

## Business Enterprise and Globalization: Towards a Transnational Business History

Transnational history emerged strongly as globalization intensified in the 1990s, questioning national historiographies and creating new research agendas. Business history has not been part of this, but recent calls within the field to engage more visibly and authoritatively with debates on the history of globalization warrant a closer inspection of transnational history. The article draws on key concepts from transnational history and discusses their application in the work of, among others, Sven Beckert, Jessica Lepler, Stephanie Decker, Ray Stokes, and Michael Miller. The article argues that transnational history provides opportunities to increase business history's engagement with the history of globalization.

**Keywords:** globalization, methodology, multinational enterprise, transboundary formations, transnational history

**B**usiness history is a many-colored beast and reviewing the field mimics the parable of the blind men and the elephant. Yet the field seems unmistakably in a phase of reflection on its epistemology and methodology.<sup>1</sup> Despite the strong growth in numbers of business historians some maintain that business history struggles to assert itself, or is even ignored, and should therefore engage more with big issues such as the history of globalization.<sup>2</sup> Mira Wilkins and others

<sup>1</sup> See, for instance, Abe de Jong, David Michael Higgins, and Hugo van Driel, "Towards a New Business History?" *Business History* 57, no. 1 (2015): 5–29; Stephanie Decker, Matthias Kipping, and R. Daniel Wadhvani, "New Business Histories! Plurality in Business History Research Methods," *Business History* 57, no. 1 (2015): 30–40; and Kenneth Lipartito, "Reassembling the Economic: New Departures in Historical Materialism," *The American Historical Review* 121, no. 1 (2016): 101–39.

<sup>2</sup> Christine M. Rosen, "What Is Business History?" *Enterprise & Society* 14, no. 3 (2013): 475–85; Geoffrey Jones, Marco H. D. van Leeuwen, and Stephen Broadberry, "The Future of Economic, Business, and Social History," *Scandinavian Economic History Review* 60, no. 3 (2012): 229; Walter A. Friedman and Geoffrey Jones, "Business History: Time for Debate," *Business History Review* 85, no. 1 (2011): 2–3; Geoffrey Jones, "Globalization," in *The Oxford Handbook of Business History*, ed. Geoffrey Jones and Jonathan Zeitlin (Oxford, 2008), 141–70.

have specified this to a research agenda focusing on the multinational enterprise (MNE) as an agent of global change.<sup>3</sup> The core questions put forward by these scholars are, among others, to what extent MNEs have fostered integrated markets, technology transfer, inclusive institutions, or human capital formation. The challenge, then, is to connect business history's enormous body of knowledge of the MNE with the synchronic and diachronic debates about convergence and divergence that are at the heart of the history of globalization.<sup>4</sup> However, focusing exclusively on the MNE limits the potential scope of business history's contribution. To truly engage with the history of globalization, this article argues, business historians need to look beyond the firm. This is first and foremost a conceptual and methodological challenge: How can we develop analyses and narratives that integrate business historiography into the history of globalization? Although from a different perspective, transnational historians have grappled with a similar problem: how to escape the strictures of national narratives to grasp and explain global connections and flows. Therefore, concepts and methodologies from transnational history can be of use to business historians.

Among the diverse contributions to recent methodological debates in business history, a discussion of transnational history has been conspicuously absent. This is surprising, because the transnational turn in history of the 1990s originated from debates on globalization similar to those that business historians currently perceive as changing the environment and research agenda of their field. It is high time that the potential contribution of transnational history toward business history's globalization research agenda is discussed. At its core, transnational history emerged from the epistemological and methodological problems of making sense of global change with a research methodology that was rooted in methodological nationalism.<sup>5</sup> In order to account for external forces of change and processes of globalization in traditional national historiographies, transnational historians have developed ways to think flexibly and reflexively about the nation-state, and national narratives, as the default unit of understanding, resulting in new research questions, new sources, and new narratives. Transnational history therefore offers

<sup>3</sup>Mira Wilkins, "Multinational Enterprises and the Varieties of Capitalism," *Business History Review* 84, no. 4 (2010): 638–45; Alfred D. Chandler and Bruce Mazlish, *Leviathans: Multinational Corporations and the New Global History* (Cambridge, U.K., 2007), 4. See also Philip Scranton and Patrick Fridenson, *Reimagining Business History* (Baltimore, 2013), 7; and Espen Ekberg and Even Lange, "Business History and Economic Globalisation," *Business History* 56, no. 1 (2014): 101–15.

<sup>4</sup>Jones, van Leeuwen, and Broadberry, "Future of Economic, Business," 232–35.

<sup>5</sup>See, for instance, Anna Amelina, Devrimsel D. Nergiz, Thomas Faist, and Nina Glick-Schiller, "Methodological Predicaments of Cross-Border Studies," in *Beyond Methodological Nationalism: Research Methodologies for Cross-Border Studies*, ed. Anna Amelina, Devrimsel D. Nergiz, Thomas Faist, and Nina Glick Schiller (Hoboken, N.J., 2012), 3–7.

business historians alternative ways of integrating business historiography into new narratives and interpretations of globalization. In some areas, business history has already adopted a transnational methodology, most prominently in the scholarship on the history of the MNE, tracing its emergence in the nineteenth century and subsequent organizational evolution during consecutive phases of de- and reglobalization.<sup>6</sup> By thinking in new ways about the carriers of global change—individuals, networks, communities, organizations, objects, and events—and about how global change is affected across societies and communities, business history has much to gain from transnational history.<sup>7</sup>

The aim of this article is to discuss how concepts and methodologies from transnational history could contribute to business history and to explore the opportunities for transnational business history. I argue that employing a transnational perspective will take business historical scholarship across different research fields and therefore attract a wider readership. In addition, it will make business historical scholarship more accessible and thus more relevant for other disciplines. The first section outlines the most prominent strands of transnational history and discusses key concepts and their methodological implications. The second section discusses the transnational dimensions of the multinational enterprise. The third section discusses alternative approaches to organizing, narrating, and interpreting business historical scholarship. The article concludes with a discussion of the contours of transnational business history.

### The Uses of Transnational History

The transnational turn in history is generally placed in the 1990s.<sup>8</sup> The current wave of globalization acted as a catalyst for historians to

<sup>6</sup> Robert Fitzgerald, *The Rise of the Global Company: Multinationals and the Making of the Modern World* (Cambridge, U.K., 2015), 6–8; Franco Amatori and Andrea Colli, *Business History: Complexities and Comparisons* (London, 2011), 14–19, 217–22; Richard N. Langlois, *The Dynamics of Industrial Capitalism: Schumpeter, Chandler, and the New Economy* (London, 2007), 86–90; 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 (2003): 404–33; Geoffrey Jones, *Multinationals and Global Capitalism: From the Nineteenth to the Twenty-First Century* (Oxford, 2005); Alfred D. Chandler and Takashi Hikino, *Scale and Scope: The Dynamics of Industrial Capitalism* (Cambridge, Mass., 1994). See also Mira Wilkins, *The History of Foreign Investment in the United States, 1914–1945* (Cambridge, Mass., 2004); Mira Wilkins and Harm G. Schröter, *The Free-Standing Company in the World Economy, 1830–1996* (Oxford, 1998); Geoffrey Jones, *The Evolution of International Business: An Introduction* (London, 1996); Geoffrey Jones and Harm G. Schröter, *The Rise of Multinationals in Continental Europe* (Aldershot, 1993); and Mira Wilkins, *The Maturing of Multinational Enterprise: American Business Abroad from 1914 to 1970* (Cambridge, Mass., 1974).

