

Perspective

“Wonderful Things”: History, Business, and Archives Look to the Future

DUNCAN McDOWALL

Abstract: The lot of a business archivist is becoming no happier. Corporate archivists have perennially been confronted by the daunting challenge of bringing order to the mountain of corporate documentation deposited on their doorstep. All too often, archivists have also been obliged to contend with the skepticism of their corporate masters, battling to maintain that the archives *is* a vital corporate function. The 1980s have hardly lessened these challenges. The information revolution has fundamentally transformed the nature of corporate documentation; personal computers, telecommunications, fax machines, and the ease of corporate travel have all diminished the centrality of the *written* word. The days of the logical, linear paper-based archives are numbered. Corporate information has become increasingly slippery and transitory; decision making now seldom leaves a neat paper trail in its wake. This trend has been given velocity by monumental complexity of global business today, the rigors of recession restructuring, and the deep-seated litigiousness bred by a decade of hostile buyouts and financial sophistry.

Business archivists must meet the challenge of this new information order, not by resting on their laurels as efficient paper sorters but by aggressively proving an expanded applicability for their corporate talents. They must resist wrapping themselves in the esoteric jargon of professionalism and must instead present themselves in a useful light, as the information handmaidens of decision making. To do this, they must become more entrepreneurial and more attuned to the new diversity of information emanating from the corporation, thereby becoming more able to prove themselves as value adders to the corporation.

About the author: Duncan McDowall is a professor of history at Ottawa's Carleton University. He has written extensively on Canadian business history. His 1984 study of Algoma Steel was published under the title *Steel at the Sault*. In 1988, he published *The Light*, a history of one of Canada's most successful overseas investments, *Brazilian Traction*. He has just completed a history of Canada's largest bank, *Royal Bank of Canada*, which will be published in English and French in fall 1993 under the title *Quick to the Frontier*. Before joining the academic world, Duncan was a senior research associate at the Conference Board, where he published on foreign direct investment, advertising, and corporate governance.

IT HAD BEEN HIS PASSION since 1906. George Edward Stanhope Molyneux Herbert, the fifth earl of Carnarvon, had first gone to Egypt for his health; he had stayed for the archaeology. A concession from the Antiquities Department of the Egyptian government had given him the right to dig in the fabled Valley of the Kings, near Luxor on the Nile. A year later Carnarvon, ever the affluent amateur archaeologist, found an expert to help him indulge his fantasies—Howard Carter, a self-taught Egyptologist, agreed to lend his experience to Carnarvon’s quest. For sixteen hot, dry Egyptian summers, Carnarvon’s money and Carter’s expertise were poured into a futile search for the only pharaoh’s tomb left unplundered by grave robbers. Rumors, hunches, and massive quantities of excavated rubble all led nowhere.

By the summer of 1922, Carnarvon’s hopes and finances were wearing thin. This, he hinted, would be the “last season.” An element of desperation appeared in Carter’s work. Late in October, he seized on a rumor that beneath a cluster of huts at the foot of the tomb of Ramses VI might lie clues to a great discovery. On 4 November the diggers uncovered a stone step. Careful shovel work uncovered sixteen steps—a step for every one of Carnarvon’s years in the desert—and a door. Carter immediately cabled his patron in England: “At last have made wonderful discovery in valley: a magnificent tomb with seal intact.”

It took two weeks for the earl to reach the Valley of the Kings. Carter in the meantime pondered the imponderable. Did the unbroken necropolis seal really indicate that he had finally found an untouched tomb of the Eighteenth Egyptian dynasty? Or did other telltales—indications that the seals had been tampered with—portend a sadder discovery? Had thieves rifled their way through the past, destroying the pristine record of a great king?

Finally, on Sunday, 26 November 1922, with Carnarvon peering over his shoulder,

Carter reached the tomb’s inner door. He used an iron rod to punch a small hole in the wooden door. He held a candle to the hole to check for deadly gases and then inserted the light into the cavity beyond. “Can you see anything?” Carnarvon impatiently demanded. “Yes,” Carter whispered, “wonderful things.”

The “wonderful things” Carter saw were the treasures of King Tutankhamun, untouched for centuries by man or light. The candlelight twinkled on gold statuary, fantastic wooden animals, and a mass of priceless relics, all undisturbed since the death of the young king in 1350 B.C. The robbers had been frustrated. The twentieth century had been put in direct, unsullied contact with another millennium. The distant past had become much less distant.

