning by Doing: In Markets, Firms and Countries* (Chicago, 1999); Margaret Levenstein, “Escape from Equilibrium: Thinking Historically about Firm Responses to Competition*,” Enterprise and Society* 13, no. 4 (2012): 710-728. For contrasting views, see Fine, “New and Improved: Economics' Contribution to Business History,” 8. [↑](#footnote-ref-107)
108. For an overview and citations see Kenneth Lipartito, “Business Culture” in Jones and Zeitlin, eds., *Oxford Handbook of Business History*, 603-628. [↑](#footnote-ref-108)
109. There is an especially vibrant literature on women in business. See Angel Kwolek-Folland, *Incorporating Women: A History of Women and Business in the United States* (New York, 1998); Wendy Gamber, *The Female Economy*: *The Millinery and Dressmaking Trades, 1860-1930* (Urbana, IL, 1997); and Gamber, “A Gendered Enterprise: Placing Nineteenth-Century Businesswomen in History,” *Business History Review* 72, no. 2, (Summer, 1998): 188-217; Sarah Hand Meacham, *Every Home a Distillery: Alcohol, Gender and Technology in the Colonial Chesapeake* (Baltimore, 2009); Peter Baskerville, *A Silent Revolution? Gender and Wealth in English Canada 1860–1930* (Montreal, 2008); Alison C. Kay, *The Foundations of Female Entrepreneurship: Enterprise, Home, and Household in London*, 1800–1870 (New York, 2009); Robert Beachy, Béatrice Craig, and Alastair Owens, eds., *Women, Business and Finance in Nineteenth-Century Europe: Rethinking Separate Spheres* (Oxford, 2006); Edith Sparks, *Capital Intentions: Female Proprietors in San Francisco*, 1850–1920.( Chapel Hill, NC, 2006). [↑](#footnote-ref-109)
110. Tiffany M. Gill, *Beauty Shop Politics: African American Women’s Activism in the Beauty Industry* (Urbana, IL, 2010); Suzanne E. Smith, *To Serve the Living: Funeral Directors and the African American Way of Death* (Cambridge, Mass., 2010); Michael B. Boston, *The Business Strategy of Booker T. Washington: Its Development and Implementation* (Gainesville, FL, 2010); Susannah Walker, *Style and Status: Selling Beauty to African American Women*, 1920–1975 (Lexington, KY, 2007); Robert E. Weems, *Desegregating the Dollar: African American Consumerism in the Twentieth Century* (New York, 1998); Carol Jenkins and Elizabeth Gardner Hines, *Black Titan: A. G. Gaston and the Making of an American Millionaire* (New York, 2004). [↑](#footnote-ref-110)
111. Juliet E. K. Walker, *The History of Black Business in America: Capitalism, Race and Entrepreneurship* Vol. 1 to 1865 2nd ed. (Chapel Hill, NC, 2009); Calvin Schermerhorn, *Money over Mastery, Family over Freedom: Slavery in the Antebellum Upper South* (Baltimore, 2011); Jerry Z. Muller, *Capitalism and the Jews* (Princeton, NJ, 2010); Andrew Godley, *Jewish Immigrant Entrepreneurship in New York and London 1880– 1914: Enterprise and Culture* (New York, 2001); Philip F. Gura, *C. F. Martin and his Guitars*, *1796–1873* (Chapel Hill, NC, 2003); Diane C. Vecchio, *Merchants, Midwives, and Laboring Women: Italian Migrants* *in Urban America* (Urbana, IL, 2006). [↑](#footnote-ref-111)
112. Pamela Walker Laird, *Pull: Networking and Success since Benjamin Franklin* (Cambridge, Mass., 2006); Susan Ingalls Lewis, *Unexceptional Women: Female Proprietors in Mid-Nineteenth Century Albany, New York*, 1830–1885 (Columbus, OH, 2009). [↑](#footnote-ref-112)
113. Jeffrey R. Fear, *Organizing Control: August Thyssen and the Construction of German Corporate Management* (Cambridge, Mass., 2005); Robert F. Freeland, *The Struggle for Control of the Modern Corporation: Organizational Change at General Motors, 1924-1970* (Cambridge, 2001).Elisabeth Köll, *From Cotton Mill to Business Empire: The Emergence of Regional Enterprises in Modern China* (Cambridge, Mass., 2003). For a critical perspective on the embedding in management of racial categories see David R. Roediger and Elizabeth D. Esch, *The Production of Difference: Race and the Management of Labor in U.S. History* (New York, 2012). [↑](#footnote-ref-113)
114. Michael Zakim, “Producing Capitalism: The Clerk at Work,” in Zakim and Kornblith, *Capitalism Takes Command,* 223-248; Thomas Augst, *The Clerk’s Tale: Young Men and Moral Life in Nineteenth-Century America* (Chicago, 2003); Brian P. Luskey, *On the Make: Clerks and the Quest for Capital in Nineteenth-Century America* (New York, 2010); Walter A. Friedman, *Birth of a Salesman: The Transformation of Selling in America* (Cambridge, Mass., 2004); Jerome P. Bjelopera, *City of Clerks: Office and Sales Workers in Philadelphia*, 1870–1920 (Urbana, IL, 2005). [↑](#footnote-ref-114)
115. Kenneth Lipartito and David B. Sicilia, eds., *Constructing Corporate America: History, Politics, Culture* (Oxford, 2004), 1-26. [↑](#footnote-ref-115)
116. The highly abstract theories of neoclassical economics do not address these interrelationships, and Marxian scholars often assume that professionals simply operate at the beck and call of the owners of capital, or are monopolists themselves. This older perspective is found in Magali Sarfatti Larson, *The Rise of Professionalism: A Sociological Analysis* (Berkeley, 1977); Eliot Freidson, *Professional Powers: A Study of the Institutionalization of Formal Knowledge* (Chicago, 1986); Peter Meiskins, “The Revolt of the Engineers Reconsidered,” *Technology and Cultur*e, 29, no. 2 (1988), 219-246; Loren Baritz, *The Servants of Power: A History of the Use of Social Science in American Industry* (Middleton, CT, 1960). [↑](#footnote-ref-116)
