

W I N T E R

1 9 7 8



FEATURED IN THIS ISSUE

- Formation of American Steel & Wire Co.
- Early Management Accounting
- Municipal Accounting, 1900-1910
- Frederick T. Gates, John D. Rock and Western Mining Investments
- EDITOR'S CORNER
- BOOK REVIEWS
- ANNUAL INDEX, 1978



B U S I N E S S
H I S T O R Y
R E V I E W

ADVISORY BOARD

EDITOR

ALBRO MARTIN
Lecturer in
Business History
Harvard University

ASSOCIATE EDITOR

HELEN FREY ROCHLIN
Harvard University

FRED BATEMAN
Professor of
Business Economics
Indiana University

JAMES P. BAUGHMAN
President
Iran Center for
Management Studies

STUART W. BRUCHEY
Allan Nevins Professor of
American Economic History
Columbia University

ALFRED D. CHANDLER, JR.
Straus Professor of
Business History
Harvard University

FRANCOIS CROUZET
Professor of History
University of Paris, Sorbonne

STANLEY ENGERMAN
Professor of Economics
University of Rochester

LESLIE HANNAH
Director
Business History Unit
London School of
Economics & Political Science

ELLIS W. HAWLEY
Professor of History
University of Iowa

MORTON KELLER
Spector Professor of History
Brandeis University

JÜRGEN KOCKA
Faculty of History
University of Bielefeld

HAROLD C. LIVESAY
Professor of History
SUNY-Binghamton

THOMAS K. MC CRAW
Professor of Business
Administration
Harvard University

GARY JOHN PREVITS
Professor of Accounting
University of Alabama

S. B. SAUL
Vice-chancellor
University of York

MERRITT ROE SMITH
Professor of the History
of Technology
Massachusetts Institute
of Technology

PAUL USELDING
Professor
of Economics
University of Illinois

KOZO YAMAMURA
Professor of Economics
University of Washington

HONORARY MEMBER

HENRIETTA M. LARSON
Professor of
Business History
Harvard University [Emerita]

**B
U
S
I
N
E
S
S
R
E
V
I
E
W**

COVER: John D. Rockefeller, about 1895.
(Courtesy Rockeller Family
Archives.) (See pp. 537-561.)

BUSINESS HISTORY REVIEW

C O N T E N T S

MONOPOLY IN BARBED WIRE: THE FORMATION OF THE
AMERICAN STEEL AND WIRE COMPANY 465
JOSEPH M. MC FADDEN

MANAGEMENT ACCOUNTING IN AN EARLY MULTIDIVISIONAL
ORGANIZATION: GENERAL MOTORS IN THE 1920s 490
H. THOMAS JOHNSON

THE EVOLUTION OF MUNICIPAL ACCOUNTING IN THE
UNITED STATES: 1900-1935 518
JAMES H. POTTS

ROCKEFELLER'S RIGHT-HAND MAN: FREDERICK T. GATES
AND THE NORTHWESTERN MINING INVESTMENTS 537
JAMES E. FELL, JR.

THE EDITOR'S CORNER 562

BOOK REVIEWS

Aresvik, Oddvar, *The Agricultural Development of Iran*. Re-
viewed by Edward L. Felton, Jr. 576

Barnett, A. Doak, *China Policy: Old Problems and New Chal-
lenges*. Reviewed by Clifton W. Pannell 580

Berliner, Joseph S., *The Innovation Decision in Soviet Industry*.
Reviewed by Alexei V. Sobrovin 582

Chan, Wellington K. K., *Merchants, Mandarins and Modern Enter-
prise in Late Ch'ing China*. Reviewed by Clifton W. Pannell 580

Dubinsky, David and A. H. Raskin, *David Dubinsky: A Life with
Labor*. Reviewed by Melvyn Dubofsky 587

Eckstein, Alexander, *China's Economic Revolution*. Reviewed by
Clifton W. Pannell 580

Ehrlich, Richard L, ed., *Immigrants in Industrial America, 1850-
1920* Reviewed by John Bodnar 608

(continued on next page)

PUBLISHED QUARTERLY BY THE HARVARD GRADUATE SCHOOL
OF BUSINESS ADMINISTRATION

VOLUME LII, NUMBER 4

WINTER 1978

C O N T E N T S

(continued)