I need not detail the subsequent fate of King Tut and his magnificent treasures. Carnarvon and Carter became instant celebrities as a weary postwar world fixated on the splendors of a bygone civilization. A mania for things Egyptian swept through the fashion studios of Europe and America, but the real legacy of the discovery was much less tangible. Since Carter broke that seal the world has been a better place for its appreciation of the “wonderful things” of a civilization long vanished. If the mourners who put King Tut to rest wished eternity for him, they have found it in an unintended way.¹

What has all this to do with the far-from-dead world of business, history, and archives in the late twentieth century? No, it is not that any of us give off foul-smelling, dangerous gases. Nor, I hope, is it that any of us already feel as if we have been committed to the tomb. Rather, it is a sense that if one thing unites historians and ar-

¹The tale of King Tut’s tomb has often been told. See Howard Carter, *The Tomb of Tut. Ankh. Amen* (New York: Cooper Square Publishers, 1983) and H.V.F. Winstone, *Howard Carter and the Discovery of the Tomb of Tutankhamen* (London: Constable, 1991).

chivists, it is their mutual quest for a King Tut's tomb—a pristine, complete, and untampered-with window on the past. If that quest is successful, a marvelous repository of the past, carefully assembled and preserved, can be made available to the inquiring minds of the future. Without our own stock of “wonderful things,” we will be unable to write business history in the future or furnish tomorrow's business leaders with a workable record of their predecessors' activities.

This mutual interest in stocking our historical larders with sufficient material to nurture the future is what concerns me as a historian. Today we stand in real danger of leaving behind us not “wonderful things,” but looted tombs—incomplete, ransacked archival storehouses of evidence about what our generation in business has achieved: “incomplete” because the nature of information, particularly business information, is changing dramatically in these late years of the twentieth century; “ransacked” because the nature of business these days militates against the transmission of an accurate record of the past.

Let me begin by reminding you of how things used to be. My adventures in business history have taken me to three imperial tombs, three repositories of “wonderful things.” Over the last eight years I have been privileged to work with the archives and write the histories of three great Canadian companies. The first was Algoma Steel, an integrated steel producer born during Canada's turn-of-the-century development frenzy. Algoma has alternately flourished and languished. It has passed over three organizational watersheds, reborn each time under new ownership and management. Just recently, Algoma has been the object of a workers' buy-out.²

²Duncan McDowall, *Steel at the Sault: Francis H. Clergue, Sir James Dunn and the Algoma Steel Company 1901–56* (Toronto: University of Toronto Press, 1984).

My second book took me to the Southern Hemisphere. For almost seventy years, Canada's largest overseas investment was located in the industrial heartland of south-eastern Brazil. The Brazilian Traction, Light and Power Company—affectionately known to Brazilians as “the Light”—dominated the public utilities of Rio and São Paulo states. For much of this period, it was Latin America's largest private corporation. In 1979, the entire system was sold to the Brazilian government. The company continues today as Brascan—*Brasil-Canada*—with investments scattered throughout Canada, Brazil, and the United States.³

My most recent adventure has been in the archives of Canada's largest bank, the Royal Bank of Canada. Banking is one of Canada's business success stories; Canada has a stable, national branch system of banking, a stark contrast to the atomistic American unit banking system. Since its birth on the Atlantic coast in the 1860s, Royal Bank has steadily expanded across Canada, and it has been well established in international banking since it hung out its shingle in Cuba in 1899.⁴ The bank's superb archives is housed in its head office in Montreal, just blocks away from the site of the 1992 international archives meetings.

All three of the above companies evolved into mature business enterprises in the years after 1900, the heyday of unbridled North American capitalism. Although the bank stretches back to the merchants' world of mid-nineteenth-century Halifax, it can be said to have become a mature, national company only after it moved its head office to Montreal in 1907. From an archival point of view, all three of these enterprises have

³Duncan McDowall, *The Light: Brazilian Traction, Light and Power Company Limited, 1899–1945* (Toronto: University of Toronto Press, 1988).

