

ESSAYS IN ECONOMIC AND BUSINESS HISTORY

The Journal of the Economic and Business Historical Society

VOLUME XIX, 2001

BOARD OF EDITORS

Editor:

Michael V. Namorato, University of Mississippi

Associate Editors:

Thomas Winpenny, Elizabethtown College

Don Stabile, St. Mary's College of Maryland

Published by the EBHS and the Department of History,
The University of Mississippi

ISSN: 0896-226X

Library of Congress Catalog Card Number: 79-91616

HC12.E27

Cover Design by James Ronald Bartlett

Printed in the U.S.A. by Sheridan Books Inc., Chelsea, Michigan

ECONOMIC AND BUSINESS HISTORICAL SOCIETY

OFFICERS AND TRUSTEES, 2001

Chair of the Trustees (Chief Executive Officer):

David O. Whitten (Auburn University)

Immediate Past Presidents and Officers

Douglas Steeples (Mercer University)

Richard H. Keehn (University of Wisconsin-Parkside)

President and Program Chair, 2001

Laurence Malone (Hartwick College)

President-Elect and 2002 Program Chair

Malcolm Russell (Andrews University)

Vice-President: *Silvano A. Wueschner* (William Penn University)

Secretary/Treasurer: *Gene Smiley* (Marquette University)

Editor: *Michael V. Namorato* (University of Mississippi)

Associate Editors: *Thomas R. Wimpenny* (Elizabethtown College)

Donald R. Stabile (St. Mary's College of Maryland)

Assistant Editor: *Harvey Hudspeth* (Mississippi Valley State)

Production Editor: *James Ronald Bartlett* (University of Mississippi)

Trustees: *Harvey G. Hudspeth* (Mississippi Valley State University)

Michael Smith (University of South Carolina)

Philip R. Smith (Michigan State University)

Kenneth Weiher (University of Texas-San Antonio)

Founder: *Charles J. Kennedy* (University of Nebraska)

Preface

The articles and abstracts published in this volume of *Essays in Economic and Business History* were initially presented at the Society's annual conference in April, 2000 at San Diego, California, ably directed by Professor Richard Keehn (University of Wisconsin, Parkside) and his wife, Audrey. They, in turn, were assisted by local arrangements chairman, Lynne Pierson Doti (Chapman University). Authors were given the opportunity to submit their papers for review and possible publication. A rigorous review process was followed in which each paper submitted was examined by two separate reviewers and then by the editor. If the reviews were favorable, authors were given an opportunity to address the comments and suggestions offered by the reviewers and the editor. Of the papers submitted, 20 articles from the San Diego conference were accepted for publication. Due to financial and space constraints, not all papers given in San Diego could be published. Instead, authors were given an opportunity to submit a one-page abstract for inclusion in the journal. Two authors accepted the invitation and the abstracts are printed in this issue.

A number of individuals assisted the editor immeasurably in putting this current issue of the journal together. Special thanks are publicly expressed to the reviewers who gave of their time and talents in reviewing the articles sent to them. Since I told the reviewers initially that I would maintain confidentiality throughout the process, I feel duty-bound to do so now as well. Still, my gratitude is given to those who helped so much. My thanks also to my Associate Editors, Thomas Winpenny and Don Stabile for helping me throughout the publication process. Thanks are given as well to Harvey Hudspeth who served as an Assistant Editor.

A special thank you is given to the board of trustees who continue to support me as editor; to David Whitten who chairs the board and who is the foundation upon which EBHS is resting and relies; to Bess Whitten who, along with David, is always most supportive; and to Gene Smiley who generously pays the bills and often boosts my spirits with his hearty laughter.

At the University of Mississippi, special appreciation is expressed to the Department of History for its financial and secretarial support, especially Robert Haws (Chairman, Department of History) and to Jon Wilson, Toby Bates, Michael Upton, Michelle Palmertree, and Bette Harness for their proofing articles, e-mailing to everyone and every place, and typically bailing me out of a tight deadline.

Sheridan Books has been good to me as well, especially Jean Schroeder who always is cheerful and friendly when I call about some particularly vexing problem. And, finally, I want to thank the individual who is my Production Editor and who patiently and happily works side by side with me every step of the way in producing the 2001 edition of the journal. Without him, I simply could not have completed the task. He is a genius, a man of indomitable energy and compassion, and, most of all, a good friend — Professor Ronald Bartlett.

In closing, it is with great sadness that I report the death of Professor James Soltow, one of the founding members of EBHS and editor of *Essays*. As chairman of the board of trustees and personal friends of Jim and Martha Jane Soltow, David and Bess Whitten have written a most informative obituary for the journal.

