Welcome

The History, Business and Entrepreneurship Research Group (GHE for its acronym in Spanish) is pleased to be publishing this second issue of its twice-yearly Newsletter. The premiere issue appeared in December 2010, followed in March 2011 by an English translation of the inaugural edition. Starting with this issue, both versions will appear simultaneously.

The Business History in Colombia section has a short essay by Enrique Ogliastri, currently a professor at Incae (Costa Rica) and IE Business School (Spain), in which he reflects on the beginnings of the Colombian Business History course in the School of Management (UASM) of the University of the Andes in 1974, an initiative that he led. This course has been offered continuously during the ensuing 37 years. The Business History in Latin America section summarizes the special issue about business history in Latin America published in 2009 by the French academic journal Entreprises et Histoire, issue Number 54, entitled “Entreprises d’Amérique Latine.” (The first issue of this newsletter had a summary of a similar issue published by the Business History Review in 2008).

There is a new section -- Trends -- that has an essay co-authored by Marcelo Bucheli, Associate Professor at the University of Illinois, and Dan Wadhwani, Assistant Professor at the University of the Pacific, which makes the case for re-inserting history into organizational studies. They argue that this imperative goes beyond a cursory search of the past for clues to the present or lip service to the notion that “history matters,” but instead demands scholarly proof that it matters and why. Finally, there are notes concerning academic Events that occurred in the first half of 2011 in Colombia, as well as New publications that include a glance on a book about Mexico.
In 1974 at the nascent Universidad de los Andes School of Management we were deliberating about what courses to include in this new degree program. I proposed one about Business History, which elicited enthusiasm from the dean (Ganitsky) and the school’s handful of full-time professors (particularly Carlos Caballero –who taught the course later- and Rudolf Hommes). As we discussed the objectives and content of the course, we knew there was a paucity of available instructional materials, but we came to believe that the course itself could stimulate the development of empirical case studies and research.

A few decades later, the Business History course is one of the School’s distinctions, a pioneering effort in Latin America and the product of a fortunate combination of teaching and research. This is a short history of its beginnings and of an educational philosophy shared by nearly every individual who has taught this course during its thirty-seven years. The proposal to include Business History in the program arose from its educational potential, from the desire to instill in students a sense of their being actors in their time and place and their responsibilities as professionals. It also had the potential to shed light on all the ethical, political and social implications of a company’s activities in society.

In addition to training, and in terms of content, the business history course would allow students to learn about socioeconomic conditions and the respective strategies that companies pursue, in the hope that this would generate critical analysis of the elements linking these micro and macro elements in society. Finally, the course would enhance understanding of the development of management techniques, particularly the processes that boost a company’s management capacity from its beginnings (often as a family business) through conglomeration (domestic and foreign).

The course also would serve as an introduction to management, and for this reason it was thought it should be taught in the first semesters of the curriculum. An alternative proposal assigned it to later semesters, when students would have greater maturity and knowledge about business, better enabling them to assimilate the concepts involved. I was and continue to be of the opinion that prevailed: that the first year provides an opportunity to train and inform students about their profession or field of study. But this involved certain difficulties and challenges.

It was essential to have a teaching style that would captivate the students and generate passion for the subject, for their chosen profession, and for the dilemmas facing the person responsible for decision-making in a company. If the course were reduced to memorizing dates, names and purely abstract processes it would not serve any purpose. The challenge of the course was to overcome the notion of history as a boring subject, as something set in stone and unchangeable, an exercise in memorization and repetition. Personally, I was haunted by specters from my high school days: the ideologized view of the History of the Social Sciences as filtered through the prism of the History of the (Catholic) Church (with a capital “C”).

Ideologization would give students an inflated and idealized view of the businessperson or, conversely, a vision of business people as villains, exploiters or black-hearted criminals. The antidote to such polarized thinking was to accustom students to critical analysis in a climate of respectful discussion and to provide them with various perspectives so they could learn to think for themselves. Business people and their employees had to be made flesh and bone. Yes, the Marxist version of economic history had its airing in the classic text of Leo Huberman, but there was little room for a simplified struggle between good and evil in the serious and rigorous liberal education that we sought to provide.