<sup>7</sup> Pierre-Yves Saunier, *Transnational History* (Basingstoke, 2013), 3.

<sup>8</sup> Erik van der Vleuten, “Toward a Transnational History of Technology: Meanings, Promises, Pitfalls,” *Technology and Culture* 49, no. 4 (2008): 974–94. On the transnational turn in

recast their view on history and to switch the national lens for one that has since been called either international, world, global, or transnational history.<sup>9</sup> Although there are many different uses and conceptions of transnational history, four broad genealogies stand out. One strand developed in European history, where transnational historical research derived from methodological debates on comparative history from the 1980s onward. In particular, French and German historians offered new perspectives on national historiographies, stressing relations, transfers, and crossings, arguing that comparative history obscured cross-border connections and exchanges and solidified narratives of national exceptionalism.<sup>10</sup> A second strand appeared with the New Transnational History that emerged in the early 1990s in the United States. Ian Tyrrell and others proclaimed that “an era of unprecedented internationalization” called American exceptionalism into question, opening up American historiography to international perspectives.<sup>11</sup> A third set of transnational perspectives derived from world and postcolonial history from the 1980s on, arguing that the history of metropolis and colony were entangled, shared, or connected.<sup>12</sup> The fourth main branch, global history, developed in the 1990s and emphasized that many historical and contemporary issues, such as the environment, labor relations,

---

the social sciences in the 1970s, see, for instance, Akira Iriye, *Global and Transnational History: The Past, Present, and Future* (Basingstoke, 2012), 8; and Joseph S. Nye and Robert O. Keohane, “Transnational Relations and World Politics: An Introduction,” *International Organization* 25, no. 3 (1971): 331.

<sup>9</sup> Iriye, *Global and Transnational History*, 10–11.

<sup>10</sup> On German debates, see, for instance, Philipp P. Ther, “Comparisons, Cultural Transfers, and the Study of Networks: Toward a Transnational History of Europe,” in *Comparative and Transnational History: Central European Approaches and New Perspectives*, ed. Heinz-Gerhard Haupt and Juergen Kocka (New York, 2010), 204–5; Philipp Ther, “Beyond the Nation: The Relational Basis of a Comparative History of Germany and Europe,” *Central European History* 36, no. 1 (2003): 57. On French transnational critique of the comparative method, see Michael Werner and Bénédicte Zimmermann, “Beyond Comparison: Histoire croisée and the Challenge of Reflexivity,” *History and Theory* 45, no. 1 (2006): 30–50; Ther, “Comparisons, Cultural Transfers,” 205; and Michel Espagne, *Les transferts culturels franco-allemands* (Paris, 1999).

<sup>11</sup> Ian Tyrrell, “American Exceptionalism in an Age of International History,” *American Historical Review* 96, no. 4 (1991): 1031–55.

<sup>12</sup> On entangled and connected history, see Heinz-Gerhard Haupt and Juergen Kocka, “Comparison and Beyond: Traditions, Scope, and Perspectives of Comparative History,” in Haupt and Kocka, *Comparative and Transnational History*, 20, 29n66; Maura O’Connor and Deborah Cohen, *Comparison and History: Europe in Cross-National Perspective* (New York, 2004), 31–35; Juergen Kocka, “Comparison and Beyond,” *History and Theory* 42, no. 1 (2003): 42–44; Sanjay Subrahmanyam, “Connected Histories: Notes towards a Reconfiguration of Early Modern Eurasia,” *Modern Asian Studies* 31, no. 3 (1997): 735–62; Robert W. Strayer, *The Making of the Modern World: Connected Histories, Divergent Paths (1500 to the Present)* (New York, 1989). On shared history, see Ann Laura Stoler and Frederick Cooper, “Between Metropole and Colony: Rethinking a Research Agenda,” in *Tensions of Empire: Colonial Cultures in a Bourgeois World*, ed. Frederick Cooper (Berkeley, 1997), 1–37.

and human rights, were essentially global and should be viewed from a global instead of a national perspective.<sup>13</sup> Because of its diverse heritage, transnational history has no common definition or distinct theory beyond a shared objective to go beyond the boundaries of the nation-state.<sup>14</sup> However, the different strands share a common impact on the work of historians. First, transnational history gave rise to new interpretations and narratives. National historiographies have been revisited through the study of cross-border flows of people, knowledge, and artifacts, which led to a new reading of national sources and the identification of new sources from previously neglected transnational actors.

Second, new sources and interpretations in turn necessitated existing narratives to be revisited to account for the transnational forces of change in national histories. Transnational historians share a concern for the problem of how to substitute the nation-state as the dominant unit of understanding with which to organize historical facts and assign historical meaning. That narratives are organized along the lines of existing geographical units is not surprising given that most source material is so strongly connected to national and local government and administration, but it does limit the incorporation of transnational phenomena.<sup>15</sup> Transnational historians have come up with a wide range of alternative units of understanding from the individual to the global level, including imperial, monetary, and legal systems, migration and knowledge regimes, bodily aesthetics, identity, nongovernmental organizations (NGOs), and pivotal historical events.<sup>16</sup> Transnational history has therefore, first and foremost, methodological implications—that is, the identification of new and the reinterpretation of existing primary sources, and the problem of organizing narratives without defaulting to the nation-state.

In a recent attempt to synthesize transnational history, the French historian Pierre-Yves Saunier suggests five overarching types of alternative units of understanding: individuals, organizations, topics, events, and territorial regions.<sup>17</sup> Saunier labels these units “transboundary formations” to stress that they are constructs that seek to overcome the limitations of methodological nationalism and focus attention on

<sup>13</sup> Iriye, *Global and Transnational History*, 10; Tyrrell, “American Exceptionalism,” 1042–43.

<sup>14</sup> Compare: Iriye, *Global and Transnational History*, 37–40, and Akira Iriye, Pierre-Yves Saunier, and Jane Carruthers, *The Palgrave Dictionary of Transnational History* (Houndmills, 2009). See also Patricia Clavin, “Time, Manner, Place: Writing Modern European History in Global, Transnational and International Contexts,” *European History Quarterly* 40, no. 4 (2010): 625.

<sup>15</sup> Saunier, *Transnational History*, 117.

<sup>16</sup> Iriye, Saunier, and Carruthers, *Palgrave Dictionary*, xxvi–xxxvi.

<sup>17</sup> Saunier, *Transnational History*, 100; Pierre-Yves Saunier, “Circulations, connexions et espaces transnationaux,” *Genèses* 57, no. 4 (2004): 110–26.

transboundary phenomena. These formations are not the same as topics or themes, but are a methodological lens that structures the selection and interpretation of sources. The appeal of Saunier's taxonomy of formations is that it makes it possible to position business history in relation to transnational history and identify what is familiar and what is new to business history. This is best illustrated with the example of a recently published double biography of Scottish entrepreneurs William Jardine and James Matheson by the American historian Richard J. Grace.<sup>18</sup> Grace argues in *Opium and Empire* (2014) that the historiography on Jardine, Matheson and Co. (the company they established in 1832) is abundant but has caused a blind spot for the original founders, who scarcely figure as full individuals in the historiography. Claiming that historians had so far equated both men with the companies they created, Grace states that "such cardboard figures fail to represent with any adequacy the complex, multifaceted personal and business histories of Jardine and Matheson."<sup>19</sup>

Grace maintains that the personal ethics and business practices of both men are important in understanding the development of their company and that it is therefore necessary to delve into their personal lives and transnational experiences.<sup>20</sup> This requires a different reading of their well-known business correspondence as well as a painstaking search for other sources about their personal lives.<sup>21</sup> In particular, Grace points toward the significance of their ability to do business across borders, noting that their transnational entrepreneurship is therefore very relevant to the history of their company. By rethinking the categories of firm and entrepreneur in a transnational manner, Grace has thus shifted attention to the individual—an approach that pointed him toward the need for new sources, a wider geographical frame encompassing his subjects' lives across the British Empire and China, and a narrative form that differs from a traditional business history.

