



Presents

## *Setting the Record Straight:*

# Why would you study companies in Tsarist Russia?

February 25, 2020

*In this series, Why Social Science? gives social scientists whose research has been mischaracterized or misunderstood the opportunity to explain once and for all, “Why would you study that?”*

Today’s entry comes from Amanda Gregg, Assistant Professor of Economics at Middlebury College, who is the Principal Investigator of a National Science Foundation grant “Corporate Law, Finance, and Productivity in Historical Perspective,” which supports the collection and analysis of firm-level data describing Russian corporations before the October Revolution of 1917.



“Studying how Russian firms formed and grew a long time ago is immensely valuable to us now because we learn how entrepreneurs and investors confronted problems we still face today. I study how industrialization and related enterprises get financed, established, and grow in developing economies, the roles of domestic and foreign investment, and how successful large firms are financed, organized, and governed. The Russian Empire has proven to be a valuable historical laboratory for such study. Besides surprisingly detailed data sources, Russia had unusual rules, including that corporations could only be formed with permission of the Tsar. Determining how Russian firms got financing, and how they used it, have implications for how to encourage growth in current developing economies,

for the long run governance of economies, and for corporate structure. I find it endlessly fascinating...and highly practical.

The NSF grant in question, which has a parallel NSF grant for research by my collaborator Steven Nafziger (Williams College), has had benefits above and beyond the research itself. The grant is part of the National Science Foundation’s Research in Undergraduate Institutions (RUI) Program, which serves to integrate research and teaching at institutions like Middlebury that emphasizes undergraduate education. Research assistants working on the grant with me have received intensive mentoring in data management, statistical analysis, scientific writing, and the research process. In sum, this government investment by NSF is creating public goods in the form of how the U.S. thinks about economic development and support of U.S. companies, and for the quality of student education, an important positive force in global competition.”

**AMANDA GREGG** is an Assistant Professor at Middlebury College, a liberal arts college with a strong emphasis on faculty scholarship. Her research on industrializing economies has been recognized by publication in prominent economics and economic history peer-reviewed journals, and numerous presentations, including at the National Bureau of Economic Research Summer Institute and the Entrepreneurship Working Group.

Would you like to set the record straight on your own research? [Contact us](#) to find out how.