The course objectives corresponded to this vision. First, students would come to understand the great lineaments,
movements and motivating forces of history; they would acquire a sense of being part of this historical narrative while gaining insight into the present and the trends influencing the future. Second, they should understand that the decisions a company makes can change the fortunes, not only of the company, but also of the entire environment. Thus, students would develop a proactive attitude about choice and decision and not rely on an attitude of passive contemplation. (This proactive stance had also been a central element in the University of the Andes educational philosophy.)

Third, the course should train students in responsibility and responsibilization, with accountability to themselves and to the set of actors involved: employees, shareholders, consumers, suppliers, communities and governments. Students should develop awareness that the future is a logical outcome of today's decisions, that processes are lengthy and that they require continuous effort and timely correction in order to produce excellent results.

These objectives called for a methodology involving class discussion and respect for the opinions and analyses of others, as well as the ability to offer and accept criticism, to learn the art of fruitful dialogue and to advance knowledge by working in groups. Ideally, we would have a set of case histories of Colombian companies, but research in this area was sorely lacking, so the course assumed another important objective: to develop its own educational materials. I asked the students to devote an entire semester term paper to researching the history of one company: they would request access to its archives, interview its principals, read periodicals and answer research questions. This work, which included assignments throughout the semester, would be an important part of their final grade. Students drew inspiration not only from their own curiosity, but also from the larger sense of conducting important research that had never before been done in Colombia.

This blend of research and teaching proved to be fortuitous and during five years the course generated more than one hundred good quality manuscripts, which evolved into case studies of Colombian companies. Although at first we used the Harvard historical case studies, our own case studies had a greater impact on the students, igniting their desire to produce an enduring body of work that be put to good use by future generations of students.

The central characteristics of the course have remained consistent, with natural ups and downs, over the thirty-seven years of the School's history. Carlos Dávila, who has led this effort in recent decades, has documented “the history of the history course” and concluded that other schools of management in Colombia emulated this approach, which proved to be a pioneering one for Latin America. Today, business history in Colombia (and throughout the world) is a cutting-edge field of research and education. This achievement by the School resulted, as is so often the case with worthy endeavours, from humble beginnings, tenacity and the pursuit of excellence.

**Business History in Latin America**

*Enterprises Et Historie, número especial sobre empresas en América Latina.*

Enterprises Et Historie. Enterprises D’Amérique Latine Avril 2009 – No. 54, 217 pp. Issue under the direction of María Inés Barbero (Universidad San Andrés, Argentine) and Carlos Dávila (Universidad de los Andes, Colombia).

Rédacteur en chef: Patrick Fridenson

The core of this edition of the French academic journal E&H consists of seven articles that cover five countries (Argentina, Brazil, Colombia, Mexico and Peru), preceded by an editorial/introduction (pp. 6-15). This is followed by the section “Debate,” in this case about the business history of Latin America with participation by six researchers (four Latin Americans, a Briton and a Spaniard) (pp. 178-186). The “Document” section reproduces the 1869 guano contract between the government of Peru and a commercial trading house (Dreyfus Brothers and Co., Paris) (pp. 187-193). “Chroniques” (pp. 194-200), in addition to providing summaries of doctoral theses (in this case about France and Egypt), has a note about the files of French companies with operations in Latin America that are in Les Archives Nationales du Monde du Travail. There are also three letters between directors of French companies related to the aforementioned guano contract (pp. 201-205).
The seven essays in this special issue cover five Latin American countries (Mexico, Colombia, Brazil, Argentina and Peru) and offer a select sampling of the discipline’s recent research in the region, reflecting trends and its evolution at the beginning of the 21st century. Business history is a fairly new academic field in Latin America; however, it has experienced rapid development reflected in an increase in the volume and quality of intellectual production. The guest editors decided to choose, when possible — i.e., in five cases— papers from a new generation of academics rather than contributions from more seasoned scholars; three reflect the growing presence of women in academia. The eight authors (the article on Argentina is co-authored) are all Latin Americans, reflecting changes in a field where foreign scholars have played a key role. Interestingly, six of them earned a doctorate abroad – three in French universities, two in the United States and one in the United Kingdom. In terms of the time periods covered in their articles, there is a discernible shift of attention towards the 20th century: five of the studies cover it, whereas the remaining two (both on Mexico) deal with the second half of the 19th century. The topics studied reflect the variety and richness of the historical approaches that have characterized business studies in the region, especially in recent decades. Five of them address subjects with some research tradition in the region. In this vein, the dynamics of the relationships between multinational and the host country is the subject of two articles: those on Argentina and Colombia (by Lanciotti and Lluch and Bucheli, respectively).