The point I want to make is that by employing the flexible and reflexive manner of thinking about units of understanding that transnational historians have developed, Grace is able to write an innovative account of the transnational entrepreneurship of Jardine and Matheson as a primer for the First Global Economy. The point is that multinational companies do not just exist but are created. They require individuals with capabilities and skills to operate across borders and establish durable and

<sup>18</sup> Richard J. Grace, *Opium and Empire: The Lives and Careers of William Jardine and James Matheson* (Montreal, 2014), viii.

<sup>19</sup> *Ibid.*

<sup>20</sup> *Ibid.*, vii–xi.

<sup>21</sup> *Ibid.*, xi.

stable circulations of capital, knowledge, people, and goods between the home and host economies. The degree to which these initial entrepreneurs succeed in building regimes of control over such circulations that are simultaneously rigorous, stable, and flexible determines in part the future of the multinational enterprises they help create. Moreover, both individual entrepreneurs and the MNEs they create are part of a broader relationship that bounds home and host countries together. In the case of Jardine and Matheson, it was Britain's informal empire of trade in East Asia that formed the backdrop to their business ventures. In that sense, both men were agents of empire, playing their part in shaping British imperialism in East Asia with their enterprise.

Entrepreneur and MNE are staple concepts for business historians. Other types of transboundary formations might make less sense at first view, such as events or territorial and topical regions. However, as Saunier proposes, all transboundary formations are conceptually built on temporal, spatial, and topical reconfigurations of three core concepts: connections, circulations, and relations.<sup>22</sup> To take *Opium and Empire* as our example again, Jardine and Matheson are connectors. They connected British capital with East Asian markets and trade. As a consequence of the connections they forged, capital and goods started circulating throughout the British Empire and China. Ownership and control—formalized in the company Jardine, Matheson and Co.—governed these flows of capital, goods, and information. A company is essentially what Saunier labels a circulatory regime: a set of rules and norms that govern flows, including ownership and control, in time and space. As such, these connections and circulations were embedded in the global relationships of the British Empire and its emerging imperialistic designs on China, which in turn provided an umbrella of British power and influence to the business ventures of Jardine and Matheson. Their life stories are relevant because they represented junctures where the spheres of society, business, and imperial politics connected. Their biographies therefore shed light on the connections between British business and colonial and imperial relations between Britain and Asia in the nineteenth century.

To illustrate these concepts further, I turn to a book by the American historian Jessica Lepler, *The Many Panics of 1837* (2013), which takes an event as its unit of understanding.<sup>23</sup> Lepler is not a business historian, and *The Many Panics* is a history of crisis rather than business, but by looking at how a transnational system of trade and finance was shaken

<sup>22</sup> Saunier, *Transnational History*, 57–60.

<sup>23</sup> Jessica M. Lepler, *The Many Panics of 1837: People, Politics, and the Creation of a Transatlantic Financial Crisis* (New York, 2013).

by a financial scare, the book reveals the anatomy of that system during the 1830s. Lepler explores the causes and diffusion of the crisis by meticulously disentangling how the crisis spread through banks, investment houses, and businesses from London to New Orleans and New York. By using the event as her unit of understanding, Lepler identifies the people and businesses connecting the economies of Britain and the United States; the information, capital, and financial liabilities that were circulated across the Atlantic; and the very diverse public and policy responses that the panic unleashed on both sides.<sup>24</sup> At its core, Lepler's story is about the new transatlantic relations between Britain and its former colony that were governed by entrepreneurial trade networks, increasingly liberalized banking systems, tradable debt instruments, and, ultimately, trust between creditors—British and continental capitalists—and debtors—the “cash-poor Americans.”<sup>25</sup> By going back to the event itself and carefully reconstructing the mechanism and connections of how the financial panic spread across the Atlantic Ocean, Lepler recreates a transnational formation of connections, circulations, and relations that shed new light on the financial and business history of the early nineteenth century. She uses a plethora of sources, including newspapers, contemporary academic, political, and professional publications, diaries, business papers, and works of popular culture. Although *The Many Panics* identifies entrepreneurs, banks, and investors as the crucial actors that constituted the transatlantic financial system of the 1830s, Lepler's primary concern is to capture the human experience of the opportunities and threats of budding capitalism.<sup>26</sup> Nonetheless, by bridging a number of disciplines and creating genuine connections between them, Lepler “offer[s] new vantage points to historians, members of the public and even the occasional economist.”<sup>27</sup>

There is a clear challenge for business historians here, to venture out and engage with such research by infusing business historical scholarship in the wider scope that global historians and historians of capitalism have deployed. Neither Grace nor Lepler is a business historian, but both recognize the crucial role of enterprise and entrepreneurship in emerging global capitalism and globalization. This should be regarded as an invitation to business historians to use their intimate and rigorous understanding of business and entrepreneurship and their knowledge of business archives to engage with the economic, political, cultural, and social dimensions of globalization. The examples of Grace and

<sup>24</sup> *Ibid.*, 235–36.

<sup>25</sup> *Ibid.*, 9.

<sup>26</sup> Hannah Farber, “Nobody Panic: The Emerging Worlds of Economics and History in America,” *Enterprise & Society* 16, no. 3 (2015): 690–91.

<sup>27</sup> *Ibid.*, 694.



Leppler make clear that the concepts and methodologies of transnational history provide the tools to think more creatively about how business history can be employed to research and write more encompassing and engaging studies of globalization and global capitalism.

Before exploring this argument further, I will first turn to the multinational enterprise as a transboundary formation. The many histories of MNEs and global industries that business historians have produced over the decades form a formidable body of work that is essentially transnational. Although it is recognized as such by transnational historians—histories of MNEs feature prominently in the *Palgrave Dictionary of Transnational History*, for instance—business historians have generally shunned the label. The next section will therefore briefly discuss this body of work from an explicitly transnational angle, after which I will discuss how other transboundary formations could help develop new research and narratives on the role of business enterprise in globalization.

#### A Transnational Perspective on the Multinational Enterprise

The multinational enterprise is a transboundary formation, and business historians have traced its emergence and evolution meticulously: from the nineteenth-century trading houses and freestanding companies, as the first transnational connectors of emerging globalization, to the vertically integrated multinational enterprises of the mid-twentieth century and the subsequent global companies and fragmented value chains of the present wave of globalization. This body of work is enormous, highly accomplished, and very much transnational. Yet an explicitly transnational perspective can help to strengthen the research agenda of MNEs as agents of global change. With its flexible attitude to units of understanding, a transnational methodology raises above all the question of what the formation of the MNE actually captures and therefore what it has to say about globalization and global change. The three constitutive concepts that underpin any transboundary formation—connections, circulations, and relations—help specify that question. Particularly relevant are the interactions between an MNE's circulatory regime—its internal systems of management over flows of capital, people, knowledge, and product—and the wider relations between home and host countries, that is, the historically changing modes of political, military, economic, and sociocultural relations.

