

Papers  
of the  
15th  
Annual  
Meeting  
of the  
Business  
History  
Conference

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**PAPERS OF THE  
FIFTEENTH ANNUAL MEETING  
OF THE  
BUSINESS HISTORY CONFERENCE**

**Fred Bateman  
James D. Foust  
Editors**



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F O R E W O R D

This publication of the proceedings of the annual meeting of the Business History Conference, held at the University of Illinois in 1968 marks a change in the policy of the Conference. It is not, to be sure, the first time that proceedings have been published, previous annual meetings at Michigan State University, Kent State University, and the University of Western Ontario having been recorded in a permanent record. But this little volume, continuing without interruption a series begun with publication of the proceedings of the 14th annual conference in Canada, marks a decision to publish proceedings every year. It is hoped that successive host institutions will be in a position to undertake this responsibility. However, as in the present instance, the Graduate School of Business Administration of Indiana University will in the future publish the proceedings when for any reason the school sponsoring an annual meeting is not in a position to do so.

Special thanks for this volume go to the Bureau of Business Research of the School of Business, Indiana University, which gallantly committed itself to underwrite any losses incurred in the enterprise. (In the best capitalist spirit it is to be hoped that such losses will not, in fact, be realized.) Our gratitude is also extended to Professors James D. Foust and J. Fred Bateman of the Department of Business Economics and Public Policy, Indiana University, who have edited the present volume. Anyone who has undertaken the considerable correspondence involved in extracting the contributions of participants at an academic meeting will understand the major effort involved. As secretary of the Conference, I commend these young scholars for the diligence with which they have pursued this project and the care with which these papers and informal remarks have been pulled together. I only hope that our little fraternity of business historians will feel that the effort is worth the candle!

October 12, 1968

Ross M. Robertson  
Bloomington, Indiana

EDITORS' INTRODUCTION

The papers presented at the fifteenth annual meeting of the Business History Conference reflect the widening range of both subject and methodology within the discipline. Organized within the topics "Financial Problems of Business Firms" and "Financial Problems of Banking Institutions," the research papers encompassed a diversity of time periods, business activities, and geographic regions. Mack Thompson's paper details the early development of E. I. DuPont, Kozo Yamamura's analyzes industrial financing in Japan, and Fred Sturdivant compares the financial activities of two U.S. firms during the twentieth century. The sequence of papers followed a similar pattern at the subsequent session on banks. George Green traces the operations of one of Louisiana's "property banks" during its relatively short but hectic existence, Joseph Van Fenstermaker analyzes the profitability of banks in the U.S. during the 1820s, and Richard Vedder examines the effect of the establishment of federal deposit insurance on banking stability during the twentieth century.

Similar diversity is reflected in the reports on recent doctoral dissertations, a sign perhaps even more indicative of the future course of business history studies. The dissertations were produced in history and economics departments as well as in business schools. The subjects include company histories, industry and regional studies, and a macroeconomic analysis of financial innovation in the American economy. The methodological techniques employed by these writers, as Professor Overton's discussion of the theses indicates, are as diverse as their topics.

Whether or not these papers represent a trend that will continue into the future must remain at this stage only a speculation, a counterfactual proposition that future historians alone can test. Professor Herbert Heaton's description of past "fashion changes" in business and economic history, however, does suggest that the nature of these disciplines has changed and that their scope has broadened as new questions and new techniques have appeared. These trends may further blur the already hazy line between business history and economic history, but there is reason to believe that studies of man's past economic behavior regardless of time, place or position in the economy will gain from a broader eclecticism.

The sessions were complemented by a variety of dinner and luncheon addresses. Mr. Adriano Delfino discussed the role of the corporate historian within a business firm. A university archivist, Maynard Brichford, and a librarian, Mrs. Arlene Custer, discussed the potential for and the problems involved in use of business records by historians.

For organizational purposes, the sequence of papers has been altered somewhat from that presented at the conference.

Several people are due acknowledgement for their contribution to the conference. The program planning was the responsibility of Professors Ross M. Robertson and Donald L. Kemmerer, and Professor Kemmerer also served as chairman of the local arrangements

committee. We also wish to thank Professors Jack Wentworth and Charles Bonser of the Indiana University Bureau of Business Research for their assistance in publication. Two secretaries, Marilyn Shaw and Lois Marionneaux, bore the brunt of the tedious typing task involved in the preparation of this volume.

Fred Bateman  
James D. Foust

Indiana University

## WELCOMING REMARKS

Jack W. Peltason

Chancellor of the University of Illinois, Urbana Campus

I am happy to welcome you to the Urbana campus of the university of Illinois. I understand this is your second visit to our campus; the first being in 1958. We hope you come again. As many of you know, we are in the midst of our centennial year and your conference adds greatly to the variety of activities and events of which we at the University of Illinois are proud to be hosts. So, whether you wear the hat of economic history or business history or both, we welcome you.

Institutional history is a high but difficult art. I have had some experience with it having read many a history of educational institutions. Too frequently people apparently are given access to documents only on the condition that they write a kind of glorified public relations blurb. The histories go on and on about the reign of one great president after another and tell about how the institution grew bigger and better and more prosperous. These histories were more or less chronologies of men and events. I understand that used to be the fact in business history as well, but I am pleased to know that business history is now becoming a major academic discipline guided by the discipline of economic history and by the highest traditions of academic excellence. As your program for this conference indicates, we are finally getting studies which are of interest not only to historians and economists, but to social scientists generally. These studies give us a solid basis for building organizational theory, for understanding how people behave and interact. I am also pleased to learn that the group assembled here this evening is the one primarily responsible for this development of giving academic attention and support to such an important segment of our society.

I hope your conference will be highly profitable. I am tempted to say that if there is anything I can do to make your stay more pleasant, please let me know. On second thought, however, I'd better not say it because I'm afraid Professor Kemmerer might find something for me to do. In all seriousness though, I hope your stay will be pleasant, and do come again.