

Editor's Introduction

This special issue of the *Business History Review* on the history of global business is an important event for the journal. Globalization is one of the six themes that the editors announced in 2011 would be the focus of the journal, alongside entrepreneurship, innovation, business and the natural environment, the role of governments, and business and democracy.

The business history of multinationals is a long and glorious one. The field was created by Mira Wilkins, who appropriately provides the introductory essay to this collection of new research. Wilkins's book on the globalization of Ford, published in 1964 and recently reprinted, and her two volumes on the history of U.S.-based multinational firms were pioneering works. The term "multinational" had only been coined in 1960, and the first theories for why these enterprises existed were being developed by economists such as John H. Dunning and Raymond Vernon. Wilkins not only first discussed some of the key concepts used by theorists of the multinational today, if now presented in a more formal fashion, but she also offered a wonderfully wide view of business history. Unlike the emergent Chandlerian model, Wilkins did not confine her studies to large manufacturing firms, instead exploring a diverse world of business enterprises that were active in services and natural resources, as well as production, and that interacted with governments and civil society.

The pioneering foundations laid by Wilkins became the basis for a vibrant literature. In the 1980s, historians of the multinational began to interact closely with economists developing theories of the multinational. Concepts such as ownership and location advantages, and transaction costs and internationalization, were incorporated into the writings of business historians. Economists such as Mark Casson returned the favor by encouraging the testing of theories against historical experience. Business history retained an important influence in international business scholarship, even as other management disciplines moved away from history. Meanwhile, business historians kept exploring the complex world of multinational business. The global growth of services such as banks, management consultancies, trading companies, and utilities was explored, and so was the organizational diversity of global business. Diversified business groups and networks of firms

emerged as frequent phenomena as business enterprises sought international opportunities from the nineteenth century onwards. Wilkins herself contributed to understanding this organizational diversity with the concept of “free-standing companies,” which she developed.

Despite these achievements, many research gaps remain. This partly reflects a hiatus in research on the history of global business as many business historians, especially those based in the United States, became more domestically focused and less concerned with the business enterprises that were globalizing the world. Distinct biases in the literature appeared as well. While the history of the globalization of some services has been mapped out, others—such as the media and medicine—remain underexplored. While the history of multinationals based in Britain, Japan, the Netherlands, Sweden, and the United States has been quite extensively addressed, less research has examined the experiences of other countries. In particular, business historians have contributed little to the literature on the growth of multinationals based in emerging markets.

Finally, while the business history literature is strong on the drivers of the growth of global business and its organizational structures and diversity, there remains much to be understood about the historical impact of multinational firms on their host economies. This impact was multifaceted. Multinationals were important modes of technology transfer, and often sizable employers of labor. However, they also had major social and cultural impacts. Food and drink multinationals such as Coca-Cola, Kellogg's, McDonald's, Nestlé, and Starbucks transformed global eating and drinking habits. Likewise, beauty companies such as Estée Lauder and L'Oréal took particular visions of what it meant to be beautiful that had been developed in the United States and Europe to quite different societies around the world. This was one dimension of the impact of multinationals on women. Women were also greatly affected by some new technologies introduced around the world by multinationals, such as sewing machines, and they were frequently employed by multinationals in low-paying and repetitive tasks. There is much more to explore before business historians can convincingly answer the question of whether the net impact of global business was positive or negative.

The articles in this special issue are highly significant because they address these major gaps in the current literature. They represent fresh perspectives and compelling new research. *BHR* is proud that these authors have chosen to publish their work with us. We hope the articles will spur increasing research in this domain, which we believe is among the most important in business history.

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