Irrespective of the type of relationship, transnational historians have since the 1980s documented that such relations shape connections and exchanges and that the histories of home and host countries are to a certain degree shared or entangled. Globalization, deglobalization, and

reglobalization are therefore relational concepts, and these relations are among others captured within the MNE. Such a transnational perspective focuses attention on the MNE as a relational formation, capturing the relationship between the home and host countries within the firm and framing the MNE as an important part of their shared or entangled histories. This raises in particular the question of how MNEs have managed these relations, especially during times of change. How did MNEs cope with deglobalization in the interwar period? Did they adapt their organizational form, strategies, and management practices? And how did MNEs from former colonial powers manage decolonization and the nationalist political environment in many of the newly formed nation-states after 1945? These questions are not necessarily new, but they should be explored more systematically. Moreover, they have methodological implications that I will illustrate with some examples.

When in 1914 the first global economy caved in under the pressures of war, the subsequent economic crises, and ensuing protectionism, MNEs faced major challenges to the limits of their management and control over their foreign assets, capital flows, and international value chains. The first experience of global total war disrupted international business on an unprecedented scale between 1914 and 1918.<sup>28</sup> The rise of dictatorial regimes across Europe posed further challenges for MNEs, culminating in World War II, which once again exposed MNEs to disrupted international value chains and the threat of expropriation.<sup>29</sup> The wars were particularly harmful and posed strong incentives for risk management and organizational change. Strong state involvement in the international economy exposed MNEs to political risk, and it seems opportune to study more systematically the strategies of prevention and mitigation that MNEs developed in order to manage political risk, or the ways in which MNEs adapted their organizational structure to manage their exposure to friendly and hostile regimes alike.<sup>30</sup>

However, such approaches explain little about the wider political, economic, and social relations between home and host countries, or how changes to these relationships were managed by and within MNEs and to what effect on home and host countries. Risk management, strategy, and organizational structure are corporate matters, emanating

<sup>28</sup> See, for instance, Andrew Smith, Kevin D. Tennent, and Simon Mollan, eds., *The Impact of the First World War on International Business* (New York, 2016).

<sup>29</sup> Christopher Kobrak and Per H. Hansen, *European Business, Dictatorship, and Political Risk, 1920–1945* (New York, 2004).

<sup>30</sup> See Mark Casson and Teresa da Silva Lopes, "Foreign Direct Investment in High-Risk Environments: An Historical Perspective," *Business History* 55, no. 3 (2013): 375–404. For a discussion of adapting organizational structure to war, see Ben Wubs, *International Business and National War Interests: Unilever between Reich and Empire, 1939–45* (Hoboken, N.J., 2008).

from the head office. In order to understand and explain global change through the MNE, one needs to dig deeper, mobilize new sources, and interpret them from a transnational point of view. A transnational viewpoint is necessary because it forces the historiography of the MNE to encompass more systematically the role of the MNE as an agent of global change in such processes as deglobalization and decolonization. The vital question asks to what extent the MNE as a transnational formation facilitates or resists change. During both deglobalization and decolonization MNEs resisted the restrictions that stronger government involvement in the economy had on their freedom of action and movement across borders. These nationalist and statist forces clashed with MNEs resisting to yield control over their assets and operations, turning them into important loci of political and social conflict and change.

A salient example of such conflicts is Stephanie Decker's work on British business in West Africa during decolonization. Facing decolonization and rising (resource) nationalism, British companies in Ghana and Nigeria struggled to maintain control over their foreign assets. Adapting to the new environment involved appointing and empowering locally recruited management. Such changes created internal tensions requiring corporate policies that specifically addressed racial relations within the companies.<sup>31</sup> The internal tensions, Decker proposes, were the concrete manifestations of economic decolonization as a process distinct from political decolonization—the former typically lagging behind the latter. To better understand the causes, consequences, and periodization of economic relations before and after decolonization, Decker argues, the internal business processes are important and telling. “To determine the role of British imperial business in Nigeria and West Africa in general it is necessary to approach the subject with a combination of detailed, archivally based studies of the major firms while at the same time overcoming the inherent bias in the sources towards telling a narrative that focuses entirely on the metropolitan story.”<sup>32</sup> Understanding how MNEs dealt internally with external change, and with what effect on host economies, can enhance business history's contribution to the historiography of such important eras of global change.

<sup>31</sup> Stephanie Decker, “Building Up Goodwill: British Business, Development and Economic Nationalism in Ghana and Nigeria, 1945–1977,” *Enterprise & Society* 9, no. 4 (2008): 602–13; Stephanie Decker, “Decolonising Barclays Bank DCO? Corporate Africanisation in Nigeria, 1945–69,” *Journal of Imperial and Commonwealth History* 33, no. 3 (2005): 419–40. Another recent example is Andrew Smith, “The Winds of Change and the End of the Comprador System in the Hongkong and Shanghai Banking Corporation,” *Business History* 58, no. 2 (2016): 179–206.

<sup>32</sup> Decker, “Decolonising Barclays Bank DCO?,” 436.

A nonmetropolitan story can be derived from excavating primary business sources in host countries; it can also be derived from methodologies explicitly developed to bring out the nonmetropolitan voice in metropolitan sources, such as in postcolonial studies. A recent contribution by Shraddha Verma and Neveen Abdelrehim, published in *Business History*, explicitly employs a postcolonial perspective to study how Burmah Oil Company (BOC) and Burmah Shell (BS) adapted to the independence of India and the government of India's attempts to further a domestic oil industry with the assistance of the two multinational oil companies.<sup>33</sup> Using two postcolonial notions—namely, the lingering dominance of (informal) imperial relations and the concept of hybridity—Verma and Abdelrehim combine the history of state and economic policy formation in post-independence India with the business history of two of the country's main foreign oil companies. They find that BOC and BS posed strong imperial continuities and that the Indian policies and actions toward both companies were a hybrid blend of postcolonial nationalism and statism, and economic pragmatism. The Indian government needed the capital, know-how, and technology of the companies, while the companies were dependent on the government for the new rules of the game to protect their local market share and ability to repatriate earnings and capital.

The main transnational point of interest in the work by Decker, Verma, and Abdelrehim, and others is that MNEs as transboundary formations are to some extent resistant to change in their external environment. Capabilities and resources built up under a previous set of global relations persist after those relations have changed, even when changed radically. The relevance of this observation is that it then allows for a synchronic and diachronic comparison of the persistence of MNEs as colonial-era continuities in different postcolonial settings. Particularly important is the question of how they affected local growth and income by transferring resources to the host economy—for instance, by human capital formation in the case of Decker or the buildup of a domestic oil industry in the article by Verma and Abdelrehim. The approach taken by Decker, Verma and Abdelrehim, and others is important and necessary to unpack and evaluate the role of MNEs in transferring know-how, capabilities, and resources to host economies and how this affected state-building in postcolonial countries and ultimately global processes of convergence and divergence. An underlying question concerns the conditions

<sup>33</sup> Shraddha Verma and Neveen Abdelrehim, "Oil Multinationals and Governments in Post-Colonial Transitions: Burmah Shell, the Burmah Oil Company and the Indian State 1947–70," *Business History* (published online 2 Aug. 2016): 1–20, doi: 10.1080/00076791.2016.1193158.

under which host-country governments are at all capable of harnessing the capabilities and resources of foreign MNEs.

### Business History beyond the Firm

The study of MNEs captures global change and global connections inside the MNE. The main thrust of the transnational methodology, however, is that the connections and circulations that transmit global change occur in a wide range of transboundary formations. The MNE is a particular unit of understanding through which the role of entrepreneurs and businesses in creating global exchange can be studied, but it is restrictive. Many economic activities and transactions transcend the boundaries of a single firm; for that reason, it is impossible to capture globalization and global change comprehensively by focusing on the MNE alone.