⁴To be published in 1993 by McClelland and Stewart of Toronto under the title *Quick to the Frontier: Canada's Royal Bank*.

left a remarkably neat and logical paper trail. Brazilian Traction was, for instance, one of the first Canadian companies to adopt a modern decimal file system: a 100 series for head office correspondence, a 200 series for operation matters, a 300 series for major capital projects, and so on. Any researcher armed with an organization chart of the company (and the charts are, of course, right there in file series 100) can very quickly establish the relationship of the archives to decision making and operational management. In box after box, the company's history unfolds in a logical and seemingly preordained fashion. And it needs to be emphasized that this is a *paper* record. Even telephone calls are preserved as after-the-fact memoranda. It is no accident of language, therefore, that researchers often talk of having "worked their way" through such a collection.⁵

Such collections thus reflect the activities of companies generally engaged in *one* line of business, such as making steel, generating electricity, or moving money. They are relatively uncomplicated enterprises. Historians and present-day users of the records within these companies find it comparatively simple to conduct whiggish investigations of past corporate activities. In Canada, one is usually able to pursue parallel investigations using secondary records in federal, provincial, and private archives. Regulatory agencies, for instance, may be used to trace a more public trail of corporate activities. Rate adjudications and royal commissions have over the years provided Canadian business historians with wonderful opportunities to take a sounding on the health of a particular Canadian busi-

ness or industry. A quick perusing of the footnotes of any good business history or royal commission of investigation undertaken in the last three decades will bear out the richness, logicity, and permanence of Canadian business records. Of course, there are exceptions; accidental and deliberate vandalizing of Canadian archival tombs has happened. Take, for instance, the papers of Sir Herbert Holt (1856–1941), a tycoon who straddled the business life of Montreal for almost three decades from the 1910s to his death in 1941. The papers are all gone, probably committed to a bonfire shortly after his death. Holt supplied the city with electricity, gas, and streetcars, and his influence reached as far as the Royal Bank, where he sat as president. Precious little record of this rich business career survives. On the whole, however, I have had little personal reason to bemoan the absence of "wonderful things" whenever I have ventured into corporate archives.

Alas, I suspect the situation is changing. The days of the logical, linear, paper-based archives are numbered. In almost any business speech or press release these days one encounters that well-worn cliché about "the rapid pace of change" in today's business world. It is a rather meaningless phrase: every age believes its "change" carries greater velocity and import than that of its predecessors. More accurate would be the notion of "the changing nature of change" and, perhaps, the growing difficulty of historians and archivists at getting at the driving forces behind that change.

In the first place, large-scale capitalist enterprise in North America and Europe is growing incredibly complex. This is obviously a commonplace observation, but it has profound implications for assembling any kind of documentary record of this intricate world. On the one hand, there is the proverbial "information explosion," a deluge of information that must these days be the bane of most archivists' lives. Much of this information, however, tends to reflect

⁵The head office papers of Brascan Limited covering its Brazilian utility operations are now on deposit [MG28 III 112] at the National Archives of Canada. Papers for the company's now-nationalized Brazilian operations are in the archives of the state power companies of Rio de Janeiro and São Paulo in Brazil.

only the surface of a corporation's activities—everything from press releases to operating statistics. All of this, of course, has its uses and must be sorted into some kind of logical archives.

On the other hand, there often is no "other hand." The real dynamic core of most large enterprises seems to have become increasingly immune to the archivists' reach in recent years. Here is a real paradox: Behind the "information explosion" there is often precious little documentary record of the inner forces driving change in most corporations. Above all else, future executives and business historians will want a record of these forces, for these decisions and processes determine the strategic direction of the enterprise. Much of what comprises the "information explosion" is in fact only a reflection of the result of these decisions. Understanding how decisions are made is the essence of coming to grips with how any institution prospers or struggles. Without these records one is obliged to deal with superficialities.

Much militates against the preservation of this record of the inner life of the corporation. Our existence in an electronic age means that deliberations that were once committed to paper have increasingly over the last decades been conducted by electronic media. While the electronic revolution has made some forms of corporate communication faster and more transparent, it also has atomized other forms of corporate information. By placing a personal computer on every middle manager's desk, corporations have spread decision making and knowledge sharing across ever broader and uncontrollable spans. How does the archivist capture this creative chaos? The ease of corporate travel has further militated against the keeping of any detailed record of policies in gestation. In some instances, one suspects that the litigiousness of our times, especially in the United States, has bred a conscious impulse in many executives to avoid the keeping of any writ-

ten record of how and why decisions were made. This same impulse, often combined with an abiding instinct for self-preservation *within* the corporation, may explain why so many executives regard archivists and their purpose with suspicion. How many executives now routinely stop at the shredding machine as they take leave of one executive position en route to another? Paper shredding is, for instance, one of the hottest sectors of the corporate services industry today—bonded employees will shred your corporate memory right on your doorstep and then cart away the debris quite literally to the dustbin of history.

