150 years after the birth of Leo H. Baekeland (1863-1944), one of Belgium’s most celebrated chemists and high-tech innovators, it has become a priority of policy-makers and academic administrators on both sides of the Atlantic to make university science students and/or faculty more entrepreneurial. It is therefore significant that Baekeland became a successful entrepreneur only after his move to the United States and departure from academia in 1889. Drawing on new source material and various conceptual frameworks regarding the determinants of successful entrepreneurship, this article will reconsider why this was the case. Consistent with recent evidence in entrepreneurship research, it will pay special attention to the institutional incentives faced by Baekeland and examine whether these were responsible for the failure of his first business endeavor. Yet this article will also consider the possibility that non-institutional factors mattered more than the influence of institutional considerations.
Academia has long been a congenial setting for various types of actions and behaviors that could reasonably be termed “entrepreneurial”. The pursuit of organizational innovations, such as the creation of new departments and programs or the adjustment of existing ones in response to changing societal needs and demands, provides one of the more obvious examples. Others include fundraising efforts, the establishment of networks of contacts and resources and of scientific “research schools”, and the conversion of scientific authority and prestige into financial capital by means of industrial consulting work. However, in popular usage as well as in the academic literature, the term entrepreneurship is often equated more narrowly with the founding of new firms. Furthermore, it is widely believed that in this sense, entrepreneurship did not gain a firm footing in academia until the second half of the twentieth century, which witnessed the emergence of university technology transfer offices, venture capital institutions, and several thousand academic biotechnology start-ups, among others things.

The Belgian-American chemical innovator Leo H. Baekeland (1863-1944) was among the academic risk takers who, many decades earlier, did found a business start-up while remaining affiliated with his educational institution(s). When Baekeland co-established Dr Baekelandt et Compagnie, a photochemical enterprise, in late December 1887, his appointment as an assistant to the course in general chemistry at the State University of Ghent had just been renewed. In addition, it was still unclear how long it would take to find a suitable candidate to replace him at the Middelbare Normaalschool of Bruges, a teacher training college, where he had been teaching chemistry and physics since the academic year of 1886-87. On the face of it, the history of Dr Baekelandt et Cie, a limited partnership (société en commandite simple), supports popular notions as to the incompatibility of “traditional” universities and commercial risk taking. Unlike later Belgian-born entrepreneurial scientists such as Marc Van Montagu (b. 1933) or Désiré Collen (b. 1943), Baekeland, the inventor of
“Velox” photographic paper and “Bakelite” plastic, achieved business success only after having departed from both academia and his home country\(^5\). Moreover, while his teaching and research obligations at the University of Ghent and the Teacher Training College of Bruges clearly did not prevent him from venturing into business, they have been cited as a reason for his initial difficulties\(^6\).

In these early years, entrepreneurially driven Baekeland moved and perceived decisions and opportunities that he made and perceived in these years to his upbringing in a relatively poor family and his technical secondary education – an unusual background from which to enter academia. Accordingly, a primary goal of this article is to offer new insights into a crucial part of Baekeland’s career, about which relatively little is known.