Consider the global impact of the telegraph. The construction of global cable networks was partly a business enterprise and was closely related to the march of global capitalism.<sup>34</sup> But to understand its realization and huge historical implications, one has to go beyond the firm or the nation-state and attempt to combine the domains of politics and diplomacy, international governance, business, science, and engineering.<sup>35</sup> This is impossible without applying transnational methodology, that is, to think in terms of transboundary formations that are able to facilitate the identification and interpretation of diverse actors and sources into a meaningful analysis and narrative. It is precisely for that reason that Simone Müller, in her recent book *Wiring the World* (2016), has chosen to conceptualize the international cable network as an actor network comprising those actors most closely related to its realization.<sup>36</sup> The challenge that Müller takes on is to mesh the historiography of the telegraphy, news, and cable businesses with histories of imperialism, technology, global governance, and science in order to explain globalization and global capitalism. To paraphrase Müller, the ability of the myriad actors to successfully create a global cable

<sup>34</sup> Simone M. Müller and Heidi J. S. Tworek, "The Telegraph and the Bank': On the Interdependence of Global Communications and Capitalism, 1866–1914," *Journal of Global History* 10, no. 2 (2015): 259–83.

<sup>35</sup> See also Heidi J. S. Tworek, "Political and Economic News in the Age of Multinationals," *Business History Review* 89, no. 3 (2015): 447–74; Heidi J. S. Tworek and Simone M. Müller, "Editorial: Communicating Global Capitalism," *Journal of Global History* 10, no. 2 (2015): 203–11; and Craig N. Murphy and JoAnne Yates, "Afterword: The Globalizing Governance of International Communications: Market Creation and Voluntary Consensus Standard Setting," *Journal of Policy History* 27, no. 3 (2015): 550–58.

<sup>36</sup> Simone M. Müller, *Wiring the World: The Social and Cultural Creation of Global Telegraph Networks* (New York, 2016), 6.

network derived from their transnational networks, which mobilized their preexisting local connections on a global scale.<sup>37</sup> However, focusing on individual actors, as Müller does, runs the risk of lifting them from their social contexts. Moreover, integrating the life trajectories of such a diverse set of actors is a hard task and can end up in a fragmented analysis and narrative. In other words, business history beyond the firm is methodologically and intellectually challenging, and it appears that scholars working primarily in the history of technology, or cultural, political, and global history, find it easier to engage business archives and historiography than do business historians attempting to develop their scholarship beyond the firm. Yet it is the combination of intimate knowledge of business and entrepreneurship (which business historians possess) and conceptual flexibility and relish to tackle big questions (which global and transnational historians embody) that will allow business history to engage more forcefully and comprehensively with the history of globalization.

I will use the remainder of this article to illustrate how transnational formations beyond the firm could be employed to place business historical scholarship more firmly in the history of globalization. I will focus on what Saunier calls topical and territorial regions.<sup>38</sup> The topical region represents an object or concept as the main unit of understanding, as, for instance, commodity value chains, markets, or telegraphy cable networks. Such formations are junctures of diverse actors on various scales, with the common attribute that they cannot be grasped by a national perspective. Similar to the nation-states, such formations also go beyond the boundaries of the firm. Such topical regions are focal points of global capitalism precisely because they bind together different polities, actors, and territories in a formation that coordinates and regulates the roles and actions of the disparate parts of the formation and enables global flows among those connected parts. Topical regions have a spatial element, but their principal function is to unravel how different actors are joined together by an interconnected series of decisions and transactions.

In the case of the territorial region, geography is the central organizing principle, and it is the geographical disposition of actors that make it a meaningful unit of understanding. The aim of transboundary territorial formations is to identify and study regions that do not fall neatly within national borders and that are better able to explain spatial patterns of, for instance, economic activity, migration and ethnic or tribal identity. The territorial region is a central concept in transnational

<sup>37</sup> Ibid., 230.

<sup>38</sup> Saunier, *Transnational History*, 106–8.

history because in their origins all nation-states are in fact transnational territorial formations—once contested and fragile, later sovereign and solid to the exclusion of other territorial claims. Examples of territorial regions are transnational river basins, cross-border regions (including contested territories such as Kurdistan or Eastern Congo), border towns, and even port cities and trade hubs.

The topical approach has recently emerged, in its arguably most sweeping form, in the research and teaching of the history of capitalism in the United States. Consider, for instance Sven Beckert's *Empire of Cotton* (2014), which uses the commodity value chain of cotton as the thread connecting territories and peoples in a grand narrative of the history of capitalism since the seventeenth century.<sup>39</sup> Histories of commodities are not new. Ever since Sidney Mintz wrote *Sweetness and Power* in 1986 historians have written about commodities and their value chains, but *Empire of Cotton* is particularly ambitious.<sup>40</sup> Beckert's analysis is a bleak one, with an overbearing role for the state. The origins of Europe's empire of cotton are traced to what Beckert terms the war capitalism of the chartered trading companies in the seventeenth and eighteenth century. This state-backed system of trader-warriors created private merchant fiefdoms across the globe characterized by "imperial domination, the expropriation of vast territories, decimation of indigenous peoples, theft of their resources, enslavement, and the domination of vast tracts of land by private capitalists with little effective oversight by distant European states."<sup>41</sup> For a brief period in the early and mid-nineteenth century it was merchants that organized the global cotton industry, without the violent backing of states, but the state's overbearing presence returned with the colonial and imperial expansions of the late nineteenth and early twentieth century. State-led development in the new postcolonial states of the 1950s and 1960s further strengthened the state's central role in the global cotton industry, although without the outright violence and coercion of its earlier iterations. As state-led development faltered and retreated after the economic

<sup>39</sup> Sven Beckert, *Empire of Cotton: A New History of Global Capitalism* (London, 2014), e-book.

<sup>40</sup> Sidney W. Mintz, *Sweetness and Power: The Place of Sugar in Modern History* (New York, 1986). Recent examples are Steven C. Topik and Allen Wells, *Global Markets Transformed: 1870–1945* (Cambridge, Mass., 2012); James Simpson, *Creating Wine: The Emergence of a World Industry, 1840–1914* (Princeton, N.J., 2011); Richard Perren, *Taste, Trade and Technology: The Development of the International Meat Industry since 1840* (Aldershot, 2006); Steven Topik, Carlos Marichal, and Zephyr Frank, eds., *From Silver to Cocaine: Latin American Commodity Chains and the Building of the World Economy, 1500–2000* (Durham, 2006); and Steve Striffler and Mark Moberg, *Banana Wars: Power, Production, and History in the Americas* (Durham, 2003). See also Beckert, *Empire of Cotton*, 1196n16.

<sup>41</sup> Beckert, *Empire of Cotton*, 131.

and financial upheavals and ensuing economic reforms of the 1970s and 1980s, a new breed of global merchants emerged, specializing in marketing cotton apparel. Yet, according to Beckert, even their rise was facilitated by shifts in the state's cotton industry policies "that they had nothing to do with."<sup>42</sup> Beckert notices the rise and importance of global apparel merchants and retailers but maintains that the responsibility for change rested squarely in the confines of the state. As such, *Empire of Cotton* fails to explain satisfactorily the emergence of these new global companies and their role in the rise of the global South as the main center of cotton production.

The book leaves the business historian with an ambiguous impression. On the one hand, Beckert uses many *business sources*, particularly in his treatment of nineteenth-century merchants. On the other, there is very little *business history* in Beckert's account, in the sense that the book doesn't trace the trajectories and fortunes of merchant houses or companies. They pop up throughout the book but are not the main thread of the argument, such as a business historian might have organized the narrative around one or several merchants or companies. Beckert's general argument gives surprisingly little agency to entrepreneurs, merchants, and companies, which is perhaps not so surprising if one regards the general absence of business history from the history of capitalism.<sup>43</sup> Moreover, although cotton was central to industrialization and industrial capitalism across the globe, from eighteenth-century Britain to new countries across the global South in the twentieth century, it is just one commodity and a fairly ubiquitous one at that. Shifting the gaze to other, less ubiquitous, and technologically more challenging commodities would suggest a very different story and likely grant much more agency to entrepreneurs and companies, in particular with regard to the First Global Economy.