117. JoAnne Yates, *Structuring the Information Age: Life Insurance and Technology in the Twentieth Century* (Baltimore, 2005); Louis Galambos, *The Creative Society—and the Price Americans Paid for it* (New York, 2012); Christopher D. McKenna, *The World’s Newest Profession: Management Consulting in the Twentieth Century* (New York, 2006); Louis Galambos with Jane Eliot Sewell, *Networks of Innovation: Vaccine Development at Merck, Sharp and Dohme, and Mulford*, 1895-1995 (Cambridge, 1995); Stephen B. Adams, *Mr. Kaiser Goes to Washington: The Rise of a Government Entrepreneur* (Chapel Hill, NC, 1997); Dominique A. Tobbell, *Pills, Power, and Policy: The Struggle for Drug Reform in Cold War America and Its Consequences* (Berkeley, 2012); Regina Lee Blaszczyk, *The Color Revolution* (Cambridge, 2012); Philip Scranton, *Figured Tapestry: Production, Markets and Power in Philadelphia Textiles*, 1855-1941 (Cambridge, 1989); On earlier versions of such networks through guilds see Pamela O. Long, *Openness, Secrecy, Authorship: Technical Arts and the Culture of Knowledge from Antiquity to the Renaissance* (Baltimore, 2001); Carlo Marco Belfanti, “Guilds, Patents, and the Circulation of Technical Knowledge: Northern Italy during the Early Modern Age,” *Technology and Culture* 45, no. 3 (2004): 569-589; Stephan R. Epstein, "Craft Guilds, Apprenticeship, and Technological Change in Preindustrial Europe," *Journal of Economic History* 58 (1998): 688-93. A more negative view of guilds is Sheilagh Ogilvie, *Institutions and European Trade: Merchant Guilds*, 1000–1800 (Cambridge, 2011). [↑](#footnote-ref-117)
118. Jennifer Delton, *Racial Integration in Corporate America*, 1940-1990 (Cambridge, 2009); Melissa S. Fisher, *Wall Street Women* (Durham, NC, 2012). For a general argument along these lines see Christine Meisner Rosen, “What is Business History*?” Enterprise & Society* 14 no. 3 (2013): 475-485 [↑](#footnote-ref-118)
119. Richard R. Nelson, “The Problem of Market Bias in Modern Capitalism Economies,” *Industrial and Corporate Change* 11, no.2 (2002): 207-244. [↑](#footnote-ref-119)
120. Richard White, *Railroaded: The Transcontinentals and the Making of Modern America* (New York, 2011). James Taylor, *Creating Capitalism: Joint-Stock Enterprise in British Politics and Culture*, 1800–1870 (London, 2006), and Andrew M. Schocket, *Founding Corporate Power in Early National Philadelphia* (DeKalb, Il, 2007) argue that the corporation was an elite project of power accumulation. [↑](#footnote-ref-120)
121. To make his case, White argues that some railroads were built ahead of demand, which is an argument in favor of allowing markets to run free of interference from both governments and monopolists. The debate about the economic value of infrastructure transportation was touched off by Robert Fogel’s skeptical look at American railroads, *Railroads and American Economic Growth: Essays in Econometric History* (Baltimore, 1964). A more recent, more positive (if grudgingly so) view of rapid railroad development is William R. Summerhill, *Order Against Progress: Government, Foreign Investment and Railroads in Brazil, 1854–1913* (Stanford, 2003). [↑](#footnote-ref-121)
122. Steven W. Usselman, *Regulating Railroad Innovation: Business, Technology, and Politics in America, 1840-1920* (Cambridge, 2002). Arguments that America lacked a strong public sector have been challenged recently, and studies of railroads, telecommunications and other public services have seen the advantages of the American model mixing private capital, public regulation, competition, and engineering ingenuity. William J. Novak, “The Myth of the ‘Weak’ American State,” *American Historical Review* 113, no. 3 (2008): 752-772; Richard R. John, *Network Nation: Inventing American Telecommunications* (Cambridge, Mass., 2010), and John, “Governmental Institutions as Agents of Change: Rethinking American Political Development in the Early Republic, 1787-1835,” *Stud­ies in American Political Development* 11, no. 2 (1997): 347– 380; Mark Aldrich, *Death Rode the Rails: American Railroad Accidents and Safety*, 1828–1965 (Baltimore, 2006); William R. Childs *The Texas Railroad Commission: Understanding Regulation in America to the Mid-Twentieth Century* (College Station, TX, 2005); [↑](#footnote-ref-122)
123. Archie B. Carroll, Kenneth Lipartito, James E Post, Patricia H. Werhane, *Corporate Responsibility: The American Experience* (Cambridge, 2012); Kenneth Lipartito, “The Utopian Corporation,” in Lipartito and Sicilia eds., *Constructing Corporate America*, 94-119; Andrea Tone, *The Business of Benevolence: Industrial Paternalism in Progressive America*, (Ithaca, NY, 1997); Nikki Mandell, *The Corporation as Family: The Gendering of Corporate Welfare 1890–1930* ( Chapel Hill, NC, 2002); Harry C. Silcox, *A Place to Live and Work: The Henry Disston Saw Works and the Tacony Community of Philadelphia* (University Park, PA, 1994); Kathryn W. Kemp, *God’s Capitalist: Asa Candler of Coca-Cola*. (Macon, GA, 2002). [↑](#footnote-ref-123)
124. Catherine Higgs, *Chocolate Islands: Cocoa, Slavery, and Colonial Africa* (Athens, OH, 2012); Charles Delheim, “The Creation of a Company Culture: Cadburys 1861–1931,” *American Historical Review* 92, no. 1 (1987): 13–44; Robert J. Smith, *The Bouchayers of Grenoble and French Industrial Enterprise 1850–1970* (Baltimore, 2001); Leonard N. Rosenband, *Papermaking in Eighteenth-Century France: Management, Labor, and Revolution at the Montgolfier Mill 1761–1805* (Baltimore, 2000);Stephen L. Harp, *Marketing Michelin: Advertising and Cultural Identity in Twentieth-Century France* (Baltimore, 2001); William M. Tsutsui, *Manufacturing Ideology: Scientific Management in Twentieth-Century Japan* (Princeton, NJ, 1998); Mark Fruin, *Kikkoman: Company, Clan and Community* (Cambridge, Mass., 1983). Wilfried Feldenkirchen, *Werner von Siemens: Inventor and International Entrepreneur* (Columbus, OH, 1994). [↑](#footnote-ref-124)
