"Dropping the I-Word: Business Historians and the History of a Concept"

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Use of the word "innovation" began rising immediately after World War Two—a conflict in which novel technologies and scientific discoveries played critical roles—and the word experienced exponential growth during the Cold War. Its increasing use has barely ever flagged since, and today we hear "innovation" and its relatives more than ever. Moreover, phrases such as "innovation policy" exploded in the United States around 1980, in the context of a long and deep recession and worries that Japan was beating the United States technologically. Since that time, the notion that policy-makers should try to spur on innovation has become commonplace. "Innovation" has become associated with certain kinds of politics.

This paper examines the cultural history of the innovation explosion by examining one expert community, namely the field of professional business history. It explores how this community took up and used the word "innovation" and increasingly framed its inquiries around the concept. A key point in this story is the rediscovery of Joseph Schumpeter in the late-1980s and early-1990s. Some business historians claim that Schumpeter's notion of innovation can be kept pure from the looser uses of the word in popular culture. This paper questions whether such purity makes historical sense and whether historians are being adequately reflexive when they make such claims. The paper then examines social structures and incentives that may have driven business historians to more frequently use the idea of innovation. For example, a number of business historians work in business schools; teach classes, like strategic management; and are institutionally pushed (via mechanisms like tenure) to do research that is of interest to their business school colleagues. Such structures encourage business historians to write and talk in ways that are appealing to the management class—"innovation" being the premier example of such talk.

While the majority of the paper will be taken up with a cultural history of business history, the paper ends with a critical plea that historians give up the notion of innovation, for moral and political reasons as well as for social scientific ones. The concept of innovation has led to narrow and repetitive theoretical framings and empirical inquiries. We will ask better questions about our world if we drop the I-word, or so I argue. The paper concludes with the hope that the recently emergent field of the history of capitalism may offer us an alternative to innovation-centric history.