What *Empire of Cotton* highlights first and foremost, however, are the methodological problems of the incongruity of transboundary formations and the inherent loss of perspective and meaning that choosing a specific formation incurs. Beckert's commodity value chain approach forfeits the chronological integrity of the development of companies that is characteristic of traditional business history, which might explain his tendency to equate the rise and fall of merchants and companies with the presence or absence of the state. A traditional case-based business history, however, would forfeit the wider view of the commodity historian and the ability to incorporate the political, social, and cultural elements that are undeniably part of commodity value chains. Beckert,

<sup>42</sup> *Ibid.*, 1160.

<sup>43</sup> Jones, van Leeuwen, and Broadberry, "Future of Economic, Business," 228.



and other commodity historians, show above all that a commodity value chain approach synthesizes existing national studies and helps to gain a deeper understanding of what is shared and what is idiosyncratic and how the global relates to the local.

Beyond a business historical critique on Beckert, therefore, there is merit in applying a commodity value chain approach as a means to develop business historical scholarship beyond the firm and into the globalization and global capitalism debates. Recently, two edited volumes by business historians have used a value chain approach to study the globalization of the aluminum and tin industries.<sup>44</sup> Both volumes move beyond a familiar focus on giant companies to discuss all the relevant actors that together have shaped the global tin and aluminum value chains, fostering the birth of global industries and, ultimately, globalization. The contributors to both books discuss local and foreign businesspeople and financiers, politicians and bureaucrats, multinational companies, merchants, and local communities. By shifting the focus from the big MNEs to the value chain, the authors are able to connect the local and the global. As Mats Ingulstad, Andrew Perchard, and Espen Storli, the editors of *Tin and Global Capitalism*, point out, “the key task of business history is to explain how firms develop and grow in larger economic, social, and political contexts. While this has previously been explored in terms of national economic systems, this volume highlights that the social and political networks in which business operated were increasingly global rather than national.” Nonetheless, they warn, one “should be wary of extracting entrepreneurs from the social and political milieu in which they move and operate,” which is the particular strength of business history.<sup>45</sup> Framing globalization as a process continuously navigating between global flows and networks and local contexts without reducing it to an either-or dichotomy is the merit of a transnational approach. The tension or exchange between the two is what makes up the transnational formation, that is, the global value chain and the global networks it fosters. Both the tin and aluminum books show how business historiographies can be reconfigured and contextualized in ways that can actively and relevantly contribute to the history of globalization, without losing sight of the local embeddedness of business.

<sup>44</sup> Mats Ingulstad, Andrew Perchard, and Espen Storli, eds., *Tin and Global Capitalism: A History of the Devil's Metal, 1850–2000* (New York, 2015); Robin S. Gendron, Mats Ingulstad, and Espen Storli, *Aluminum Ore: The Political Economy of the Global Bauxite Industry* (Vancouver, 2013).

<sup>45</sup> Mats Ingulstad, Andrew Perchard, and Espen Storli, “Introduction: ‘The Path of Civilization is Paved with Tin Cans,’” in Ingulstad, Perchard, and Storli, *Tin and Global Capitalism*, 10.

Similar to the value chain approach are studies on the emergence and evolution of global industries, which grapple with the same methodological problems of synthesizing individual and national cases into a transnational or even global perspective.<sup>46</sup> These studies tell the history of the past century as an era of emerging global brands, companies, and industries, vertical integration and concentration, diffusing technologies, new international markets, and converging global tastes and consumption patterns, dominated in most cases by Western firms. These books also share a transnational methodological approach, best illustrated in *Building on Air* (2015) by Ray Stokes and Ralf Banken. Writing and researching the history of the industrial gases industry posed major conceptual and methodological problems. *Building on Air* is a global history that seeks to overcome the strictures of largely nationally oriented business histories. It is also an industry history that seeks to overcome the gap between individual company histories and the macro-perspective of traditional histories of industry.<sup>47</sup> Combining a global perspective with original business historical research on companies, however, poses two major problems. The first is the definition of the industrial gases industry. Industries are generally not well defined, and Stokes and Banken also find that the boundaries of the industrial gases industry change continuously.<sup>48</sup> They solve the issue by tracing the industry's contours through the sources, combining the histories of individual companies with the evolution of key industrial gas markets. The second problem is in the incorporation of the histories of companies from countries that are challenging in terms of language, access to sources, or otherwise, which limits the study's coverage of the industry geographically. Stokes and Banken maintain, however, that their global and industrial perspective helped to deal with such archival blind spots because a global scope and use of multiple company archives enable the researcher to fill in the gaps.

*Building on Air* is essentially a transnational undertaking. It shows how shifting the unit of understanding from national to global, and from company to industry, mobilizes original business historical scholarship to engage with the history of globalization. Its most important

<sup>46</sup> For instance: Raymond G. Stokes and Ralf Banken, *Building on Air: The International Industrial Gases Industry, 1886–2006* (Cambridge, U.K., 2015); Geoffrey Jones, *Beauty Imagined: A History of the Global Beauty Industry* (Oxford, 2010), 350; Teresa da Silva Lopes, *Global Brands: The Evolution of Multinationals in Alcoholic Beverages* (Cambridge, U.K., 2007), 1–2, 185.

<sup>47</sup> Ray Stokes and Ralf Banken, "On Industrial History as Business and Global History: Methodological Reflections Using the Case of the International Industrial Gases Industry, 1886–2006" (paper presented at EBHA/WBHC 2016, Bergen, Norway, 25–28 Aug. 2016).

<sup>48</sup> Ray Stokes and Ralf Banken, "Constructing an 'Industry': The Case of Industrial Gases, 1886–2006," *Business History* 57, no 5 (2015): 688–704.

contribution is that a global and industrial perspective allows us to ascertain how technology, (national) regulation, and international markets have contributed to the globalization of the industry and the evolution of both competitiveness and cooperation among individual firms within the industry.<sup>49</sup> In this way, company histories are contrasted and meshed with other actors, bringing out the diverse roles of politicians and bureaucrats, scientists, and businesspeople in shaping a global industry. With their determined focus on primary business sources, moreover, Stokes and Banken provide somewhat of a blueprint for a transnational business history: a business history beyond the firm that does not relinquish the actual history of business.

### Transnational Regions and Business History

Stokes and Banken framed their intellectual motivation for *Building on Air* with Michael Porter's contention that "firms, not nations, compete in international markets."<sup>50</sup> Porter followed this statement by arguing that "many of a company's competitive advantages lie *outside* the firm and are rooted in locations and industry clusters."<sup>51</sup> Business historians do not tend to think in terms of the regional patterns of business activity and geographical location as a source of competitiveness, and the geographical default is usually to write about companies or industries from a national perspective.<sup>52</sup> Now, there is nothing particularly transnational about Porter's geographical reframing of the competitiveness debate, but it does highlight that studying national businesses and industries obscures the point that local or regional geographical units are a much more valid means to question the competitiveness of firms and the economic development of cities and regions, including regions that do not fall neatly within the boundaries of the nation-state. For a transnational business history, the relevance of the regional approach lies in the regional or local sources of firm competitiveness. A regional perspective therefore questions the local origins and effects of globalization. Globalization is evidently not an evenly distributed process and it has very clear local and regional origins and effects. Specific regions can be the drivers of the globalization of certain industries, but can subsequently decline and disappear again as globalization diffuses technology, giving rise to new clusters in disparate regions and locations across the

<sup>49</sup> *Ibid.*, 700.