<table>
<thead>
<tr>
<th>Year</th>
<th>Professional position or achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1880</td>
<td>Graduation from Industrial School of Ghent (Ecole Industrielle de Gand)</td>
</tr>
<tr>
<td>1884</td>
<td>Ph.D. in Natural Sciences, State University of Ghent</td>
</tr>
<tr>
<td>1885-89</td>
<td>Assistant to course in general chemistry, University of Ghent</td>
</tr>
<tr>
<td>1886-87</td>
<td>Professor in Chemistry and Physics, Teacher Training College of Bruges</td>
</tr>
<tr>
<td>1887</td>
<td>Laureate of concours universitaire, Royal Academy of Belgium</td>
</tr>
<tr>
<td>1887-90</td>
<td>Dr Baekelandt et Compagnie</td>
</tr>
<tr>
<td>1889</td>
<td>Agrégé spécial, Faculty of Sciences, University of Ghent</td>
</tr>
<tr>
<td>1893-99</td>
<td>Nepera Chemical Co. (commercial introduction of “Velox” photographic paper in 1895)</td>
</tr>
<tr>
<td>1904</td>
<td>President of Chemists’ Club, New York</td>
</tr>
<tr>
<td>1907</td>
<td>Invention of “Bakelite” plastic</td>
</tr>
<tr>
<td>1909</td>
<td>President of American Electrochemical Society</td>
</tr>
<tr>
<td>1910-21</td>
<td>President of General Bakelite Co.</td>
</tr>
<tr>
<td>1912</td>
<td>President of American Institute of Chemical Engineers</td>
</tr>
<tr>
<td>1917-44</td>
<td>Honorary Professor, Columbia University</td>
</tr>
<tr>
<td>1918</td>
<td>Acting Chairman, Committee on Patent Reform, National Research Council</td>
</tr>
<tr>
<td>1922-39</td>
<td>President of Bakelite Corporation</td>
</tr>
<tr>
<td>1924</td>
<td>President of American Chemical Society</td>
</tr>
</tbody>
</table>

Based on new evidence, this article will reconsider the history of Dr Baekelandt et Cie, from the partnership’s foundation at the end of 1887 up to its dissolution in 1890. This will include an analysis of Baekeland’s move to the U.S. in the summer of 1889 and his decision to settle down there, which brought an end to his direct involvement in the Ghent-based photochemical firm. It will also connect the entrepreneurial decisions and opportunities that Baekeland made and perceived in these years to his upbringing in a relatively poor family and his technical secondary education – an unusual background from which to enter academia. Accordingly, a primary goal of this article is to offer new insights into a crucial part of Baekeland’s career, about which relatively little is known.

My second and more ambitious aim is to suggest more general lessons for entrepreneurship research on the basis of my case study. Consistent with a recent trend in this field of study, I will put a special emphasis on the role of “institutions”, that is, the formal and informal rules and norms that enable and constrain the actions of socio-economic agents. Following in the footsteps

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\(^5\) As indicated in table 1, Baekeland would return to academia in 1917, when Columbia University engaged him as an honorary professor.  
\(^6\) Cf. below, p. 5.
of Douglass C. North, William J. Baumol, and others, many economists and economic historians have come to regard the supply of “productive” entrepreneurs in a given society as dependent upon the reward structures for its entrepreneurially-minded inhabitants. The presence of these potential entrepreneurs is taken for granted, but it is argued that they will only attempt to exploit perceived market opportunities if provided with incentives to do so. Whether or not this is the case hinges, in this view, on institutional arrangements and attitudes with regard to the rule of law, novelty seeking and risk taking, among other things. The empirical evidence supporting this institutional theory of entrepreneurship, drawn from case studies ranging from ancient Mesopotamia and Greece to twentieth-century industrial and developing countries, is strong and highly diverse. But the application of the “new” variant of institutional economics, developed from the 1960s onward, to entrepreneurship research has not been uniformly successful. Three drawbacks or risks are especially relevant to this article. The first stems from the combination of a focus on institutions and entrepreneurs as the main units of analysis with a sometimes overly individualistic notion of entrepreneurial agency, reflecting a “liberal creed” of “individual autonomy and discretion.” As sociologist Mark Granovetter and others have emphasized, this perspective does not always do justice to the complexity of the social structures in which entrepreneurs were embedded and the ways in which these affected their actions and decisions, particularly but not exclusively in non-Western settings. To avoid this pitfall, the social pressures that influenced Baekeland's entrepreneurship will be an important theme in my analysis and the autonomy of his decision making will not be taken for granted.