The social composition of the economic elite of Peru from the end of the 20th century, as well as the size of its richness and sectoral diversification, is the focus of a third article. There are also two works examining the role of immigrants, notably two specific regionally-based groups of Frenchmen who ventured into Mexico. The remaining two articles are about recent subjects. One is an analysis of a specialized issue related to comparative financial history and corporate governance between Brazil, Mexico, and the United States around 1910, specifically the presence of bankers in the corporate networks of the countries analyzed. The other article’s contribution is a deconstruction of a large Brazilian mining company’s long-term strategy for becoming a multinational. Overall, this set of articles also reveals the use of various units of analysis, instead of relying exclusively on case studies (which, by the way, show a growing trend to depart from the conventional historical descriptive approach, toward analytically focused historical narrative). In terms of sources, the authors display great creativity in compiling historical evidence that draws upon a variety of sources, both primary and secondary.

**ARTICLES**

**Drawing Links Between Corporate Governance and Networks: Bankers in the Corporate Networks of Brazil, Mexico, and the United States Circa 1910**, pp. 16 - 36

*Aldo Mussachio*

Mussachio’s article poses two questions: What is the role of networks of interlocking boards of directors in various institutional settings? and, How does the development of financial markets change the interaction between banks and corporations? In search of answers the article explores the relationships of bankers and corporations in Brazil, Mexico, and to a lesser extent the United States at the turn of the twentieth century. Employing a database taken from the Brazilian Yearbook 1909 and the Mexican Yearbook 1909 the author conducts two statistical tests in order to analyze bank centrality in the network of corporate interlocks. The paper shows that at the time (1909) in Brazil corporations did not need to establish interlocks with banks as often as did comparable entities in Mexico and the United States. In addition, in Brazil the availability of bonds as a means of obtaining financing allowed corporations to have a lower number of connections to banks compared to their Mexican counterparts. The author concludes that “even though Brazil, Mexico and the U.S. had very different network structures, rapid industrial growth was achieved by these three countries. In Mexico, a strong and dense network replaced some of the institutions that promoted financial development and growth in Brazil.” (p. 209).

**Foreign Direct Investment in Argentina: Timing of Entry and Business Activities of Foreign Companies (1860-1950)**, pp. 37 - 66

*Norma Lanciotti et Andrea Lluch*

In their article about Argentina, Norma Lanciotti and Andrea Lluch study foreign direct investment (FDI) in the country between 1860 and 1950, a period characterized by two world wars and a Great Depression, focusing on two questions: What activities did international firms carry out in Argentina? and, Were they representative of particular nations’ investments? Drawing on a database of 864 foreign companies registered in Argentina during the period in question compiled from six documentary sources, the Argentine historians analyze a set of variables: time of arrival, nationality and the kind of business activities in which foreign companies engaged. The results at which they arrive, thanks to the business history perspective that they adopt - the firm as the unit of analysis - provide a more complex overview of foreign investment than studies based on capital flow and stock statistics at a more aggregate, macro level. These results converge with studies based on identifying four phases of foreign direct investment in Argentina; for each one the authors cast new light on the compositional dynamics of the FDI according to the country of origin, number of new firms
Canadian Multinational Corporations And Economic Nationalism: The Case Of Imperial Oil Limited In Alberta (Canada) And Colombia, 1899-1938, pp. 67 – 85