Yet, there are still some counteracting forces. Most policy deliberations do eventually result in some form of written synthesis, which, if captured by the archives, will provide a written legacy of the enterprise's inner workings. Like most summarizing documents, however, they may convey little sense of the give and take that goes into policy development. Perhaps the fax machine will also leave a paper trail, but that trail will most likely be a rather broken, chaotic record of policy deliberations.

The growing flimsiness of the inner corporate record has emerged at a time when corporate structures have become ever more complex. Surely, one of the chief legacies from all that merger and acquisition activity of the 1980s is a corporate landscape that only brilliant corporate lawyers and financial analysts can unravel. Consider just one example, drawn from Canadian experience: As mentioned earlier, Brascan (nee Brazilian Traction) sold out to the Brazilian government in 1979. The resultant bundle of cash with which they returned to Canada made them a very attractive takeover target. Sure enough, within a year the company fell prey to Edper, the investment company of Edward and Peter Bronfman. A once simple holding company with a single large investment in Brazil, Brascan under Edper soon became part of a sprawling

complex of companies that defied the comprehension of even the best financial analysts. Highly leveraged and intertwined in ownership, the Edper companies were initially the darlings of the investment community and were portrayed as the product of the best legal and financial minds on Bay Street. Debt servicing in a collapsing real estate market in the late 1980s quickly removed this aura. Even the subsequent restructuring of the Edper companies now defies the intelligent observer. From the archivist's point of view, one wonders what sort of archival record this demonstration of legal and financial legerdemain has left behind. A cynical observer might venture to ask whether the architects of the Edper empire would have any vested interest in leaving such a record in the first place.

Americans might note that one of the most incisive books on corporate America in the 1980s—*Barbarians at the Gate*, John Helyar and Bryan Burrough's excellent 1990 telling of the “fall” of the RJR Nabisco empire—was based entirely on the skills of journalistic investigators, not archival researchers.⁶ Journalists are often said to present “the first rough draft of history.” Given the pressures militating against the endowment of effective corporate archives these days, they may in fact be presenting the *last* draft. In Canada, journalists have provided some of the best (and some of the worst) analyses of business in this same heady decade. The only glimpse into the Edper empire, for instance, has been provided by two journalists, Ann Shortell and Patricia Best, in their not entirely successful *The Brass Ring*.⁷ Lacking access to any archival records, *The Brass Ring* understandably fails to penetrate the inner me-

chanics of the Edper edifice and ends up discussing the social shenanigans of its managers. Nonetheless one is left wondering whether journalists will co-opt the role that historians and archivists have traditionally fulfilled. This is what I mean by the “changing nature of change.”

The difficulty of maintaining a credible record of the inner, dynamic life of a corporation has been increased by other relatively recent trends in western capitalism. Globalization has become a pervasive corporate goal. The enormous strides toward European and North American free trade blocks and the impulse to capitalize on the booming economies of the Pacific Rim have accelerated the spread of some corporations across the face of the globe. Take, for instance, Canada's Northern Telecom, which has profitably expanded into Europe, Asia, and North America. A multinational corporation is, of course, not a new phenomenon. What is perhaps different is the tendency of companies with global ambitions to decentralize their managerial structures into relatively autonomous national units. How does the archivist respond? Should the archives strive to bring coherence to the corporate whole or divide its efforts into a series in regional bailiwicks?

Other trends serve to further complicate the archivist's duties. The march of deregulation in North America over the last decade has diminished the corporation's obligation to report itself to the society it serves. Deregulation has also altered the corporate landscape, principally by provoking mergers and restructurings. One need look no further than the American airline industry to witness the outcomes of deregulation. Once again, the archivist is left trying to sweep up the pieces into some sort of coherent collection. Elsewhere, privatization has left its mark on economies such as Britain's, introducing abrupt shifts in the culture of organizations. Moreover, having gone through two severe recessions in the last decade, archivists have had to come to

⁶John Helyar and Bryan Burroughs, *Barbarians at the Gate: The Fall of RJR Nabisco* (New York: Harper Collins, 1990).