125. Bethany Moreton, *To Serve God and Wal-Mart: The Making of Christian Free Enterprise* (Cambridge, Mass., 2009); Nelson Lichtenstein, *The Retail Revolution: How Wal-Mart Created a Brave New World of Business* (New York, 2009). Gary Gereffi and Miguel Korzeniewicz, eds., *Commodity Chains and Global Capitalism* (Westport, CT: 1994). [↑](#footnote-ref-125)
126. Moreton, *To Serve God and Wal-Mart*, 70. There is an implicit contrast here with Mokyr’s notion that Enlightenment values touched off the industrial revolution. See also Marko Maunula, *Guten Tag, Y’All: Globalization and the South Carolina Piedmont*, 1950–2000 (Athens, GA, 2009) on the endurance of Southern culture despite globalization. [↑](#footnote-ref-126)
127. Moreton, *To Serve God and Wal-Mart*, 271. [↑](#footnote-ref-127)
128. Anthony Giddens and Pierre Bourdieu have been the key contributors to the idea of practice theory. See Pierre Bourdieu, *Outline of a Theory of Practice* (Cambridge, 1977); Anthony Giddens, *The Constitution of Society: Outline of the Theory of Structuration* (Berkeley, 1984). An in-depth discussion of practice theory is found in Andreas Reckwitz, “Toward a Theory of Social Practices: A Development in Culturalist Theorizing,” *European Journal of Social Theory* 5, no. 2 (2002): 243–263. For an excellent example of how subjectivity and practice condition the capitalist class, drawing on Bourdieu’s notion of habitus, see Ho, *Liquidated*. [↑](#footnote-ref-128)
129. A relentless revolution in Joyce Appleby’s words. Appleby, *The Relentless Revolution: A History of Capitalism* (New York, 2010). [↑](#footnote-ref-129)
130. Michael Merrill, “Putting Capitalism in Its Place: A Review of Recent Literature,” *William and Mary Quarterly* 52, no.2 (1995): 315-326. Even entrepreneurs had to be prepared to “endur[e] rough handling by heartless markets,” notes John Lauritz Larson, *The Market Revolution in America: Liberty, Ambition, and the Eclipse of the Common Good* (Cambridge, 2010), 134-35. [↑](#footnote-ref-130)
131. For a contrasting view, see Deirdre N. McCloskey*, The Bourgeois Virtues: Ethics for an Age of Commerce*(Chicago, 2006). [↑](#footnote-ref-131)
132. Though beyond the scope of this essay, there is a lively literature that has reversed the usual assumption that the medieval economy was static and not innovative, simply awaiting the arrival of capitalism. See Leutin van Zanden, *The Long Road to the Industrial Revolution*; Bas van Bavel, *Manors and Markets. Economy and Society in the Low Countries*, 500-1600 (Oxford, 2010). [↑](#footnote-ref-132)
133. Rockman, *Scrapping By*, 5. [↑](#footnote-ref-133)
134. The seminal article on this is Charles Sabel and Jonathan Zeitlin, “Historical Alternatives to Mass Production: Politics, Markets and Technology in Nineteenth Century Industrialization,” *Past and Present* 108, no. 1 (1985): 133-176. Also Charles Sabel and Jonathan Zeitlin, eds., *Worlds of Possibility: Flexibility and Mass Production in Western Industrialization* (New York, 1997); Philip Scranton, *Endless Novelty: Specialty Production and American Industrialization*, 1865-1924 (Princeton, NJ, 1997); Peter A. Hall and David Soskice, *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage* (Oxford, 2001); Susanna Fellmann, Martin Jes Iversen, Hans Sjögren, and Lars Thue, eds., *Creating Nordic Capitalism: The Business History of a Competitive Periphery (*New York, 2008); Richard Whitley, *Business Systems in East Asia: Firms, Markets and Societies* (London, 1992), and *Divergent Capitalisms: The Social Structuring and Change of Business Systems* (Oxford, 1999). [↑](#footnote-ref-134)
135. Naomi R. Lamoreaux, “Constructing Firms: Partnerships and Alternative Contractual Arrangements in Early-Nineteenth-Century American Business,” *Business and Economic History*, 24, no. 2 (1995): 43-71, and “Partnerships, Corporations, and the Limits on Contractual Freedom in U.S. History: An Essay in Economics, Law, and Culture,” in Lipartito and Sicilia, eds., *Constructing Corporate America*, 29-65; Timothy Guinnane, Ron Harris, Naomi Lamoreaux, Jean-Laurent Rosenthal, “Putting the Corporation in its Place,” *Enterprise & Society* 8, no. 3 (2007): 687-729; Konosuke Odaka and Minoru Sawai, eds*., Small Firms, Large Concerns: The Development of Small Business in Comparative Perspective* (Oxford, 1999); Keetie E. Sluyterman, *Dutch Enterprise in the Twentieth Century: Business Strategies in a Small Open Economy* (New York, 2005). [↑](#footnote-ref-135)
136. Andrea Colli, *The History of Family Business*, 1850-2000 (New York, 2003); Andrea Colli and M. B. Rose, “Family Firms in Comparative Perspective” in Amatori and Jones, eds., *Business History Around the World*; Harold James, *Family Capitalism: Wendels, Haniels, Falcks, and the Continental European Model* (Cambridge, Mass., 2006); Muriel McAvoy, *Sugar Baron: Manuel Rionda and the Fortunes of Pre-Castro Cuba* (Gainesville, FL, 2003); Doreen Arnoldus, *Family, Family Firm, and Strategy: Six Dutch Family Firms in the Food Industry, 1880–1970* (Amsterdam, 2002). [↑](#footnote-ref-136)