Marcelo Bucheli

Colombian Marcelo Bucheli draws the reader's attention to the operations of a Canadian company, the International Petroleum Company (IPC), the most influential Canadian firm operating in Latin America. It was a subsidiary of another company of the same nationality (Imperial Oil Company, Ltd.), which eight years after its founding was acquired in 1899 by Standard Oil Company of the United States. In that regard, underlying this case is a more general theme: the literature on the history of foreign direct investment in the oil sector in Latin America has little acknowledgment of the fact that some of the U.S. oil companies operated through Canadian affiliates. It is clear that not only did Canadian investment in the region's electricity sector decrease, as is commonly believed, but also that the issue of the national origin of foreign capital has been of vital importance not just for economic reasons, but also for political reasons, both in the recipient country and in the capital's source country. So it was that internal conditions in Canada in the period studied, such as the “harsh competition IPC was facing in Canada, the company’s lack of success at finding crude sources in Canada, and Canadian political hostility by the progressive movement” (p. 213) were determining factors in the presence of IPC in Colombia, where conditions were more favorable than in Canada. The existence of rich oil resources and the Colombian government’s friendly attitude toward foreign investment combined to make Colombia an ideal staging ground for IPC’s international plans to vertically integrate its operations during the 1920s by adding crude sources in Canada and South America. Until the late 1910s IPC primarily marketed oil imported from the US. The author accessed heretofore unexplored Canadian primary sources (most importantly, the Imperial Oil Ltd. archives in Calgary, Alberta as well as a Canadian business newspapers and reports from the Canadian, British, and Colombian governments), guided by concepts from the academic fields of international business and strategy (“home country,” “host country,” “third country,” “positive/negative incentive,” “vertical integration” and “corporate citizenship”). Interestingly enough, Bucheli found that “Colombian politicians considered IPC an American company and the US government acted on its behalf when needed...[……].” Ownership complexities affect the political relationships of companies with governments” (p. 85). The article also notes the complexities of corporate decision-making, often obliterated by views of multinationals as omnipotent. From the author’s revisionist perspective, within the historiography of oil in Latin America it is evident that scholars studying IPC operations in this South American country “…ignore the different layers in the decision making process of multinational corporations...The center of decisions was Toronto rather than New York, but the Toronto officials were accountable to the New York headquarters” (p. 85).

La Vale Dans Le Nouveau Contexte D'internationalisation Des Entreprises Brésiliennes, pp. 86 – 106

Armando Dalla Costa

The article by Armando Dalla Costa is the only one of this group that concerns the last decades of the 20th century. It is about a large Brazilian company that -- following a recent trend evident in other countries of the BRIC (Brazil, Russia, India and China) group -- became multinational; in this case, from the dawn of the new century. The multinational Vale, currently a financial group that from its founding in 1943 (as a mixed company with predominantly state capital) was called Companhia Vale do Rio Doce and since 2007 has been called "Grupo Vale," is one of the global mining giants (iron minerals, copper concentrates, bauxite, aluminum, potassium, magnesium, kaolin; in addition the largest nickel reserves in the world): it has operations in 32 countries on 5 continents and has 55,000 workers, 13,000 of whom are affiliates located outside of Brazil. In other words, it is a world class "multi-Latina." Dalla Costa’s paper uses the case of Vale to illustrate the evolution of the Brazilian firms in the new context of globalization, including privatization, diversification, takeovers of competitors and internationalization. As the Brazilian researcher shows, the company's path has included a unique process of entering the foreign market since its founding in 1943. This sets it apart from other Brazilian companies whose internationalization is recent, although it must be added to Dalla Costa’s article that there were similar cases of early internationalization in Argentina, Chile and Mexico, especially in this same area of commodities. During the 1940s and 1950s Vale focused on both the domestic market and exports and by the end of the 1950s it was no longer dependent on just one customer (the United States) and was solidly established with subsidiaries in Germany, Great Britain and Japan as well. Between 1960 and 1990 the company continued to expand its foreign presence, especially in Asian and European markets. The last decade of the 20th century was decisive due to the new Brazilian (and Latin America) context derived from institutional reforms and neoliberal economic policies inspired in the Washington consensus (1990).” A milestone of that decade was the privatization of the company in 1997. At the time “...[B]esides having subsidiaries in five continents, by 2000 [Vale] has established productive basis and in some cases took over rival firms in their business” (p. 209). Another more recent landmark was the acquisition of the largest zinc producer in the
Leticia Gamboa Ojeda