⁷Patricia Best and Ann Shortell, *The Brass Ring: Power, Influence and the Brascan Empire* (Toronto: Random House, 1988).

grips with the corrosive effects downsizing has had as it gnawed at the vitals of many corporations. In all too many cases, archivists have been wrongly seen as a "soft" corporate function, affordable in good times as a kind of public relations extra and disposable in bad times. After all, why spend money on an archives that may leave the door open to outside journalists or subpoenas and that at the same time keeps making bothersome demands for records retention on senior executives?

In light of all the above pressures, the corporate past seems to be in the process of becoming a very slippery and transitory thing. Much more militates against the preservation of "wonderful things" than agitates for their systematic retention. The ephemeral world of electronic communication, globalization, decentralization, litigiousness, and tough times all combine to undermine the centrality of the written record as the historian and business archivist have traditionally construed it.

Let's return to Egypt for a moment. Those familiar with Egyptian archaeology will recall that all did not go well for Lord Carnarvon and Howard Carter in the wake of their marvelous find on that Sunday afternoon in 1922. After all, they were in a sense plunderers of King Tut's tomb, come to haul his "wonderful things" away to museums. And as a price for their plundering, it is alleged, they soon paid a price. Much has been written about the so-called curse of King Tut's tomb. Even before the famous door into the tomb was broken down, Carter's pet canary—the famous "golden bird"—was devoured by a cobra, a bad omen, or so the local diggers reckoned. And just five months after the discovery, Carnarvon died, the victim of an infected mosquito bite in Cairo. Allegedly, at the very moment of Carnarvon's death in Cairo, the earl's dog let out a dreadful howl and dropped dead thousands of miles away in England. As if to underscore the

point, the entire electrical system of Cairo supposedly failed at the same moment.

Coincidence or some malicious spirit at work? Who knows? But if it was malice, what a wonderful way of getting even with those who meddle with the archivist's work! I do not want to stretch too far the analogy of the contents of King Tut's tomb and the challenges facing today's archivists, but I think archivists may find some inspiration in the story. The guardians of "wonderful things" have to be zealous, not only in the laying up of the materials entrusted to them, but also in defending their treasures. They need to develop new skills requisite to the challenges of the 1990s if they are to build a tomb as richly laden as King Tut's and yet keep it unsealed, open to the inquiring minds of future generations.

Let me conclude, therefore, by making a few suggestions about how archivists might face the "slippery" world of corporate information that today confronts them. What new strategies or attitudes, when combined with archivists' traditional expertise, will lead to the availability of "wonderful things" in the future? (I hasten to add that I speak from a Canadian perspective alone and will be happily contradicted if experience elsewhere refutes my case.)

If archives are to remain a vital facet of corporate life, archivists are going to have to become more "proactive," more oriented toward "adding value" within the corporation they serve. I do not like employing management jargon, but in this instance it may be a necessary antidote to a kind of self-inflicted passivity archivists sometimes display. Archivists, especially amid the pressures outlined in this paper, cannot afford to relax in the knowledge that their utility is self-evident and that the corporation will naturally come to them out of some instinctive appreciation of their services. It has been my experience that no such appreciation exists. The historian confronts much the same situation; history in the cor-

porate context is generally seen as an expensive frivolity—*unless* it can demonstrate that it is *useful*. By "useful," I mean that it is able to participate somehow in the decision-making processes of the organization. One could produce a long laundry list of such applications. My own experience would lead me to underline the utility of historical research to corporate legal work, public affairs, and advertising.

Too many of us—historians and archivists alike—rest content in the false sense that our clients within the organization simply accept us on our own terms. This is not the case with any other corporate function. Why should it be so in the archives? To rest quietly on our own laurels is tantamount to sealing ourselves in our own tomb. I would therefore heartily endorse efforts on the part of archivists to engage in outreach programs within their organizations. Archivists must learn to educate their clients to the value of their services. For example: Gordon Rabchuk, archivist at the Royal Bank's archives in Montreal, makes a point of contacting every one of the bank's more than sixteen hundred branches every year. If one is celebrating an anniversary, Robchuk's staff assembles a photo exhibit and sends it to the branch for display. Local advertising, retirement parties, and legal matters are serviced with similar promptness. Thus even the manager of the bank's smallest branch knows that the archives is there to serve him or her.