137. For an overview of corporate governance structures Gary Herrigal, “Corporate Governance,” in Jones and Zeitlin, *Oxford Handbook of Business History*, 470-497 and in same volume, W. Mark Fruin, “Business Groups and Interfirm Networks,” 244-67. Also Rafael La Porta, Florencio Lopez-de-Silanes, Andrei Schleifer, and Robert Vishny, “Corporate Ownership Around the World,” *Journal of Finance* 54, no. 2 (1999): 471-517; Mary O’Sullivan, *Contests for Corporate Control: Corporate Governance and Economic Performance in the United States and Germany* (Cambridge, 2000); Ben Ross Schneider, “Hierarchical Market Economies and Varieties of Capitalism in Latin America,” *Journal of Latin American Studies* 41 (Aug. 2009), 553–575; Robert Millward, *Private and Public Enterprise in Europe: Energy, Telecommunications and Transport*, 1830-1990 (Cambridge, 2005); P. A. Toninelli, ed., *The Rise and Fall of State Owned Enterprise in the Western World* (Cambridge, 2000); Gail D. Triner,*Mining and the State in Brazilian Development* (London, 2011); Morris L. Bian, *The Making of the State Enterprise System in Modern China: The Dynamics of Institutional Change* (Cambridge, Mass., 2005); Martin Kenney, ed., *Understanding Silicon Valley* (Stanford, 2000); Gerald Berk and Marc Schneiberg*, “*Varieties in Capitalism, Varieties of Association: Collaborative Learning in American Industry, 1900 to 1925*,” Politics and Society* 33, no.1 (2005): 46–87; Francesca Carnevali, “Social Capital and Trade Associations in America, c. 1860–1914: A Microhistory Approach,” *Economic History Review* 64, no. 3 (2011): 905–928. [↑](#footnote-ref-137)
138. Gerald Berk, *Louis D. Brandeis and the Making of Regulated Competition, 1900–1932* (Cambridge, 2009); Charles Postel, *The Populist Vision* (Oxford, 2007). See also Victoria Saker Woeste, *The Farmer’s Benevolent Trust: Law and Agricultural Cooperation in Industrial America*, 1865-1945 (Chapel Hill, NC, 1998). [↑](#footnote-ref-138)
139. Sheldon Garon, *Beyond Our Means: Why America Spends while the World Saves* (Princeton, NJ, 2012)*.* Garon shows that saving could be coded in different ways: a means to uplift the poor; a resource to strengthen the army; a patriotic sacrifice to the nation in its competition with rivals. These were not merely rhetorical differences, for they changed behavior and outcomes. [↑](#footnote-ref-139)
140. Charles F. Sabel and Jonathan Zeitlin: “Stories, Strategies, Structures: Rethinking Historical Alternatives to Mass Production,” in Sabel and Zeitlin, eds., *Worlds of Possibility: Flexibility and Mass* *Production in Western Industrialization* (Cambridge, U.K., 1997), 1– 36; Jonathan Zeitlin, “The Historical Alternatives Approach,” in *The Oxford Handbook of Business History*, 120–40; Gary Herrigal and Jonathan Zeitlin, “Alternatives to Varieties of Capitalism,” *Business History Review* 84, no. 4 (2010): 667-674; Gary Herrigel, *Manufacturing Possibilities: Creative Action and Industrial Recomposition in the United States, Germany and Japan* (Oxford, 2010). [↑](#footnote-ref-140)
141. There is a vast and growing literature on commodities, trade, and empire, much of it following Sidney Mintz, *Sweetness and Power: The Place of Sugar in Modern History* (New York, 1985). See David Hancock, *Oceans of Wine: Madeira and the Emergence of American Trade and Taste* (New Haven, CT, 2009); Joe Jackson, *The Thief at the End of the World: Rubber, Power, and the Seeds of Empire* (New York, 2008); Dan Koeppel, *Banana: The Fate of the Fruit that Changed the World* (New York, 2008); John Soluri, *Banana Cultures: Agriculture, Consumption, and Environmental Change in Honduras and the United States* (Austin, TX, 2005); Gary Y. Okihiro, *Pineapple Culture: A History of the Tropical and Temperate Zones* (Berkeley, 2009); Miguel Tinker Salas, *The Enduring Legacy: Oil, Culture, and Society in Venezuela* (Durham, NC, 2009); David De Vries, *Diamonds and War: State, Capital and Labor in British Ruled Palestine* (New York, 2010); Prakash Kumar*, Indigo Plantations and Science in Colonial India* (Cambridge, 2012). [↑](#footnote-ref-141)
142. Immanuel Wallerstein developed his world system theory over four volumes, beginning with *The Modern World-System: Capitalist Agriculture and the Origins of the European World Economy in the Sixteenth Century* (New York, 1976). See also Wallerstein, “The Rise and Future Demise of the World Capitalist System: Concepts for Comparative Analysis,” *Comparative Studies in Society and History* 16, no. 4 (1974): 387-415. A key work of synthesis in world systems theory is Giovanni Arrighi, *The Long Twentieth Century: Money, Power, and the Origins of Our Times* (London, 1994). Studies have has continued to find persistent divergence rather than convergence between productivity and living standards among the wealthy and poor nations. Lant Pritchett, “Divergence, Big Time,” *Journal of Economic Perspectives* 11, no. 3. (1997): 3-17. [↑](#footnote-ref-142)
143. But it was also a rather mechanistic model, and emphasized the role of states rather than entrepreneurs, business firms, and finance. Frederick Cooper, “Farewell to the Category-Producing Class?” *International Labor and Working-Class History* 57, no. 1 (2000): 60-68. [↑](#footnote-ref-143)
144. The United States, while participating in the technological and monetary aspects of globalization, did not lower tariffs, and indeed raised them. [↑](#footnote-ref-144)
145. On the economics and politics of globalization, see Barry J. Eichengreen, *Globalizing Capital: A History of the International Monetary System*  2nd edition (Princeton, NJ, 2008); Jeffrey G. Williamson, *Trade and Poverty: When the Third World Fell Behind* (Cambridge, Mass., 2011); Kevin **H. O'Rourke and Jeffrey G. Williamson,** Globalization and History: The Evolution of a Nineteenth-Century Atlantic Economy (Cambridge, Mass., 1999); Michael Bordo, Alan Taylor and Jeffrey Williamson, *Globalization in Historical Perspective* (Chicago, 2003); Harold James, *The End of Globalization: Lessons from the Great Depression* (Cambridge, Mass., 2001). Jeffry A. Frieden, *Global Capitalism: Its Fall and Rise in the Twentieth Century* (New York, 2006); Joseph E. Stiglitz, *Globalization and its Discontents* (New York, 2002); Marc Levinson, *The Box: How the Shipping Container Made the World Smaller and the World Economy Bigger* (Princeton, NJ, 2006). Marxian and non-neoclassical scholars here agree with mainstream economists, that today really is different than in the past. See Manuel Castells, *The Rise of the Network Society* 2nd edition (Oxford, 2000); David Harvey, *Spaces of Global Capitalism: Towards a Theory of Uneven Geographical Development* (London, 2006); Ulrich Beck, *What Is Globalization*? (Cambridge, 2000); Saskia Sassen*, The Global City: New York, London, Tokyo 2nd edition* (Princeton, NJ, 2001). For an overview, see Eley, “Historicizing the Global.” [↑](#footnote-ref-145)