On a personal note, this particular obituary is very difficult. Jim Soltow was one of my professors at Michigan State University. As a graduate student, Dr. Soltow guided me patiently and gently into the world of academia and my areas of specialization. He was the one who introduced me to the field of economic and business history, kindly taught me the intricacies of teaching, and instilled into me and all of his students a genuine love of learning. Like many graduate students, I did not always listen to my professors. But, Dr. Soltow would always smile and tell me that he knew in time I would learn to be patient. After I left Michigan State, I didn't always keep in touch with him as much as I should have. He never said anything about that. Instead, he was always happy to hear from me and told me how proud he was of what I was doing. When I became editor of *Essays*, he let me know that he was pleased that I was carrying on what he had begun some years before. Towards the end of his life, I did keep in touch more than before, taking the time to thank him and express to him just how much I appreciated and cared for him as a teacher and a friend. Although I believe that he has indeed gone onto a better place, I also believe that he lives on in me and his other students. Yet, I dearly miss him as do all of us who were so privileged to have been his students.

Michael V. Namorato
Editor
University of Mississippi

TABLE OF CONTENTS

Economic and Business Historical Society, Officers and Trustees.....ii

Preface.....iii

Research Papers

Europe

THE SEVENTEENTH-CENTURY CRISIS REVISITED. THE CASE OF THE SOUTHERN ITALIAN SILK INDUSTRY: REGGIO CALABRIA, 1547-1686

by Antonio Calabria, University of Texas, San Antonio.....1

MILITARY COMPETITION BETWEEN FRIENDS? HEGEMONIC DEVELOPMENT AND MILITARY SPENDING AMONG EIGHT WESTERN DEMOCRACIES, 1920-1938

by Jari Eloranta, European University Institute, Florence, Italy.....17

Far East

AMERICAN BUSINESS AND THE CHINA TRADE EMBARGO IN THE 1950s

by Kailai Huang, Massachusetts College of Liberal Arts.....33

CHALLENGES IN TRANSPLANTATION: HONDA OF AMERICA AND THE SEARCH FOR PERSONNEL

by Jonathan S. Russ, University of Delaware.....49

Latin America

FLYING DOWN TO RIO: AMERICAN COMMERCIAL AVIATION, THE GOOD NEIGHBOR POLICY, AND WORLD WAR TWO, 1939-45.

by Erik Benson, University of Georgia.....61

THE CUBA COMPANY AND EASTERN CUBA'S ECONOMIC DEVELOPMENT, 1900-1959

by Juan Carlos Santamarina, The University of Dayton.....75

North America

HENRY C. WALLICH: A THIRD GENERATION BANKER

by Saul Engelbourg, Boston University.....91

INCIDENTAL PROTECTION: AN EXAMINATION OF THE MORRILL TARIFF

by Jane Flaherty, Texas A&M University.....103

THE BEST LAID PLANS: FRED M. VINSON AND THE DECLINE AND FALL OF THE ROOSEVELT COURT, 1946-1949

by Harvey Gresham Hudspeth, Mississippi Valley State University....119

BARNSTORMERS, BUSINESSMEN, AND V-12S: BLOOMSBURG'S ROMANCE WITH AVIATION

by Douglas Karsner, Bloomsburg University.....135

RAILROAD RENAISSANCE: THE POST-1970 SHORT LINE MOVEMENT

by Michael Landry, Northeastern State University.....151
John Ozment, University of Arkansas

THE AMERICAN BUSINESS PRESS AND BUSINESS COMMUNITY'S REACTION TO GERMAN AGGRESSION, 1932-1940

by Monica Cousins Noraian, Illinois State University.....163

LES AMIS D'ESCOFFIER AND THE POST-DEPRESSION LABOR MARKET FOR CHEFS DE CUISINE IN AMERICA

by Martin T. Olliff, Auburn University.....179

ADVERTISING AND AN ACCIDENTAL CLASSIC: *ILLUSTRATED SKETCHES OF DEATH VALLEY*

*by Douglas Steeples, Mercer University.....*195

THE RISE AND FALL OF GLASS-STEAGALL

*by Kenneth Weiher, University of Texas at San Antonio.....*209

MORTUARY MERGERS AND THE INTERNATIONALIZATION OF INTERMENT

*by David O. Whitten, Auburn University.....*225

THE WINPENNY'S OF MANAYUNK: AN ALTERNATIVE APPROACH IN THE BURGEONING NINETEENTH CENTURY AMERICAN TEXTILE INDUSTRY

*by Thomas R. Winpenny, Elizabethtown College.....*235

ONE MAN'S DEMISE IS ANOTHER MAN'S GAIN: THE GROWTH OF THE FUNERAL INDUSTRY ON THE IOWA FRONTIER

*by Silvano A. Wueschner, William Penn University.....*245

Theoretical

THE "NEW ECONOMY", SOLOW'S PARADOX, AND ECONOMIC HISTORY

*by Steven B. Isbell, Tennessee Technological University.....*253

COMPETITION-THROUGH-INNOVATION: THE THIRD INDUSTRIAL STAGE

*by James D. Smith, The New School.....*265

Abstracts

**THE U.S. SHIPBUILDING INDUSTRY: A SHORT HISTORICAL AND
ECONOMIC PERSPECTIVE**

by Ronald K. Taylor and Richard Stone, Shippensburg University.....273

**BANGLES, BEADS AND BEDOUIN: EXCAVATING A LATE OTTOMAN
CEMETERY IN JORDAN**

by Bethany J. Walker, Oklahoma State University.....275

Obituary

JAMES H. SOLTOW