Obviously, such services supplied by an archives will often not be measurable in direct, bottom-line ways, but the archivist who can impart some sense of the culture of archives to fellow employees will have gone a long way toward enhancing his or her role. Some archives already enjoy this status; most do not. Most are thought of as quiet corners of the corporation, useful in the event of an anniversary or an occasional advertising campaign.

Archivists must therefore become more

entrepreneurial, more professionally assertive. In doing so, however, they should resist the temptation of unnecessary professionalism. It is always tempting to wrap one's professional skills and aspirations in jargon and theory, to project the sense that one's trade is in fact a hidden art known only to the initiated. *Archivaria*, Canada's commendable archival journal, has occasionally donned this cloak of jargonistic professionalism. Take, for instance, a recent, extremely theoretical article on diplomatics that wound its way through six issues of *Archivaria*.⁸ In the corporate context, such esoteric musings project quite the wrong image to potential clients within the organization. Undue emphasis on the theoretical intricacies of collecting, cataloging, and storing documents has had much the same effect. How illuminating are they, I wonder, to the profession itself?

The image that archivists, like corporate historians, should strive to project is that of the useful generalist, capable of bringing value and objective insight to any corner of the organization. Archivists might take as their model of advancement the rise of public affairs specialists within the corporation over the last two decades. A good public affairs generalist is adept at placing the corporation in its societal setting; a good archivist should be similarly adept at placing the corporation in the context of its own documentary evolution. Generally speaking, public affairs practitioners who have tried to present themselves as masters of a science (for instance, using intricate polling techniques) have sooner or later been caught off base. The same fate probably awaits archivists who trade on the arcane aspects of their art.

Archival entrepreneurialism will have to

⁸See Luciana Duranti, "Diplomatics: New Uses for an Old Science," *Archivaria*, 28–33 (Summer 1989–Winter 1991/92).

extend beyond the cultivation of credibility within the organization. The informational quicksand on which corporations today stand requires archivists to cast their nets more broadly and more imaginatively. We can no longer live in the expectation of neat, chronological collections of departmental or executive records arriving in pristine boxes on a dolly. Some astute executives may oblige the archives in just such a manner, but most will not. Here is where archival outreach should deliver handsome rewards. Archivists should, for instance, strive to build a records management component into major corporate projects. They should also try their hand at cultivating a raised profile within their organization, using the company magazine or executives' speeches to convey a sense that there is archival substance to the corporate culture. And, finally, given the new electronic form of so much corporate communication, archivists should broaden their definition of what they are interested in collecting. As information evaporates around them, archives should sponsor oral history projects, collect material history that reflects the company's activities, and develop means of retaining electronic records such as databases and videos.

If we are to have "wonderful things" in our archives of the future, we are going to have to learn some of these new skills. We must learn to be more outgoing, more confident of the utility we can bring to the workplace. And we must begin to accept that capturing and retaining information is

not the easy task it once was. Information has become increasingly slippery and transitory. It will no longer come to us, as it once did; we must now go out and capture it for posterity. Otherwise we will become the canary in the jaws of the cobra of corporate rationalization.

Virtually everything I have said of archivists applies, in my mind, to historians who peddle their wares in the business world. We, too, tend to take our worth as self-evident. We, too, face a world in which the present no longer transmits its record to the past in neatly arranged bundles of documents. We, too, are poor at "reaching out," at projecting any sense of value given to our sponsors. And we, too, are horribly short on entrepreneurship. In short, business has frequently concluded that historians have nothing relevant to offer.

I remain confident, however, that archivists and historians can each bring a disinterested, fresh, and valuable viewpoint to the work of the corporation. We can be part of the corporation, but not necessarily its creature. Over the last two years, I have had the pleasure of working in one of Canada's finest corporate archives. One of the abiding realizations I have taken away from that experience is that historians and archivists working together are always greater than the sum of their parts. By combining forces, we not only can turn a few heads in senior management but also can make the job of future managers easier. Together we can gather "wonderful things" and avoid laying them up in arid tombs.