146. Frederick Cooper, *Colonialism in Question: Theory, Knowledge, History* (Berkeley, 2005), 91–112. [↑](#footnote-ref-146)
147. Latin American historians have developed a particularly rich literature on commodities. Stuart B. Schwartz, *Tropical Babylons: Sugar and the Making of the Atlantic World, 1450-1680 (*Chapel Hill, NC 2004); Russell R. Menard*, Sweet Negotiations: Sugar, Slavery, and Plantation Agriculture in Early Barbados* (Charlottesville, VA, 2006); John Tutino*, Making a New World: Founding Capitalism in the Bajio and Spanish North* *America* (Durham, NC, 2011); Steven Topik, Carlos Marichal, Zephyr Frank eds., *From Silver to Cocaine: Latin American Commodity Chains and the Building of the World Economy*, 1500–2000 (Durham, NC, 2006). [↑](#footnote-ref-147)
148. Beckert, *Empire of Cotton*. [↑](#footnote-ref-148)
149. Giorgio Riello, *Cotton: The Fabric that Made the Modern World* (Cambridge, 2013). [↑](#footnote-ref-149)
150. Victoria de Grazia*, Irresistible Empire: America’s Advance through Twentieth Century Europe* (Cambridge, Mass., 2005). Ruth Oldenziel, Karin Zachmann, *Cold War Kitchen: Americanization, Technology, and European Users* (Cambridge, Mass., 2009); Marina Moskowitz, *Standard of Living: The Measure of the Middle Class in Modern America* (Baltimore, 2004) likewise deconstruct the concept of a middle class standard of life. [↑](#footnote-ref-150)
151. Emily S. Rosenberg, *Financial Missionaries to the World: The Politics and Culture of Dollar Diplomacy* (Cambridge, Mass.,, 1999); Cyrus Veeser, *A World Safe for Capitalism: Dollar Diplomacy and America's Rise to Global Power* (New York, 2002).An alternative view is put forth by Noel Maurer in *The Empire Trap: The Rise and Fall of U.S. Intervention to Protect American Property Overseas, 1893-2013* (Princeton, NJ, 2013), who sees the state being pulled reluctantly into defense of American economic interests abroad. [↑](#footnote-ref-151)
152. Mona Domash, *American Commodities in an Age of Empire* (New York, 2006); David Ciarlo, *Advertising Empire: Race and Visual Culture in Imperial Germany* (Cambridge, Mass., 2011). [↑](#footnote-ref-152)
153. Richard D. Wolff, “Modern Imperialism: The View from the Metropolis,” *American Economic Review* 60, no. 2 (1970): 225-230; Robert B. Cohen, Nadine Felton, Jaap Van Liere and Morley Nkos, eds., *The Multinational Corporation -- A Radical*

*Approach -- Papers by Stephen Herbert Hymer* (Cambridge, 1979); Anthony Sampson, *The Sovereign State of ITT* (New York, 1973)**;** Richard Barnett and Ronald Müller, *Global Reach: The Power of the Multinational Corporations* (New York, 1974)**.** More recent versions of this argument make the case that globalization reflects technology and a new phase of capitalism. Anthony Giddens, *Runaway World: How Globalization is Reshaping our Lives*, 2nd ed. (New York, 2003); Zygmunt Bauman, *Globalization: The Human Consequences* (New York, 1998); Ulrich Beck, *World Risk Society*, (Malden, Mass.,, 1999); George Soros, *The Crisis of Global Capitalism: Open Society Endangered*, (New York, 1998); David Harvey, *The New Imperialism* (Oxford, 2005) and *Spaces of Global Capitalism: a Theory of Uneven Geographical Development* (London, 2006). In popular form Thomas L. Friedman, *The World is Flat: A Brief History of the Twenty-First* Century (New York, 2005). [↑](#footnote-ref-153)
154. Raymond Vernon, *Sovereignty at Bay: The Multinational Spread of US Enterprises* (New York, 1971), argued for a more nuanced view that did not assume multinationals were simply extensions of the American imperial state. For an overview of the historical literature on multinationals, see Mira Wilkins, “The History of the Multinational Enterprise,” in Alan M. Rugman, ed., *The Oxford Handbook of International Business*, 2nd edition (Oxford, 2009), 3-38; Geoffrey Jones, *Multinationals and Global Capitalism: From the Nineteenth Century to the Twenty-First Century* (Oxford, 2005). [↑](#footnote-ref-154)
155. Not all global business takes the form corporations. Free standing companies, business groups, networks, diversified conglomerates, state enterprise, private banks, insurance companies, sovereign wealth funds and family firms are all participants. Mira Wilkins, “Multinational Enterprises and the Varieties of Capitalism,” *Business History Review* 84, no. 4 (2010): 638-645; Geoffrey Jones, “Globalization” in Jones and Zeitlin, *Oxford Handbook of Business History*, 141-68; Mira Wilkins and Harm Schroder, eds., *The Free-Standing Company in the World Economy*, 1830-1996 (Oxford, 1998); William J. Hausman, Peter Hertner and Mira Wilkins, *Global Electrification: Multinational Enterprise and International Finance in the History of Light and Power*, 1878-2007 (Cambridge, 2008). [↑](#footnote-ref-155)
156. Geoffrey Jones, *Beauty Imagined: A History of the Global Beauty Industry* (Oxford, 2010). See also Kathy Peiss, *Hope in a Jar: The Making of America’s Beauty Culture* (New York, 1998) and Peiss, “On Beauty…And the History of Business,” *Enterprise & Society* 1, no. 3 (2000): 485-506; Morag Martin, *Selling Beauty: Cosmetics, Commerce, and French Society*, 1750–1830 (Baltimore, 2009). On intermediaries, see Regina Lee Blaszczyk, *Imagining Consumers: Design and Innovation from Wedgwood to Corning* (Baltimore, 2000). [↑](#footnote-ref-156)