Leo Baekeland during his first years in the United States.  
(Ghent University, Museum for the History of Sciences)
A second problem concerns the one-sided perspective through which the relations between entrepreneurs and institutions have most commonly been examined. This particular approach has been used to study the impact of institutions on entrepreneurial activity rather than examining how entrepreneurs have tried to shape the institutional environments in which they operated. This limitation is consistent with the understanding of institutions as durable entities, and the contrasting association of entrepreneurship with innovation and change, in much of the social science literature. A more balanced picture has only recently started to emerge through studies on “institutional entrepreneurship”, a notion that apparently accommodates these conflicting connotations. The concept is highly relevant to the analysis in this article because it is known that the older Baekeland qualified as an institutional entrepreneur, if only on account of his efforts to make the U.S. patent system more European in character. Such themes are also evident in connection with Dr Baekelandt et Cie and his migration to New York, as the chemical innovator explicitly reflected on differences and similarities between American and European institutions and their impact on his own career.

Finally, the loose and sometimes inconsistent ways in which the term “institutions” has been used and defined poses a major challenge for entrepreneurship research. For instance, it is striking that well-known (and often controversial) arguments about the importance of cultural and religious factors as determinants of entrepreneurship and economic growth are now being discussed under institutional labels. This semantic twist is arguably a logical result of the inclusion of informal norms, values, and attitudes under the concept of institutions, in addition to formal institutions such as laws. For example, if such a broad definition is followed, peer acceptance of academic entrepreneurship can be analyzed very similarly through cultural and institutional lenses. Attitudes towards novelty seeking and risk taking can likewise be considered as either institutional or cultural determinants of entrepreneurship. In the main part of this article, such questions of classification will be subordinate to the identification of the causes that explain why Baekeland’s first business endeavor failed. However, I will return to this problem in the conclusion, when evaluating the relative merits of the institutional approach to entrepreneurship.

I. Dr Baekelandt et Cie

The failure of Dr Baekelandt et Compagnie, a limited partnership (société en commandite simple) established at the end of December 1887, has been ascribed to a variety of reasons. Randomly listed, they include the (alleged) distaste for business of Théodore Swarts, the chemistry professor whom Baekeland assisted at Ghent University and whose daughter Céline he would marry in 1889; a disconnect between academic and industrial chemistry; Baekeland’s lack of time due to his obligations at the State University of Ghent and the Teacher Training College in Bruges; Baekeland’s premature abandonment of the enterprise; intense competition from other home- as well as foreign-based photographic enterprises; financing problems; and Baekeland’s unfortunate decision to try to innovate in the area of glass plates at a time when, internationally, more flexible celluloid films were about to be introduced. In the following paragraphs, I will throw new light on this episode on the basis of Baekeland’s correspondence with his wife, Céline, as well as other letters and a series of legal documents concerning the firm’s history, which Baekeland received from his lawyer after his move to the United States. In brief, these sources suggest that financing difficulties and a lack of business experience, as well as commitment, were more important determinants of failure than technical setbacks. That conclusion confirms the observation of historian Susan Morris that the partnership’s “struggle with technical problems should not be exaggerated”. Nonetheless, as Dr Baekelandt et Cie was primarily established for bringing a photographic invention of Baekeland to market, it seems appropriate to start the analysis with a brief elucidation of the invention and the technological field to which it belonged.

Baekeland, a passionate amateur photographer, had aimed at making the predominant photographic process of the 1880s easier to use. That process, the gelatin silver halide dry plate technique, essentially consisted of four steps: 1) the photograph-taking, a process in which an exposure to light resulted in the creation of a latent image on the carrier of the gelatin silver halide photographic emulsion; 2) the chemical development of this invisible image into a visible negative; 3) its “fixing”, also by chemical means; and 4) the making of prints. In the second half of

1887 and the first half of 1888, Baekeland was granted patent protection in, at least, Belgium, the United Kingdom, Germany, and the Austro-Hungarian Empire for a new type of dry plate that automatized the second step\(^{17}\). According to an eyewitness, and as the academic inventor himself later illustrated in a laboratory notebook, Baekeland mixes his developer in two separate portions with gum arabic, and puts it on the back of the plate in different parts of the plate so that the different chemicals in the developer are not mixed together until the solutions dissolve and therefore no decomposition takes place, and as the gum arabic makes a pasty mixture, there is no danger of the developer running around on the face of the plate\(^{18}\).