Forsythe, Dall W., <i>Taxation and Political Change in the Young Nation, 1781-1833</i> . Reviewed by Sidney Ratner	599
Gallman, Robert E., ed., <i>Recent Developments in the Study of Economic and Business History: Essays in Memory of Herman E. Krooss</i> . Reviewed by Jeremy Atack	572
Garitee, Jerome R., <i>The Republic's Private Navy: The American Privateering Business as Practiced by Baltimore During the War of 1812</i> . Reviewed by Eleanor Bruchey	594
Gerschenkron, Alexander, <i>An Economic Spurt that Failed: Four Lectures in Austrian History</i> . Reviewed by Rolf H. Dumke	570
Gilbert, Heather, <i>The Life of Lord Mount Stephen</i> . Reviewed by T. W. Acheson	607
Harvey, Katherine A., ed., <i>The Lonaconing Journals: The Founding of a Coal and Iron Community 1837-1840</i> . Reviewed by Eugene S. Ferguson	595
Hyde, Charles K., <i>Technological Change and the British Iron Industry 1700-1870</i> . Reviewed by Eugene S. Ferguson	595
Johnson, Chalmers, <i>Japan's Public Policy Companies</i> . Reviewed by Koichi Shimokawa	584
Kent, Marian, <i>Oil & Empire: British Policy & Mesopotamian Oil 1900-1920</i> . Reviewed by R. W. Ferrier	577
Kynaston, David, <i>King Labour: The British Working Class, 1850-1914</i> . Reviewed by John Saville	588
Levy, Elizabeth and Tad Richards, <i>Struggle and Lose, Struggle and Win: The United Mine Workers</i> . Reviewed by Athan G. Theoharis	589
Mabro, Robert and Samir Radwan, <i>The Industrialization of Egypt 1939-1973: Policy and Performance</i> . Reviewed by Richard P. Mitchell	574
McLain, James J., <i>The Economic Writings of Du Pont de Nemours</i> . Reviewed by Paul J. McNulty	598
Meyer, Lorenzo, <i>Mexico and the United States in the Oil Controversy, 1917-1942</i> . Reviewed by Francis J. Munch	603
Mitchell, Robert D., <i>Commercialism and Frontier: Perspectives on the Early Shenandoah Valley</i> . Reviewed by Thad W. Tate	592
Pincus, Jonathan J., <i>Pressure Groups and Politics in Antebellum Tariffs</i> . Reviewed by Robert E. Ankli	600
Pugsley, Alfred, ed., <i>The Works of Isambard Kingdom Brunel: An Engineering Appreciation</i> . Reviewed by Russell I. Fries	601

(continued on next page)

C O N T E N T S

(continued)

Rundell, Walter, Jr., <i>Early Texas Oil: A Photographic History, 1866-1936</i> . Reviewed by Francis J. Munch	603
Uselding, Paul, ed., <i>Research in Economic History: An Annual Compilation of Research. Vol. II</i> . Reviewed by Donald L. Winters	590
Viraphol, Sarasin, <i>Tribute and Profit: Sino-Siamese Trade, 1652-1853</i> Reviewed by Albert Feuerwerker	579
Zieger, Robert H., <i>Madison's Battery Workers, 1934-1952: A History of Federal Labor Union 19587</i> . Reviewed by Athan G. Theoharis	589

The BUSINESS HISTORY REVIEW is published in the Spring, Summer, Autumn, and Winter. Address all communications, including manuscripts, change of address, and rights and permissions inquiries to BUSINESS HISTORY REVIEW, 215 Baker Library, Soldiers Field, Boston, Massachusetts 02163. Telephone 617-495-6534. Individual subscription rate, \$15.00; Institutions, \$20.00. Special subscription rate for students, \$5.00. All subscriptions outside the U.S.A. and Canada, \$20.00. Back issues and reprints of current articles also available; rates on request. Notice of failure to receive issues must reach this office not later than six months after date of mailing.

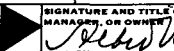

The BUSINESS HISTORY REVIEW does not assume responsibility for statements of fact or opinion made by its contributors.

The BUSINESS HISTORY REVIEW FIVE-YEAR INDEXES: VOLUME XXXVI (1962) THROUGH VOLUME XL (1966); VOLUME XLI (1967) THROUGH VOLUME XLV (1971); and VOLUME XLVI (1972) THROUGH VOLUME L (1976), can be obtained from our office at \$4.00 each, postpaid. These guides provide detailed author, title, proper name, and subject entries to our articles, notes and reviews over their period of coverage.

Contents are currently indexed or abstracted in: *Accountants' Index; America: History and Life; Book Review Index; Book Review Index to Social Science Periodicals, Business Methods Index; Business Periodicals Index; Current Contents; Behavioral, Social, and Management Sciences; Historical Abstracts; Index to Economic Journals; Journal of Economic Literature; Public Affairs Information Service Bulletin; and Social Sciences Index*. Second-class postage paid at Boston, Massachusetts. Printed at Harvard University Printing Office.