157. Jones, “Globalization,” 160; Teresa da Silva Lopes, *Global Brands:  The Evolution of Multinationals in Alcoholic Beverages* (Cambridge, 2007). [↑](#footnote-ref-157)
158. Emanuela Scarpellini, *Material Nation: A Consumer’s History of Modern Italy* (Oxford, 2011); Scarpellini, “Shopping American-Style: The Arrival of the Supermarket in Postwar Italy,” *Enterprise and Society* 5, no. 4 (2004): 625–668; John Brewer and Frank Trentmann, eds., *Consuming Cultures, Global Perspectives: Historical Trajectories, Transnational Exchanges* (Oxford, 2006); Julio Moreno, *Yankee Don’t Go Home! American Business Culture and the Shaping of Modern Mexico*, 1920-1950 (Chapel Hill, NC, 2003); Jonathan Zeitlin and Gary Herrigel, eds., *Americanization and Its Limits: Reworking US Technology and Management in Post War Europe and Japan* (Oxford, 2000). For a broad overview of the dynamic of Americanization in Europe, see Harm G. Schröter, *Americanization of the European Economy: A Compact Survey of American Economic Influence in Europe since the 1880s* (Dordrecht, 2005). For a rejection of the Americanization thesis, see Mary Nolan,*The Transatlantic Century: Europe and the United States,* 1890–2010 (Cambridge, 2012). [↑](#footnote-ref-158)
159. Michael B. Miller, *Europe and the Maritime World: A Twentieth Century History* (Cambridge, 2012). Similarly, see Sheryllynne Haggerty**,** *The British-Atlantic Trading Community, 1760-1810: Men, Women, and the Distribution of Goods* (Leiden, 2006); Ina Baghdiantz McCabe, Gelina Harlaftis and Ioanna Pepelasis Minoglou, eds. *Diaspora Entrepreneurial Networks: Four Centuries of History* (Oxford, 2005); Greg Grandin, *Fordlandia: The Rise and Fall of Henry Ford’s Forgotten Jungle City* (New York, 2009); Youssef Cassis, *Cities of Capital: A History of International Financial Centers, 1780- 2005* (Cambridge, 2006). [↑](#footnote-ref-159)
160. Marcelo Bucheli, *Bananas and Business: The United Fruit Company in Colombia*, 1899-2000 (New York, 2005); Preeti Chopra, *A Joint Enterprise: Indian Elites and the Making of British Bombay* (Minneapolis, 2011); Gabriela Soto Laveaga, *Jungle Laboratories: Mexican Peasants, National Projects, and the Making of the Pill* (Durham, NC, 2009); Manu Goswami, *Producing India: From Colonial Economy to National Space* (Chicago, 2004); Catherine LeGrand, “Living in Macondo: Economy and Culture in a United Fruit Company Banana Enclave in Colombia,” in Gilbert M. Joseph, Catherine C. LeGrand, and Ricardo D. Salvatore, eds., *Close Encounters of Empire:  Writing the Cultural History of U.S.-Latin American Relations* (Durham, NC 1998), 333-357. [↑](#footnote-ref-160)
161. Dario Gaggio, *In Gold We Trust: Social Capital and Economic Change in the Italian Jewelry Towns* (Princeton, NJ, 2007), 33-127; Andrew Gordon, *Fabricating Consumers: The Sewing Machine in Modern Japan* (Berkeley, 2012); Paula A. de la Cruz-Fernández, “Atlantic Threads: Singer in Spain and Mexico, 1860-1940,” PhD dissertation, 2012; Lara Putman, *The Company They Kept: Migrants and the Politics of Gender in Caribbean Costa Rica*, 1870-1960 (Chapel Hill, NC, 2002). [↑](#footnote-ref-161)
162. Robert C. Feenstra, “Integration of Trade and Disintegration of Production in the Global Economy,” *Journal of Economic Perspectives* 12, no. 4 (1998): 31-50; Stanley Fischer, “Globalization and Its Challenges,” *American Economic Review* 93, no. 2, (2003): 1-30; Michael Sharpston, “International Sub-Contracting,” *Oxford Economic Papers* 27, no. 1 (1975): 94-135; Arie Y. Lewin, Silvia Massini and Carine Peeters, “Why Are Companies Offshoring Innovation? The Emerging Global Race for Talent,” *Journal of International Business Studies* 40, no. 6 (2009), 901-925; Christel Lane and Jocelyn Prober, *National Capitalisms, Global Production Networks: Fashioning the Value Chain in the UK, US, and Germany* (Oxford, 2009). For a more skeptical view, see Nelson Lichtenstein, “Supply Chains, Workers’ Chains, and the New World of Retail Supremacy,” *Labor: Studies in Working-Class History of the Americas* 4, no. 1 (2007): 17-31. [↑](#footnote-ref-162)
163. Walter Hawthorne, *Planting Rice and Harvesting Slaves: Transformations along the Guinea-Bissau Coast,* 1400-1900 (Portsmouth, NH, 2003). For a more negative view of the impact of the slave trade, see Patrick Manning, *Slavery and African Life: Occidental, Oriental and the African Slave Trades* (Cambridge, 1990); Joseph Miller, *Way of Death: Merchant Capitalism and the Angolan Slave Trade, 1730-1830* (Madison, WI, 1988); Paul Lovejoy, “The Impact of the African Slave Trade on Africa: A Review of the Literature,” *Journal of African History* 30 no. 3 (1989): 365-394. [↑](#footnote-ref-163)
164. Jones, “Entrepreneurship and Multinational Enterprise,” 33-37. Contra Wallerstein, it is not the core-periphery relationship that dominates trade and investment patterns. Most foreign direct investment takes places between the wealthy nations of the first world; even when it involves the poorer or less developed parts of the world, it engages only a limited number of places. For a skeptical view of global integration today, see Pankaj Ghemawat, *World 3.0: Global Prosperity and How to Achieve It* (Boston, 2011). [↑](#footnote-ref-164)
165. Paul Kramer, “Power and Connection: Imperial Histories of the United States in the World,” *American Historical Review* 16, no. 5 (2011): 1348-1391. [↑](#footnote-ref-165)