Baekeland assigned his intellectual property rights on this invention to a limited partnership named after him, which was registered on 3 January 1888 at the Commercial Court of Ghent. As was legally required with this type of organization, the firm’s articles of association distinguished between a managing partner fully liable for possible debts (Baekeland) and a silent partner/investor whose liability was, in principal, limited to her or his initial contribution – in this case, the provision of a recently erected property on 120 Palinghuizen street (rue des Anguilles) in Ghent as well as a sum of 20,000 Belgian francs. This statutory distinction can be traced back to Napoleon’s *Code de Commerce* and, compared to ordinary partnerships, was meant to better protect investors who were not interested in actively running firms against opportunistic behavior on the part of their associates. Yet Baekeland’s partner/investor, Valérie Gleesener-Guequier – the daughter of Stéphanie-Constance Gleesener-Duhayon (1815-91), a widow of considerable wealth – and her husband, Jules Guequier, were not simply uninvolved investors. Together with the managing responsibilities that they agreed to undertake came the obligation to stand surety for potential debts. In particular, the founding agreement specified that Baekeland and Gleesener were to share equally in profits and take mutual responsibility for losses at the end of each year.

\(^{17}\) See Belgian patent no. 78,957 (”Des plaques photographiques développables dans l’eau”); British patent no. 1201 – 1888 (”Improved photographic plate to be developed in water”); the Austro-Hungarian patent entitled “Verfahren zur Herstellung von in Wasser entwickelbaren photographischen Trockenplatten”; and German patent no. 43,521 (”Photographische Trockenplatten, welche durch Eintauchen in Wasser entwickelt werden”). Additionally, in the context of the partnership’s dissolution, Baekeland’s lawyer Octave Bruneel referred to a French and an Italian patent; see Bruneel, letter to unnamed recipient, 31 August [1890] (Smithsonian Institution, Archives Center, National Museum of American History, *Leo H. Baekeland Papers* [hereafter LBP], series 8, box 34, folder 1). See also Belgian patents nos. 81,796 (”Préparation de plaques photographiques sèches, que se développent par l’immersion dans l’eau”, in Baekeland’s name); and 80,803 (”Nouvelle disposition pour emballer les plaques photographiques”, in the name of Dr Baekelandt et Cie). \(^{18}\) Richard Anthony, letter to Frederick Anthony, 10 September 1889 (George Eastman Legacy Collection, George Eastman House, Rochester, NY). Illustration reproduced from Baekeland, “Laboratory Notes: 1889-94”, 19 (LBP, series 6, box 25, folder 2).
A further agreement of exploitation (convention d’exploitation) established a clear division of labor between Baekeland and Guequier, a colleague of Baekeland at the University of Ghent: while the latter would chiefly take care of the commercial side of the business, technical questions were the former’s responsibility. This, at least, was the initial agreement, for it was understood that as soon as it is acknowledged that Mr Jules Guequier-Gleesener possesses the know-how and competence required for running this industry, Mr Leon Baekelandt will have good reason to make those scientific journeys abroad that he may deem expedient, and to occupy himself with any scientific problem or study that pleases him19.