The two articles about Mexico deal with French immigrants, arrived since 1940, who later became outstanding business figures. Its authors are both affiliated with the same university (University of Puebla) and obtained doctorates in France. Leticia Gamboa describes a specific group -- the Barcelonettes -- that came from a region of the Alps that had a unique economic, social and cultural network. This specific migratory current was on the increase until World War I, with its apogee around 1910. Already in 1900, of the 6,000 French people who lived in Mexico, some 4,800 of them were Barcelonettes. The author contributes new information about the origins, makeup and development of the businesses and companies of the Barcelonettes in the Mexican capital and various cities of the interior between 1840 and 1914, describing in detail the expansion of this group throughout the various generations; it includes the "export of the Mexican-Barcelonette model" to Buenos Aires in the last decade of the 19th century. It is noteworthy that one of the sectors in which these immigrants were outstanding innovators was the clothing and tailoring business, which was the source of their wealth. This later evolved into large department stores, with an accompanying influence on the changing consumers of the urban elites. Their diversification covered associated businesses, the manufacture of textiles, with around fifteen large companies that totaled fifty production plants in various regions of Mexico, as well as the financial sector, with nine regional and national banks founded between 1864 and 1903, which represented a contribution to the organization of the Mexican banking system. The article distinguishes between the strata that emerged within this group of immigrants throughout the years. “Even if only part of them made a fortune out of their main activity ....they all benefitted from the work of these immigrants. Most of them had rooted themselves in what proved to be an economic network, although its profit went to a minority” (p. 212). The majority, in fact, were employees of their compatriots’ businesses, whereas there was a middle group of owner of small stores; at the top were the owners of nearly 15 department stores. This work draws from a vast array of primary sources into which the author has delved for several years: notary archives of Mexico City and Puebla, the archives of the Banco Nacional de Mexico, the French diplomatic archives and various printed sources. Secondary sources, mostly important scholarly works on French immigration, also support the work. All these sources allowed Gamboa to present a meticulously woven narrative of the activities of two generations of Barcelonettes.

Les Problèmes Culturels À L’origine D’une Entreprise : Le Processus D’adaptation De La Famille Maurer Dans Le Mexique Du Xixe Siècle (1853-1890), pp. 138 – 154
Mariano E. Torres Bautista

Although also addressing French immigration to Mexico, the article by Mariano Torres focuses not on the immigrant community but on the case of a family, not of Barcelonettes, but from the Alsace region: the Maurer family that in the course of one generation experienced a well-known social mobility. The period of time studied is less broad than that of the previous article: it covers four decades (1853-1890). The article has a more socio-cultural than economic perspective. It addresses a novel subject, the acculturation in Mexico of this family, outstanding in the milling and bread making businesses in Mexico City. Relying mainly on notary sources from Mexico City and Puebla and family archives, Torres’ article serves to illustrate the potential of the latter. This study points up in particular the various attitudes among members of the same family regarding staying in Mexico or returning to their native land in the face of the growth and expansion of their businesses and ownership of a dozen haciendas and rural properties in the valley of Atlixco near the colonial city of Puebla as well as two large mills and a half-dozen urban properties. The growth of the Maurer brothers’ businesses included episodes of armed self-defense and forging marriage bonds with local elites, which receives particular attention in Torres’ conceptual and methodological approach. Among the considerations guiding the work are the Maurers’ motivations for emigrating to Mexico; their adaptation to conditions of social and political conflict, which differed from the context that surrounded life in their native land; the factors that caused them to remain in Mexico; the definition of undertaking their business and redefining them in terms of context, the reasons they could rise rapidly in the social structure and the stages of their process of social mobility.

Felipe Portocarrero Suarez

The article by Peruvian Felipe Porocarrero about the economic elite of his country between 1916 and 1960 contributes to a field -- the study of the elites -- that generated heated debate in the decades of the 1960s and 1970s, not just in Peru but throughout Latin America. In those controversies, empirical research -- in this case regarding the composition, size and destiny of the fortunes amassed by their members -- had less importance than the general interpretations fed in great measure by ideological and political reasons. The author argues that the "Peruvian oligarchy" was a social myth,
thus challenging the assumption that this country was run by forty families. (The Colombian version held that the coffee-producing nation was ruled by twenty-five families). In making its case the article provides detailed identification of the members of the economic elite during the period under review, accompanied by a careful exercise in quantification of their investments and the composition of their most important assets. The main source used is inheritance files (Archivo de Sucesiones) whose quality and technical details it discusses in detail. The sample selected, individuals who died leaving 50,000 Peruvian pounds or more, led to Portocarrero’s examination of 32,000 inheritance files for the period 1916-1960, from which he chose 800 as cases for in-depth study. The questions that guide Portocarrero’s work (an outcome of his D. Phil thesis at Oxford) are the following: What kind of continuities and historical transformations were there between the commercial elite of the colonial period, the coastal plutocracy that flourished in the nineteenth century thanks to the guano trade, and the new economic elite that emerged in the early twentieth century and became politically entrenched in the ensuing decades? Which were the main economic sectors where the elite invested its wealth? Who were the representatives of the new Peruvian upper class in the early twentieth century? What economic transformations did this class endure throughout the century? How significant was the presence of foreigners in the economic elite? Finally, how big were the most important fortunes in the twentieth century? Among the conclusions of this article, three are particularly valuable to business history: First, “Accounts of the Peruvian ‘bourgeoisie’ that concentrate wholly on their investments or on their social behavior, or on their religious ideas and practices to the exclusion of the others would be a poor sociology indeed” (p. 176). Second: “The formation of Peru’s twentieth century economic elite was a late development, and was a result of the bankruptcy of both the government and the private sector caused by the War of the Pacific. This meant that in the late nineteenth century’s post-bellum reconstruction, new members found profitable investment possibilities in a scenario of overall growth in the Peruvian economy” (p. 177). Third, in the sample studied the most numerous occupations were those of landowners, renters and merchants, miners, and, to a lesser degree, industrialists, miners, urban developers, and bankers and financiers. This does not mean that the former engaged in more profitable economic activities than the latter.” (p. 177)