166. Kim Phillips-Fein*, Invisible Hands: The Businessmen’s Crusade against the New Deal* (New York, 2010); Angus Burgin, *The Great Persuasion: Reinventing Free Markets since the Depression* (Cambridge, Mass., 2012). Also Kim Phillips-Fein and Julian E. Zelizer, *What’s Good for Business: Business and American Politics since World War II* (Oxford, 2012). For a local perspective see Elizabeth Tandy Shermer, *Sunbelt Capitalism: Phoenix and the Transformation of American Politics* (Philadelphia, 2013). Jennifer A. Delton argues that fear of radicalism and the common enemy of Russia kept the far right in check in *Rethinking the 1950s: How Anticommunism and the Cold War Made America Liberal* (New York, 2013). On the construction of neoliberal discourse, see Philip Mirowski and Dieter Plehwe, eds., *The Road from Mont Pelerin: The Making of the Neoliberal Thought Collective* (Cambridge, Mass., 2009). [↑](#footnote-ref-166)
167. Michel Foucault, *The Birth of Biopolitics: Lectures at the Collège de France*, 1978-1979 (New York, 2008); Barry Hindess, “A Tale of Origins and Disparity,” *Journal of Cultural Economics* 2, nos, 1-2 (2009): 213-217. [↑](#footnote-ref-167)
168. The long debate over agency and subsequent concepts such as Giddens’ duality of structure were attempts to push back against the determinism of structure. Samuel Knafo, “Critical Approaches and the Legacy of the Agent/Structure Debate in International Relations,” *Cambridge Review of International Affairs* 23, no. 3 (2010): 493-516. [↑](#footnote-ref-168)
169. “Material Powers: Introduction,” in Tony Bennett and Patrick Joyce, eds., *Material Powers*: *Cultural Studies, History and the Material Turn* (London, 2010), 7. In its own way, cultural theory could be just as structural, except it was linguistic rather than material. Adrian Jones, “Word and Deed: Why a Post-Poststructural History Is Needed, and How It Might Look,” *The Historical Journal* 43, no. 2 (2000): 517-541. An alternative to what is proposed here takes the position that there is no need for a single coherent paradigm of history but rather that there can be separate “registers” of structure and discourse. See Eley and Nield, *The Future of Class*, 115, 194-5, 199; also Megill, “Coherence and Incoherence in Historical Studies.” [↑](#footnote-ref-169)
170. This is not to say that materials are socially constructed. Social construction presumes that there is already a social, already classes and interests ready to operate on the material. Instead, materials and expressive elements construct the social, and the economic. Petter Holm, “Which Way is Up on Callon?” in MacKenzie, et. al. eds., *Do Economists Make Markets*, 225-243. See also Rosalind Williams, “Opening the Big Box,” *Technology and Culture* 48, no. 1 (2007): 104-116. [↑](#footnote-ref-170)
171. The connection to other materials in particular recalls the treatment of technology as a system, starting with Thomas Hughes, *Networks of Power: Electrification in Western Society*, 1880-1930 (Baltimore, 1983). [↑](#footnote-ref-171)
172. Joan Scott, “The Evidence of Experience,” *Critical Inquiry* 17, no. 4 (Summer, 1991): 773-797. [↑](#footnote-ref-172)
173. On assemblages see Manuel De Landa, *A New Philosophy of Society: Assemblage Theory and Social Complexity* (London, 2006); Paul Leonardi, “Theoretical Foundations for the Study of Sociomateriality,” *Information and Organization* 23, no. 2 (2013): 59-75. On the new materiality in history see Chris Otter, “Locating Matter: The Place of Materiality in Urban History” in Bennett and Joyce, eds., *Material Powers*, 45-6; Frank Trentmann, “Materiality in the Future of History,” *Journal of British Studies* 48, no. 2 (2009): 283-307; Nathan Perl-Rosenthal, “Comment: Generational Turns,” *American Historical Review*, 117, no. 3 (2012): 804-813. Latour’s actor networks shares many features of assemblages. Bruno Latour, *Reassembling the Social: An Introduction to Actor-Network-Theory* (Oxford, 2005). [↑](#footnote-ref-173)
174. Non-human components do not have thoughts or intentions, so it remains questionable whether they can be called agents. See Karen Barad, *Meeting the Universe Halfway: Quantum Physics and the Entanglement of Matter and Meaning* (Durham, NC 2007); Joseph Rouse “Barad's Feminist Naturalism,” *Hypatia* 19, no. 1 (2004): 142-161. In the language of Bruno Latour, humans and things are both “actants.” [↑](#footnote-ref-174)
175. Pickering, “The Politics of Theory,”209. The term “material semiotics” is borrowed from John Law, “Actor Network Theory and Material Semiotics,” in Brian Turner, ed., *The New Blackwell Companion to Social Theory* (Chichester, UK, 2009), 141-158. See also John Law and Evelyn Ruppert, “The Social Life of Methods: Devices,” *Journal of Cultural Economy* 6, no. 3 (2013): 229-240 [↑](#footnote-ref-175)
176. Language always involves physical intermediation, even if just the voice and bodies in proximity to each other. De Landa, *A New Philosophy of Society*, 53. For a discussion of Marx that shows how he anticipated some of these moves, but also the limits of traditional Marxian materialism, see John Frow, “Matter and Materialism: A Brief Pre-History of the Present,” in Bennett and Joyce, eds., *Material Powers*, 25-37. [↑](#footnote-ref-176)
177. Positivism works through presumably timeless, abstract concepts of social phenomena—the state, the market, the family—tracing them into the past. This is much different than the idea of society as assembled from relations among parts that have no fixed nature until they interact in time and place. [↑](#footnote-ref-177)
178. Assemblages do not preclude there being rational economic subjects only the presumption that the rationality is innate. As a formed object, such rationality may well become influential within the assemblage—“purified” and “black boxed” to use Bruno Latour’s language. Chris Healy, “Prince of Networks: Bruno Latour and Metaphysics,” *Journal of Cultural Economy* 5, no. 1 (2012): 131-134. [↑](#footnote-ref-178)