The reference to international journeys should not come as a surprise. Less than half a year before the foundation of Dr Baekelandt et Cie, Baekeland had earned a travel fellowship from Belgium’s Royal Academy through an inter-university contest for postdoctoral researchers – the concours universitaire. But it is notable that Dr Baekelandt et Cie surely did not stand on a firm technical footing around the time Baekeland decided to use this fellowship to travel to Germany and the United Kingdom. As a case in point, in October 1888 he had to pass a few sleepless nights in the Palinghuizen factory due to a “foolish” malfunctioning machine – a setback which negatively affected his mood20. One month before, as Céline lucidly reported, he had “enraged” his fiancée’s family members because the gelatin on the photographic plates which he had given to them had become detached, and it was “ridiculous” to recommend these plates as they clearly were not working properly21. In May 1889, the editor of the Viennese Photographische Rundschau declared Baekeland’s patented invention unfit because of its (apparent) unreliability, claiming that the chemical stability of the attached developer could not be taken for granted. In addition, in September 1889, the American industrialist Richard Anthony pointed to slowness of development as a major drawback of the technique. Still, a few exceptions aside, in the various photographic societies in which they were presented Baekeland’s glass plates were generally judged to be a useful simplification for amateur photographers in particular. Moreover, in spite of the invention’s perceived shortcomings, Dr Baekelandt et Cie was awarded a bronze medal at the Paris world exhibit of 188922.

Baekeland’s wife Céline Swarts with the couple’s two children: Nina (b. 1896) and Georges (b. 1895). The photo was printed on Velox photo paper from 1899 (Ghent University, Museum for the History of Sciences). The Baekelands’ first daughter, Jenny (b. 1890), had passed away in 1895.
It can also be demonstrated that Baekeland had not yet given up on his photographic plates when he made his journeys abroad. In fact, it is likely that he attempted to further his firm’s interests on these trips. In England, as an example, Baekeland visited a Crystal Palace photographic exhibition and, according to his diary, was invited to the inventor-entrepreneur Joseph Swan’s home in Bromley, “where he [Swan] wanted to make arrangements for exploiting my first patent, water-developing dry plate”\(^23\). On another trip, this time to Berlin, the inventor could examine the photographic laboratory of Hermann Vogel (1834-98), the occupant of Germany’s first chair in photo-chemistry, at the Technische Hochschule of Charlottenburg\(^24\).

In the United States, however, Baekeland clearly intended to pursue plans of his own. Intriguingly, Dr Baekeland et Cie’s statutes included the provision that future photography-related patents that might be granted to Baekeland in America, as opposed to those granted in all other countries, would remain his personal property. Together with evidence about the young Baekeland’s fascination for “heroic” inventor-entrepreneurs such as Thomas A. Edison, Alexander G. Bell, and Benjamin Franklin, this suggests that Baekeland had been contemplating starting a new life as a U.S.-based inventor long before he and his wife crossed the Atlantic in the summer of 1889.\(^25\) A letter that Baekeland sent to Guequier relatively soon after his move to New York confirms that his Belgian business associates had no place in this adventure. In response to a request for help, Baekeland informed Guequier that his “stay here [in the U.S.] will last much longer than I initially believed and ... I will not be back before next summer”\(^26\). Yet, he wrote, his prolonged absence should be no reason for concern, because “you should easily be able to do without me because you know the manufacture in its entirety[,] you make better emulsions than I do, and[,] as for the selling[,] you will shake up your clients a bit and you will try to find new outlets”\(^27\). Likewise, Baekeland wrote Guequier that he and his wife could not afford to deprive themselves of basic needs by carrying part of the financial burden; but, here again, Baekeland believed that this would not be much of an issue, “for Madame Gleesener [Valérie Gleesener’s mother] is quite rich and she will be able to provide you with what you need. To repeat once more, the thing is impossible for us at present, and another solution will have to be found. Could you not speed up the formation of the English company, or couldn’t you find capitalists seriously interested in joining the enterprise”\(^28\)?

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\(^23\) Baekeland, journal 3, 24 February 1909 (LBP, series 4, box 18, folder 5).


\(^26\) Baekeland, letter to Guequier, 8 September 1889 (LBP, series 3, box 9, folder 2) (my translation from the French).