**DÉBAT**


The guest editors of the E&H special issue (María Inés Barbero and Carlos Dávila) arranged a debate via email among distinguished senior economic and business historians specialized in Latin America. They come from five countries, as follows: Spain (Javier Vidal, University of Alicante), England (Rory Miller, University of Liverpool), Mexico (Carlos Marichal, El Colegio de México and Mario Cerutti, Universidad Autónoma de Nuevo León), Brazil (the late Tamas Szmrecsányi, University of Campinas), and Uruguay (Raúl Jacob). They answered six questions posed by the editors: (1) What are the most distinctive features of Latin America’s business history? (2) What have been the most significant accomplishments in the past twenty years? (3) Which are the main specificities of Latin American firms studied in a historical perspective? (4) What has been the influence of the institutional framework on firm’s strategies and performance in Latin American countries? (5) What changes can be observed in the business system of Latin American countries in the last 20 years? (6) What are the main pending issues in the business history agenda in Latin America? Their answers constitute a valuable set of insightful ideas, suggestions, hints and criticisms regarding this field that that merit consideration now and in future years as enlightened and witty contributions on theoretical, methodological and substantive aspects. To reached the debate [click here](#).

**DOCUMENT**

Le Contrat Du Guano Au Pérou, pp. 187 - 193

Alfonso Mostacero-Huaracha

**CHRONIQUES**

En Lisant Les Thèses Et Les Hdr, pp. 194 – 200


Nouvelles Des Archives L’amérique Latine Dans Les Archives D’entreprises Des Anmt, pp. 201 - 203

Alfonso Mostacero-Huaracha

The Archives Nationales du Monde du Travail at Paris keep a wealth of information on the business of French companies in Latin America from the mid-XIX century to the end of the XX century. An overview of the chief repositories that this archive holds is presented.

Clin D’œil L’affaire Dreyfus, C’est L’affaire Du Siècle, Mais Ce N’est Pas Le Pérou : Lettres Édifiantes Sur Le Nouvel Eldorado, pp. 204 - 205

Alfonso Mostacero-Huaracha

Business like this of the Peruvian guano change life of men. This could be said of the members of the Board of the Société Générale and of Bernhard Premsel (appointed in 1869), two of the actor s involved in the guano contract between this French company and the Peruvian government. Three key letters dated 1869, 1870 and 1872 found in the Archives Nationales du Monde du Travail are here reproduced.

**ACTUALITÉS**
Toward a reintegration of history in organizational studies: methodological problems

Marcelo Bucheli, PhD Stanford University. Associate Professor, University of Illinois (Urbana-Campaign).

Dan Wadhani, PhD University of Pennsylvania. Assistant Professor, University of the Pacific (California)

Both authors were Newcomen Fellow in business history at the Harvard Business School, they taught in the MBA.