<sup>50</sup> Michael E. Porter, *The Competitive Advantage of Nations* (London, 1990), 33.

<sup>51</sup> Michael E. Porter, *The Competitive Advantage of Nations*, rev. ed. with new introduction (Basingstoke, 1998), xii.

<sup>52</sup> Takafumi Kurosawa, "The Competitive Advantage of Regions," *Kyoto Economic Review* 81, no. 1 (2012): 2–3.

globe. The rise and decline of the Liverpool and Manchester cotton clusters is an excellent example.

The study of regions as an alternative to the nation-state is arguably one of the oldest versions of transnational history, a famous example being Fernand Braudel's epic study of the early modern Mediterranean world, which features the sea at its heart.<sup>53</sup> Braudel argued that the Mediterranean Sea was the pivot around which the history of the Mediterranean region evolved. It was the conduit of trade and migration, the source of nourishment and climate, and the theatre for war and territorial politics across the region. Although few followed Braudel's sprawling technique, transnational historians have taken his approach in arguing that, in the words of Saunier, "we can shape our territorial units of research according to the issues we want to study, instead of forcing these issues onto existing territories."<sup>54</sup>

The transnational territorial formation has two main variants: sea basins as conduits of global trade, and transnational regions as loci of economic growth. The first approach conceptualizes sea basins as a space where different actors, networks, and business systems meet and interact, fostering exchange. Instead of sticking to the histories of individual actors or particular business systems, the sea basin perspective captures the network of exchange and the circulatory regimes underlying consecutive waves of globalization.<sup>55</sup> In this vein we find Michael Miller's *Europe and the Maritime World: A Twentieth-Century History* (2012), which conceptualizes the high seas as the carrier of global integration.<sup>56</sup> Based on his research, Miller proposes a concept of globalization that differs from the common economic concept of intensifying flows—instead of looking at flows, he focuses on the maritime networks that bore and directed those flows. The maritime networks were, in general, resilient and more resistant to the disruptions of the post-1914 phase of deglobalization. They were also generally more resilient than formal colonial ties because many European shipping lines had a dominant position in maritime shipping, a position that remained strong long after decolonization. Their position was challenged only

<sup>53</sup> Fernand Braudel, *The Mediterranean and the Mediterranean World in the Age of Philip II*, 2 vols. (London, 1975).

<sup>54</sup> Saunier, *Transnational History*, 115.

<sup>55</sup> See, for instance, Fahad Ahmad Bishara, "A Sea of Debt: Histories of Commerce and Obligation in the Indian Ocean, c. 1850–1940," *Enterprise & Society* 15, no. 4 (2014): 643–54. Others use sea basins more implicitly as the conduits of migrant and diaspora entrepreneurship and merchant networks, for example, Gijsbert Oonk, *Settled Strangers: Asian Business Elites in East Africa (1800–2000)* (New Delhi, 2013); and Sebouh David Aslanian, *From the Indian Ocean to the Mediterranean: The Global Trade Networks of Armenian Merchants from New Julfa* (Berkeley, 2011).

<sup>56</sup> Michael B. Miller, *Europe and the Maritime World: A Twentieth-Century History* (Cambridge, U.K., 2012), 3.

with containerization in the 1970s and the rise of Asian shipping lines from the late twentieth century onward.<sup>57</sup> Miller contends that globalization through the lens of maritime networks is less volatile than a conception based on trade flows because the transnational connections and cooperation within the network were quickly restored after the world wars and, in general, maintained a high level of stability.

Miller's argument is grounded in painstaking research in company archives, where he traced the histories of the shipping companies, agents, brokers, and merchants that organized maritime trade and transport. Although such globe-spanning research based on business archival material is hugely demanding, it demonstrates that business history has the ability and capacity to come up with innovative and challenging conceptions of globalization.<sup>58</sup> Moreover, Miller's approach is based explicitly on a transnational methodology. He contends that "Europeans ran the maritime world and that world ran on transnational connections. Its basic component, networks, nearly always ignored land or sea borders. Shipping companies and ports were incessant assemblers of transnational linkages."<sup>59</sup> Herein lies the catch. To study maritime networks is to study the actors and companies that built and constituted these networks through their transnational connections and the modes of cooperation and competition they established to organize and regulate the industry. This requires a perspective that encompasses their individual histories and frames the analysis and narrative in an encompassing, transnational formation. In *Europe and the Maritime World*, Miller develops a transnational business history that bridges the gap between the microperspective of the business history of shipping and the macroperspective of the economic history of trade by unraveling the maritime network as the transnational infrastructure for global trade and globalization.

The second approach—the transnational or cross-border region—is relevant because geography, ethnicity, or other attributes can lead areas to develop closer economic ties across national borders than within national borders. In such cases, it makes little sense to stick with a national perspective. Firms are key actors in establishing and maintaining these cross-border connections, and business history can therefore contribute to the study of transnational regions, on the one hand, and benefit from transnational regional history to better understand spatial aspects of business, including patterns of investment, localization of businesses, supplier networks, and backward and forward

<sup>57</sup> *Ibid.*, 10–12, 375–76.

<sup>58</sup> *Ibid.*, 4, 17.

<sup>59</sup> *Ibid.*, 6.

linkages. A research project on the history of transnational economic relations in the Rhine River basin between 1870 and 2010 serves to illustrate these points.<sup>60</sup> The project aimed to explain the growth of the outside ports and industrial clusters of the region from their transnational connections.<sup>61</sup> In the absence of any administrative boundaries or supranational governance bodies, the project turned to Dutch and German business archives to research the business networks, cross-border direct investments, and transnational infrastructure that channeled cross-border flows and connections.<sup>62</sup> Nevertheless, national and local government politics and policies were indispensable because often in the region's long history had national and local interests prevailed over transnational relations, sometimes hampering or outright obstructing transnational flows of goods and capital.<sup>63</sup> A transnational approach allowed for an explanation of the rise and demise of places, clusters, industries, and companies within the region, depending on their position in the transnational business and infrastructural networks and the region's connections—through its seaports—to global networks of trade. The study shows that the transnational connections fostered strong economic growth and an exceptional endurance of companies, sectors, and places in the Rhine region. Most importantly, it was by recasting existing and new research on the region's companies and industries that this transnational region could be studied at all.

Historians of technology have used infrastructure—for instance, power, gas, rail-, and road networks—to study the history of modern Europe. Together, these works represent a body of literature that uses such histories of systems building as a means to question the history of European integration.<sup>64</sup> Instead of looking at political ideas of what

<sup>60</sup> Marten Boon, Hein A. M. Klemann, and Ben Wubs, "Outport and Hinterland: Rotterdam Business and Ruhr Industry, 1870–2010," in *The Parallel Worlds of the Seafarer: Ashore, Afloat and Abroad*, ed. Richard Gorski and Britta Söderqvist (Gothenburg, 2012), 201–7.

<sup>61</sup> Hein A. M. Klemann and Ben Wubs, "River Dependence: Creating a Transnational Rhine Economy, 1850–2000," in *Perspectives on European Economic and Social History*, ed. Jan-Otmar Hesse, Christian Kleinschmidt, Alfred Reckendrees, and Ray Stokes (Baden-Baden, 2014), 219–46.

