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Mary B. Rose. *Firms, Networks and Business Values: The British and American Cotton Industries since 1750.* Cambridge: Cambridge University Press, 2000. xii + 352 pp. \$64.95 (cloth), ISBN 978-0-521-78255-5.



Reviewed by Lucy Newton (University of Reading)

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This book provides a welcome addition to the literature concerning the cotton industry, a sector of both the British and American economy that proved to be so vital in the story of economic growth and relative economic decline. Indeed, it is more than a sectorial study in that it offers valuable insights into key issues of economic development in these two economies.

The author begins by highlighting that this is a work of synthesis and is thus largely reliant upon secondary literature, however, I think this is to do the work a disservice. Rose utilises primary sources where secondary literature is not adequate and clearly has a depth and breadth of knowledge about the cotton industry that validates her analysis throughout. The book is broad in scope but also contains a wealth of detail. The reader is left in no doubt that it has been written by someone who has an abundance of first hand knowledge of both primary and secondary material relating to the cotton industry and is more than qualified to produce a book with this range of coverage. Indeed, Rose is to be congratulated for writing both a comparative study and one which covers such an impressive time span. Breadth in approach is also applicable in terms of the inter-disciplinary nature of the study. The book is a commendable piece of economic and business history but, in addition, utilises approaches from management, sociology and political economy to

enhance the analysis.

The study begins with an examination of the period from 1750 to 1860, initially analysing the process of industrialisation in the US and Britain and in particular the role of the cotton industry. The themes of family and business networks and institutional environment, the management of labour and government-industry relations are considered in three separate chapters. The second half of the book covers the period from 1860 to 1980 and is broken into three chronological periods: 1860-1914, 1914-1939 and 1939-1980.

Rose warns against simplistic comparisons of a large-scale, vertically integrated US cotton industry triumphing over an increasingly outmoded form of British production from the 1830s onwards, in particular during the troubled twentieth century when Britain's industry underwent such an apparently dramatic decline. For example, she emphasises that small-scale production continued in the US as well as the UK; that cultural and institutional differences in the two countries were bound to lead to different types of development in cotton manufacture; that vertical integration in the US did not become dominant until after 1945; and that the size of the US domestic market led to an insularity in the US industry which, Rose argues, meant that the Lancashire mercantile community had the advantage of being 'truly international both in its

membership and orientation' by comparison. American cotton manufacturers also benefited from a protectionism that their British counterparts could not enjoy, due to the latter's dependence on overseas markets and a tradition of free trade in British society and politics. Rose also warns that there were very striking local differences in the US and British cotton industries that are masked when looking at long-term trends and national differences. Indeed, the detail provided on the local 'flavour' of various aspects of cotton manufacture, especially before 1860, are a strength of the book, along with the examination of local networks, familial and societal ties that bound such communities and such activities.

By the interwar period, the US cotton industry had become the most successful in the world and forged ahead of its once dominant British counterparts for the rest of the twentieth century. Yet, Rose again highlights

the different institutional and, most particularly political, environments within the two countries rather than lay the blame firmly and simplistically at the door of British entrepreneurial failure. The danger of analysing the British cotton industry purely from an American perspective is thus emphasised. Indeed Rose's final summary is careful to offer a non-judgemental conclusions, stressing that her work 'does not demonstrate or aim to demonstrate the superiority of Lancashire firms over United States firms', or vice versa, but rather seeks to 'make sense of the peculiarities and similarities which can be detected in the two industries'. In this she is successful. Emphasis upon the complexities of the cotton industry in both the US and the UK—local differences within in the two countries, the contrasting cultural, institutional and political environments, and changes over time—make this long-term and comparative history so rewarding and so successful.

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