At the end of 2008, economic historian Niall Ferguson gave an interview with the Book TV channel to comment on his most recent book, The Ascent of Money (New York: Penguin, 2009). In this interview Ferguson relates the economic cycles studied in his book with the financial crisis that began to unfold at that time. After listening to Ferguson's points, his interviewer Adrian Wooldridge (chief Washington editor for The Economist) closed the discussion, saying, "Therefore the lesson is that we must spend less time studying mathematics and economics and more time studying history." Wooldridge's comment was not an isolated case. In the wake of the lack of understanding and agreement about the origins of the financial crisis there have been repeated calls for academics to integrate the historical element in their research. An example of this occurred at the plenary session of the conference of the Academy of International Business in San Diego, California in 2009. That session yielded the conclusion that the economic crisis could only be understood through incorporation of a historical analysis. Other sub-disciplines such as strategy, organizational theory and entrepreneurship have made similar calls.

The recent search for answers that explain the financial crisis have made these calls to include history in organizational studies welcome to some ears. However, the presence of historical analysis in organizational studies is not new nor has it been taken into account solely at times of severe economic crises that are difficult to fathom. Until the end of the seventies it was considered totally acceptable in organizational studies to use historic cases, analyze historical data or take into account the historical context as part of the analysis (see for example the works of Philip Selznick, TVA and the Grassroots (Berkeley: University of California Press, 1949), Alfred Chandler, Strategy and Structure (Cambridge: MIT Press, 1962) or Reinhard Bendix, Work and Authority in Industry (New York: Wiley, 1956). During the following three decades, however, organizational studies made a decisive turn toward the use of quantitative methods in which the internal consistency of the model, the application of rigorous mathematical analysis of databases and the possibility of immediate application of the results of research caused historical perspectives to be gradually excluded.

This process also led to the replacement of research monographs published in book form by articles published in a shrinking number of academic journals by researchers at schools of management. The possibility of integrating historical analysis based on detailed file research is also affected negatively by the growing inflexibility by schools of management with regard to what they consider acceptable for publication. Thus, these schools reinforce a type of research and presentation of results that has already been consolidated previously in departments of economics. In addition, the widespread -- although faulty -- notion that academic titles from university presses should not be subject to peer review reduces even more the stimuli for conducting and publishing studies based on detailed archival research. Ironically, while many business schools increasingly reject research published in book form, the world's leading business school, Harvard Business School, requires publication of two academic books for its professors to obtain tenure. For these reasons, at the start of the 21st century the presence of historical research in organizational studies has disappeared and the dialogue between organizational and historical academics is insignificant.

The need to re-integrate history into organizational studies goes beyond a cursory glance at the past to try to understand the present or studying cases from previous time periods. As expressed by Geoffrey Jones and Tarun Khanna in their article “Bringing history (back) into international business” published in the Journal of International Business Studies (2006), we need to go beyond simply saying that “history matters” but rather we need to show why it matters. Similarly, history is not just the study of causality of events one after another but a discipline with a particular
set of basic methodologies accepted by historians. Therefore, we believe that history can contribute to organizational studies not only by reminding business scholars to look at previous trends or the political and social context in which the phenomena they study took place (which does not require learning how other fields do research), but also by adding a distinctive methodological approach to the one organization scholars already use. For scholars using unpublished or archival corporate or government materials, historians can provide methodologies to critically analyze this material and get the most accurate and relevant information from them, to compare different sets of sources, or to analyze each source within its particular social, economic, or political context and in relation to other scholarly studies.

Even though there are several accepted ways to do historical studies, historians in general have not devoted most of their efforts to articulating their methodology. This is partly a result of the enormous sub-division of history into a wide range of sub-disciplines with little or no dialogue among them. This makes the often asked questions by organization scholars, “What is the methodology used by historians?” or “Where do I find the best source to learn your methodology?” so hard to answer by historians themselves. It is in the context of the call for more historically-informed or historically-oriented organizational studies that we encounter the need for the creation of a methodological source on how to do historical studies for organization scholars. Organizational scholars need a source that provides the basic standard of what historical research is, how we know when a historically-oriented study is “good” or “bad,” or how scholars know if they are actually doing historical research.