<sup>62</sup> Joep Schenk, "Port Barons and Ruhr Tycoons: The Origins of an Interdependent Relationship between Rotterdam and the Ruhr Area, 1870–1914" (unpublished dissertation, Erasmus University, 2015), 18–23; Marten Boon, "Oil Pipelines, Politics and International Business: The Rotterdam Oil Port, Royal Dutch Shell and the German Hinterland, 1945–1975" (unpublished dissertation Erasmus University, 2014), 30–31; K. M. Paardenkooper, "The Port of Rotterdam and the Maritime Container: The Rise and Fall of Rotterdam's Hinterland (1966–2010)" (unpublished dissertation Erasmus University, 2014), 11–14. The Central Commission for Navigation on the Rhine is an international governing body but it has no powers beyond overseeing Rhine shipping.

<sup>63</sup> Schenk, "Port Barons and Ruhr Tycoons," 303–8, 313–15; Boon, "Oil Pipelines," 260–63; Paardenkooper, "Port of Rotterdam," 97–101.

<sup>64</sup> See, among others, Per Högselius, Arne Kaijser, and Erik van der Vleuten, *Europe's Infrastructure Transition: Economy, War, Nature* (New York, 2015); Per Högselius,

encompassed and constituted Europe, the authors started with technical systems to find out how and why the construction of those systems and the wide range of actors involved defined Europe, thus shaping and reshaping Europe from the nineteenth century to the present.<sup>65</sup> Moreover, such systems building gave rise to transnational governance institutions that guarded the rules under which transnational systems, from rivers to airwaves, could operate.<sup>66</sup> However, the majority of the literature is based on nonbusiness archives and thus there is a tremendous opportunity for business historians to contribute, as exemplified by studies that combine business history and history of technology.<sup>67</sup> As with the international telegraph cable network, infrastructure in general is designed, engineered, financed, and constructed by companies, and using the infrastructure as the unit of understanding provides a perspective that will allow business history to assemble individual histories into wider narratives that explain the emergence of global (or regional) connections and circulations, which in turn will enhance both the visibility of business history and its contribution to the history of globalization.

### Conclusion

This article discusses ways in which conceptual and methodological insights from transnational history can contribute to business history. Transnational history has a very diverse pedigree but its different strands share a common aim to substitute the national perspective on history to better capture the connections, circulations, and relations that have changed the world from the early modern era to the present. Business historians have expressed the need to look beyond the firm to capture how entrepreneurs and firms have fostered global connections

---

Anique Hommels, Arne Kaijser, and Erik van der Vleuten, *The Making of Europe's Critical Infrastructure: Common Connections and Shared Vulnerabilities* (New York, 2013); Per Högselius, *Red Gas: Russia and the Origins of European Energy Dependence* (New York, 2012); Vincent Lagendijk, *Electrifying Europe: The Power of Europe in the Construction of Electricity Networks* (Amsterdam, 2009); Frank Schipper, *Driving Europe: Building Europe on Roads in the Twentieth Century*, Technology and European History Series (Amsterdam, 2009); Erik van der Vleuten, Irene Anastasiadou, Vincent Lagendijk, and Frank Schipper, "Europe's System Builders: The Contested Shaping of Transnational Road, Electricity, and Rail Networks," *Contemporary European History* 16, no. 3 (2007): 321–47; and Erik van der Vleuten and Arne Kaijser, *Networking Europe: Transnational Infrastructures and the Shaping of Europe, 1850–2000* (Sagamore Beach, Mass., 2006).

<sup>65</sup> Högselius, Kaijser, and van der Vleuten, *Europe's Infrastructure Transition*, xi–xviii.

<sup>66</sup> Nil Disco and Eda Kranakis, *Cosmopolitan Commons: Sharing Resources and Risks across Borders* (Cambridge, Mass., 2013).

<sup>67</sup> Lars Heide, *Punched-Card Systems and the Early Information Explosion, 1880–1945* (Baltimore, 2009); 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, U.K., 2008).

and global change. Business historians can benefit from the concepts and methodologies developed by transnational historians to move beyond the nation-state. Most relevant to business historians are a flexible and reflexive way of thinking about units of understanding other than the MNE (or the firm in general) and the methodological implications for the use and interpretation of sources.

The examples of *The Many Panics of 1837* (Leppler), *Wiring the World* (Müller), and *Empire of Cotton* (Beckert) show that global and cultural approaches to economic and business history have utilized such alternative units of understanding—an event, an actor network, and a commodity value chain, respectively—to mobilize business histories and combine them with other sources and historiographies to produce wide-ranging studies that attempt to explain global change and globalization. These studies also show that, in contrast to the perceived disappearance of business history from economic history and the history of capitalism, the importance of business actors for global change are recognized outside of business history. However, the use of business sources in the Leppler, Müller, and Beckert books is somewhat at odds with the authors' careful tracing of companies' histories that a traditional business historical approach would favor. There is no reason why business historians should not venture to research and write such wide-ranging studies. But in order to do so, this article argues, business historians should devise and deploy units of understanding and methodologies that combine the business historical method with the wider formations used by Beckert and others. Such a transnational business historical approach will allow for more visible, more ambitious, and above all more relevant perspectives on the history of globalization and global change that are firmly grounded in business historiography.

First, a transnational approach suggests a more systematic questioning of the role of MNEs in phases of deglobalization and decolonization by focusing more explicitly on how MNEs internally managed such phases of change, particularly at the level of subsidiaries and their relations to host economies. However, this article gives a minor nudge in a direction that is already expanding, with contributions on the effects of war and decolonization on MNEs' foreign investments and divestments, and global organizational structures. Most importantly, such contributions question how MNEs resist and assist the development of human capital in or the transfer of knowledge and technology to host economies under changing international orders.

The thrust of this article's argument, however, comes from its second point: namely, to suggest and discuss alternative formations that could enable business historical scholarship beyond the firm and into the wider history of globalization. I discussed two such types of formations,



the topical and the territorial region. The advantage of such formations is that they enable historians to combine business historical scholarship with that of other fields to research and narrate how an array of different actors and institutions formed networks and relationships of cooperation, competition, domination, and resistance to shape globalization. The topical and territorial regions as units of understanding encompass and relate diverse sets of actors and places, coordinate and regulate their roles and interactions, and explicate the relationship between the global and the local. Such formations have aided historians in contributing to the historiography of globalization with studies that have captured attention across research fields and disciplines.

The challenge—and, therefore, opportunity—for business historians is to work toward a concept and methodology of transnational business history that deploys such formations in a way that enhances the value and visibility of business historical scholarship. The question is, how can business historians' detailed understanding of firm development and behavior be inserted into formations that stretch beyond the firm? Examples from historians working on commodity value chains, industrial history, maritime networks, and transnational regions show the need to combine an intimate understanding of firms in their local contexts with an understanding of their role in shaping global (or regional) connections in conjunction with other actors and institutions. Conceptually and methodologically, such research requires first and foremost the employment of a transnational perspective, but it is also clear from the examples given that this has to be backed up by extensive primary source research that emphasizes the transnational relations within and beyond the firm. The examples serve to illustrate how such perspectives beyond the individual firm enhance and utilize business historiography to produce narratives that offer a more comprehensive understanding of globalization. As such, transnational business history stretches across different research fields and will therefore attract a wider readership. Most importantly, it will make business historical scholarship more accessible and therefore more relevant for other disciplines.

. . .

MARTEN BOON is a postdoctoral researcher at the Norwegian University of Science and Technology in Trondheim. He has two books forthcoming: a monograph, *Multinational Enterprise and Transnational Regions: A Transnational Business History of Energy Transition in the Rhine Region, 1945–1973*, and a coedited volume, *Transnational Regions in Historical Perspective: Rotterdam Port and Ruhr Industry, 1870–2010*.