

(Abstract)

*Industry Specific Time and Space: Methodology of the Industry History  
and the Possibilities of Regional Perspective*

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This paper aims at suggesting common understanding of the concept of comparative industry history, thus creating a common framework to attain enough consistency for our project. The following four focal points in my paper, namely, 1) studies on Industries, 2) historian's approach, 3) "region" as a possible way to re-define geographical scope of the study and 4) "competitiveness" will be put into perspective during the course of discussion.

Why Industrial History?

There are a large number of historical studies of industries. However, there are two major deficiencies yet to be explored. First is the scarcity of publication that questions what industry history is, whereas great majority of the works have been confined within the respective industries. The second is the geographic framework of the studies.

The first question can be divided further into industry studies on the one hand and historical approach on the other, i.e. in what sense historian's approach is different from other disciplines, and why the approach is indispensable.

1) Industry study: Industry-specific time and space

Contrary to economic history focusing on the macro level, and business history on the micro level (i.e., enterprise), industry history that deals with the mezzo level has lacked a clearly defined and shared methodology. Industry-centered view focuses our attention on the regions of various firms' start-up, locations of corporate development and regional operations. When considering cross-regional coverage of industrial operations as well as corporate diversification across different industries, it is indispensable to develop new scholarly approaches from industry-centered view, because the industry is the "arena" where competition and cooperation among micro-level economic entities take place.

An "Industry" is usually defined by products and technologies. To less extent, it is also defined by markets, value chains and socio-economic functions. The significance of this framework resides in the fact that each product (or technology) has its own evolutionary dynamics. In other words, an industry owns its intrinsic "Time" (i.e. industrial lifecycle), "Space" (viz., genesis, shift, diffusion, clustering, network scale, and range of division of labor). This paper introduces the background of the industry studies in Japan, as well as gives an outline and limitation of a study that employs a cross-industry analytical concept that replaces industry.

## 2) Historian's Approach

Management studies also concern industrial analysis. Nonetheless, their approach disregards historical conditions, and case studies merely delineate them as exogenous coincidences. However, it is significant to denote that every industrial history has its own intrinsic time, and none of them is repetitive. A concept of "Absolute Time" such as a universal chronology consisting of a great number of respective chronologies is essential in examining historical context of particular products' supply and their market demand. Furthermore, the concept is a requisite for investigating cross-industrial linkages in history. This study calls for methodological integration of industrial lifecycles, development patterns of economic societies and "Absolute Time". In taking the initiative, this paper provides an introductory review of past historical researches on European and Japanese industries.

As some methodological studies suggest, the task of historical study is twofold. One is to present cases and their implications to relativize the narrower view of our contemporaries. Often, historical research reveals that some presumably general rules are of mere ephemeral nature. On the other hand, some "novel" phenomena believed to be specific to an age, such as globalization since the late 1970s, may be found to be not new at all. The historical research that achieves "medium-level" generalization to reach the "Erkenntnisgrund" (cause of knowledge), as defined by Max Weber, can contribute much to social sciences and related disciplines. The other task of the historical study is, of course, to explain why and how the world exists as it does or existed as it did (historischer Realgrund [historical "real cause"], also as defined by Weber).

### Why "Region"?

While many research works on transnational economic activities and networks were inspired by a rapid and deep economic integration in Europe and a changeover from vertical division of labor to horizontal one in East Asia, the study of industry history focusing on the 'Region' as a unit, such as East Asia and Europe, is far from replete. The emphasis on the 'Region' shall clarify the transnational value chains within an industry transcending national borders, and the issues of industrial dynamics as the result of innovation and growth that slips out of the national economy-level research.

The book *The World is "Flat"* fascinates many. However, geographical, social, and cultural (especially linguistic) proximity has also played and still plays an important role. Also, other elements that facilitate technology transfer and catch-ups, such as well-functioning institutions and organizations (e.g., multinational enterprises [MNEs]) and historical developments (e.g., reductions in transportation costs and development of information technology) often bear "regional" characteristics.

In addition, the role of the nation state, the size of the national economy, and the intra-regional heterogeneity of the society differ among regions. In East Asia, Japan's early rise, imperial expansion, and collapse, as well as the disconnection and late re-entry of population-rich China into the world market helped shape the region-specific conditions. The position in the global

history of industrial development is another important factor that makes the scope of “regions” more meaningful. It can be said that Europe, North America, and Japan (as well as the rest of East Asia now) have kept their positions as comparable geographical units. Needless to say, the aforementioned points do not mean that regions are harmonious or autonomous units in the world economy. If the regions have similar factor endowments, institutions, and positions in the world economy, the rivalries among economic entities grow more intense. Smooth technology diffusion in a region not only prompts clustering on the regional level and boosts the competitiveness of the region in the global market, but also enhances competition within the region.

Lastly, the competitiveness of the region will be a key concept. As stated above, it is because (1) industry is the arena where competition and cooperation take place; and (2) it is competitiveness that explains the rise and fall of an industry in a given region, and geographical distribution of each element of a given industry.