Several academics have taken important first steps towards achieving this goal, as can be seen in a number of essays written by Michael Rowlinson, Barry Supple, or Peter Hertner. Essays by Behlul Usdiken, Matthias Kipping, Naomi Lamoreaux, Daniel Raff and Peter Temin in the Oxford Handbook of Business History (2007) have shown how business historians, management scholars and economists can contribute to each other’s research. However, a clear historical methodology targeted to the interests, goals, and audience of organizational studies is still needed. After nearly four decades of neglect of historically-oriented studies, the discipline is calling for its return. This return, however, will not be successful if each organizational scholar integrates history into his or her research in whatever way he or she deems appropriate. It requires a set of standards accepted by the discipline. Without it, a new wave of historical research would generate a kind of chaos and confusion that risks having many organizational scholars believing again that history is not only useless, but also is a discipline without the analytical rigor of other social sciences, and therefore dispensable.

In order to achieve a rigorous and orderly return of history to organization studies, we are working on a series of documents that can constitute a standard source for organizational scholars interested in doing historical research. They will be written in the form of scholarly articles and a handbook that defines what history is, how it should be studied in organizational research, and in what ways its inclusion can affect current theoretical or methodological paradigms. In order to discuss the initial ideas in this collective volume, the authors of this essay organized a symposium at the most recent meeting of the Business History Conference (Saint Louis, Missouri, March 31 to April 2, 2011) in which they discussed the project with the community of business historians. At this symposium, David Kirsch (University of Maryland) emphasized the fact that historians (contrary to other disciplines) must create and discover their sources. JoAnne Yates (currently dean of the Sloan School of Business at MIT) postulated alternatives for describing historical methodology in the language used in management academic journals. Matthias Kipping (University of York, Toronto), discussed the differences in analysis of primary sources between management academics and historians, with the latter being trained to mistrust always what the sources say and to consider the audience for which they were written. Finally, Ray Suddaby (University of Alberta) discussed the way in which historical analysis could provide management academics with a clear idea about the environment in which events are developed by those studied, which precipitate interpretive conclusions different from those that do not consider historical analysis. The book that resulted from these and other documents is under contract with Oxford University Press and the authors anticipate publication at the beginning of 2013.

As the authors of this essay we are aware that, despite the enormous efforts made by various Latin American universities, the field of business history and its presence in management schools still has enormous room for growth.
In fact, the presence of Latin American professors at the Business History Conference was minimal and in relative terms their participation is not much greater in the Academy of Management. Moreover, the temptation to follow blindly a North American academic model on the part of some management schools generates the risk of stimulating ahistorical studies by professors working in Latin American universities. Despite the positive changes achieved in some countries of the region the reality shows that Latin America continues to be a continent with high levels of poverty, grotesque rates of inequality and the ever-present specter of political instability. Those academics in charge of educating the region’s business elite and researching companies, entrepreneurs and local markets cannot ignore the historical processes inherent in the complex (and for millions of people, hopeless) social and political situations that are part of the phenomena described in these studies. Therefore, for the case of Latin America, to ignore historical processes does not just run the risk producing academic studies that are less exhaustive but also could become, over the long term, a dangerous strategy to follow in unequal and unstable societies.

### Academic Community

#### Events

**Business History Symposium: balance and progress in Mexico and Colombia.** Held in Santa Marta (Colombia) on May 5 and 6. Organized by Banco de la República (Santa Marta cultural section), Magdalena University and the GHE. Forty participants heard from seven presenters (one about Mexico, the rest about Colombia, with emphasis on the Caribbean Coast).

**Presentation of the personal archive on the economy of Valle del Cauca (Colombia), 1850-1910** donated by U.S. historian Richard P. Hyland (PhD, University of California-Berkeley, 1979) to the University of the Andes (School of Management; History, Business and Entrepreneurship Research Group). Held at the Universidad de los Andes on May 2.

**First Congress of the Caribbean Economic History Association** (AHEC, its acronym in Spanish) (Santa Marta, Colombia, November 3-5, 2011). To be held in Santa Marta, Colombia. The theme of the Congress is “Stability, Instability and Progress in the Caribbean (19th and 20th centuries).”

#### New Publications


This is the most complete history of the great figures of Mexican business, of their achievements, of their companies and businesses. It is a journey through the history of Mexico, through the lives and work of its entrepreneurs. There are 200 biographies, thoroughly researched and documented, written by 114 specialists in economic and business history, writers and journalists, who have produced an objective and truthful compendium, simple and accessible, in which ideas, data, anecdotes, words, etc. provide a satisfying mix. The format is by turns original and enriching, useful and agreeable as it takes a backward look at 19th and 20th century Mexico through the prism of the nation’s 2010 Bicentennial.