179. As anthropologist Mary Douglas has pointed out, conceiving of subjects as possessing a universal rationality *underestimates* the importance of rational choice, which always takes place in a meaningful context. Mary Douglas, “Why do People Want Goods?” in Shaun Hargreaves Heap and Angus Ross, eds., *Understanding the Enterprise Culture: Themes in the Work of Mary Douglas* (Edinburgh, 1992), 19-31. [↑](#footnote-ref-179)
180. Nick Srnicek, “Assemblage Theory, Complexity and Contentious Politics: The Political Ontology of Gilles Deleuze,” unpublished MA thesis, 2007, 101-02. [↑](#footnote-ref-180)
181. Kenneth Lipartito, "Connecting the Cultural and the Material in Business History," *Enterprise and Society* 14, no. 4 (2013): 686-704. [↑](#footnote-ref-181)
182. De Landa, *A New Philosophy of Society*, 66. Michel Foucault, *The Birth of Bio-Politics*, 19. Colin Koopman, *Genealogy as Critique: Foucault and the Problems of Modernity* (Bloomington, IN, 2013). Also Barad, *Meeting the Universe Half Way*, 63-65, and Rebecca Kukla, “Naturalizing Objectivity,” *Perspectives on Science* 16, no. 3 (2008): 285-302. [↑](#footnote-ref-182)
183. This approach is resolutely anti-reductionist, for it denies that larger structures built from fundamental units, such as individual choices. Networks have emergent properties not found in the parts. We cannot weigh the network elements as separate factors. This makes it harder to construct traditional causal statements based on statistical regularity and covariance. Note that some of the “parts” such as markets or business firms may themselves be smaller assemblages that can be studied in the same way. [↑](#footnote-ref-183)
184. To perhaps belabor a point, this is rather different than the approach taken by institutional economists such as North or embeddedness theories such as Granovetter’s, where the social or cultural is preexisting and only serves as a medium through which economic relationships take place. The line from Granvotter’s idea of networks to actor networks is traced by Michel Callon, “Actor-Network Theory—The Market Test,” in John Law and John Hassard, eds., *Actor Network Theory and After* (Oxford, 1999), 181-195. [↑](#footnote-ref-184)
185. Some economic historians have delved far into the past to seek markets and prices, believing they will find them operating much as they do in the present. Peter Temin, *The Roman Market Economy* (Princeton, NJ, 2013); Ian Morris, Walter Scheidel, and Richard P. Saller, eds., *The Cambridge Economic History of the Greco Roman World* (Cambridge,2007); Alain Bresson *The Making of the Ancient Greek Economy: Institutions, Markets, and Growth in the City-States,* trans. Steven Rendall (Princeton, NJ, 2015). Others, however, have explored the ways that capital circulates through convents, monasteries, artist’s studios and guilds. Richard A. Goldthwaite, *The Economy of Renaissance Florence* (Baltimore, 2009); Martha C. Howell, *Commerce before Capitalism in Europe, 1300-1600* (Cambridge, 2010); Sharon T. Strocchia *Nuns and Nunneries in Renaissance Florence* (Baltimore, 2009); Kathryn Burns, *Colonial Habits: Convents and the Spiritual Economy of Cuzco, Peru* (Durham, NC, 1999). [↑](#footnote-ref-185)
186. On the culturally specific nature of even basic material facts, see Penelope Francks, “Simple Pleasures: Food Consumption in Japan and the Global Comparison of Living Standards,” *Journal of Global History* 8, no. 1(2013): 95–116. On failure of “revealed preferences” to overcome the problem of subjective value, see Amartya K. Sen, “Rational Fools: A Critique of the Behavioral Foundations of Economic Theory,” *Philosophy & Public Affairs* 6, no. 4 (1977): 317-344. Francesco Boldizzoni argues that measures of past gross national product are inherently infused with present day values, notably the assumption that markets operate efficiently and thus that prices are a measure of value. Boldizzoni, *The Poverty of Clio*, 16, 82, 125, 140. For a defense of cliometrics see George Grantham’s review of the book, *Journal of Economic History* 72, no. 2 (2012): 560-562. [↑](#footnote-ref-186)
187. On the former, see Christina Lubinski, Jeffrey Fear, and Paloma Fernández Pérez, eds., *Family Multinationals: Entrepreneurship, Governance, and Pathways to Internationalization* (Routledge, 2013). [↑](#footnote-ref-187)
188. Srnicek, “Assemblage Theory, Complexity and Contentious Politics,” 101-102. [↑](#footnote-ref-188)
189. Often disdained in the era of social science history, description works to uncover “what was the case” rather than asking “what caused the (presumably well understood) case.” Allan Megill, *Historical Knowledge*, *Historical Error: A Contemporary Guide to Practice* (Chicago, 2007), especially 70-103, 190-207. In light of the cultural turn we have become less naïve about “mere description” and now recognize that description and representation depend on theory and perspective and cannot be taken as neutral, objective data awaiting explanation. [↑](#footnote-ref-189)
190. Pickering, “The Politics of Theory,” 206. A similar model is proposed by William Sewell, “Refiguring the ‘Social’ in Social Science: An Interpretivist Manifesto,” in Sewell, *Logics of History*, 318-372. [↑](#footnote-ref-190)
191. Some economic historians have argued that this inequality reflected technological changes and a new demand for skilled knowledge workers. Claudia Goldin and Lawrence F. Katz, *The Race Between Education and Technology* (Cambridge, Mass., 2008). Others see the outcome as a matter of politics, a new political economy of unrestrained finance and disempowered labor. Jacob S. Hacker and Paul Pierson, *Winner-Take-All Politics: How Washington Made the Rich Richer and Turned its Back on the Middle Class* (New York, 2010) The most important recent statement is Thomas Piketty, *Capital in the Twenty-First Century* (Cambridge, Mass., 2014). [↑](#footnote-ref-191)