Copyright © 1978 by the President and Fellows of Harvard College.

U.S. POSTAL SERVICE
STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION
(Required by 39 U.S.C. 3685)

1. TITLE OF PUBLICATION BUSINESS HISTORY REVIEW		2. DATE OF FILING Sept. 11, 1978
3. FREQUENCY OF ISSUE Quarterly	A. NO. OF ISSUES PUBLISHED ANNUALLY four	B. ANNUAL SUBSCRIPTION PRICE \$15.00
4. LOCATION OF KNOWN OFFICE OF PUBLICATION (Street, City, County, State and ZIP Code) (Not printers) 215 Baker Library, Soldiers Field, Boston, Suffolk County, MA 02163		
5. LOCATION OF THE HEADQUARTERS OR GENERAL BUSINESS OFFICES OF THE PUBLISHERS (Not printers) 215 Baker Library, Soldiers Field, Boston, Suffolk County, MA 02163		
6. NAMES AND COMPLETE ADDRESSES OF PUBLISHER, EDITOR, AND MANAGING EDITOR		
PUBLISHER (Name and Address) The President and Fellows of Harvard College, Cambridge, MA 02138		
EDITOR (Name and Address) Albro Martin, 215 Baker Library, Soldiers Field, Boston, MA 02163		
MANAGING EDITOR (Name and Address) None		
7. OWNER (If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding 1 percent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a partnership or other unincorporated firm, its name and address, as well as that of each individual must be given.)		
NAME The President and Fellows of Harvard College		ADDRESS Massachusetts Hall, Harvard University, Cambridge, MA 02138
8. KNOWN BONDHOLDERS, MORTGAGEES, AND OTHER SECURITY HOLDERS OWNING OR HOLDING 1 PERCENT OR MORE OF TOTAL AMOUNT OF BONDS, MORTGAGES OR OTHER SECURITIES (If there are none, so state)		
NAME None		ADDRESS
9. FOR COMPLETION BY NONPROFIT ORGANIZATIONS AUTHORIZED TO MAIL AT SPECIAL RATES (Section 132.122, PSM) The purpose, function, and nonprofit status of this organization and the exempt status for Federal income tax purposes (Check one)		
<input checked="" type="checkbox"/> HAVE NOT CHANGED DURING PRECEDING 12 MONTHS <input type="checkbox"/> HAVE CHANGED DURING PRECEDING 12 MONTHS (If changed, publisher must submit explanation of change with this statement.)		
10. EXTENT AND NATURE OF CIRCULATION	AVERAGE NO. COPIES EACH ISSUE DURING PRECEDING 12 MONTHS	ACTUAL NO. COPIES OF SINGLE ISSUE PUBLISHED NEAREST TO FILING DATE
A. TOTAL NO. COPIES PRINTED (Net Press Run)	2550	2500
B. PAID CIRCULATION 1. SALES THROUGH DEALERS AND CARRIERS, STREET VENDORS AND COUNTER SALES	None	None
2. MAIL SUBSCRIPTIONS	1763	1752
C. TOTAL PAID CIRCULATION (Sum of 10B1 and 10B2)	1763	1752
D. FREE DISTRIBUTION BY MAIL, CARRIER OR OTHER MEANS SAMPLES, COMPLIMENTARY, AND OTHER FREE COPIES	425	471
E. TOTAL DISTRIBUTION (Sum of C and D)	2188	2223
F. COPIES NOT DISTRIBUTED 1. OFFICE USE, LEFT OVER, UNACCOUNTED, SPOILED AFTER PRINTING	362	277
2. RETURNS FROM NEWS AGENTS	None	None
G. TOTAL (Sum of E, F1 and 2—should equal net press run shown in A)	2550	2500
11. I certify that the statements made by me above are correct and complete.	SIGNATURE AND TITLE OF EDITOR, PUBLISHER, BUSINESS MANAGER, OR OWNER  Editor	
12. FOR COMPLETION BY PUBLISHERS MAILING AT THE REGULAR RATES (Section 133.121, Posted Service Manual)		
39 U. S. C. 3626 provides in pertinent part: "No person who would have been entitled to mail matter under former section 4350 of this title shall mail such matter at the rates provided under this subsection unless he files annually with the Postal Service a written request for permission to mail matter at such rates." In accordance with the provisions of this statute, I hereby request permission to mail the publication named in item 1 at the phased postage rates presently authorized by 39 U. S. C. 3626.		
SIGNATURE AND TITLE OF EDITOR, PUBLISHER, BUSINESS MANAGER, OR OWNER  Editor		