\(^27\) Idem. \(^28\) Baekeland to Guequier, 8 September 1889 (my translation from the French).
Ideally, Baekeland’s association with the Guequiers was supposed to last for eighteen years, from the beginning of 1888 until the end of 1905. However, according to their firm’s founding agreement, Dr Baekelandt et Cie could be dissolved “after two years if it is recognized by the inventory drawn up at that date that the partnership has not realized profits”, or any time later if it was running a loss. Baekeland made use of this clause at the earliest possible moment, in January 1890, about five months after his move to New York. Significantly, by then the firm owed 58 creditors a total sum of 107,769.63 Belgian francs – or about 36 times Baekeland’s annual salary as an agrégé spécial of the Faculty of Sciences at the University of Ghent, the postdoctoral position to which he had been promoted in the summer of 1889. As table 2 illustrates, this amount was distributed extremely unevenly: no more than five lenders accounted for almost 90% of the firm’s total debt. The heaviest load was carried by Valérie Gleeener’s mother, who had added about 15,000 francs to the starting capital with which she had already provided her relatives. The identity of the other major creditors shows that Baekeland and his partners, perhaps benefiting from the prestige of the university, could also raise large sums of money from non-relatives in Ghent. The Bank of Flanders (Banque de Flandre), to begin with, had its headquarters in Baekeland’s home city. Secondly, investor Maris et Cie, a producer of golden frames, employed twenty workers in Ghent by 1885. Finally, the creditor listed as “Eggermont” most likely referred to Camille Eggermont (1834-1904), a local entrepreneur and philanthropist whose son Albert was later granted a honorary membership of the Association belge de photographie. At the same time, Baekeland and the Guequiers also managed to attract funding from outside of Ghent: their creditor Oscar Defer was a merchant from Roux-lez-Charleroi.

Table 2: Main creditors of Dr Baekelandt et Cie (January 1890)

<table>
<thead>
<tr>
<th>Name of Creditor</th>
<th>Sum (in Belgian Francs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banque de Flandre</td>
<td>22,198.36</td>
</tr>
<tr>
<td>Oscar Defer</td>
<td>10,103.5</td>
</tr>
<tr>
<td>Eggermont</td>
<td>20,514.98</td>
</tr>
<tr>
<td>S.-C. Gleeener–Duhayon</td>
<td>35,225</td>
</tr>
<tr>
<td>Société Maris et Cie</td>
<td>7,621.18</td>
</tr>
<tr>
<td><strong>Total sum: 95,663.02</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Percentage of total debt: 88.77%</strong></td>
<td></td>
</tr>
</tbody>
</table>

Postcard from the steamship Westernland of the Red Star Line, in which Baekeland sailed from Antwerp to New York in 1889.
While Baekeland seems to have never repaid any of these financiers, the Guequiers agreed to refund Defer and Maris within five years, a pledge for which Stéphanie-Constance Gleesener-Duhayon stood surety. However, according to Céline Swarts, the widow’s wealth had considerably diminished by then. It certainly was not sufficiently large to prevent the Guequiers from being “in the soup” : as Céline informed her husband in August 1890, the Guequiers had been begging “at all doors for money”, presumably to fulfill their obligations toward earlier creditors as well as to inject new life into their photographic firm. They would continue the enterprise in the form of the ordinary partnership (société en nom collectif) V. Guequier-Gleesener et G. Van de Poele from 1891 until 1894, and as the limited partnership Valérie Gleesener et Cie until its ultimate dissolution in 1897. It is evident that they were not able to break out of the negative spiral, or to recover their earlier losses, for in 1931 the Guequiers’ daughter Adrienne blamed Baekeland for having ruined her family.

How could Baekeland sidestep the unlimited liability to which general partners in a société en commandite were normally exposed? Remarkably, as part of the partnership’s dissolution and liquidation, Guequier and Gleesener personally acquitted him of this obligation, thus enabling their associate to get off relatively lightly. Their motives for doing so are not documented in my sources – perhaps they took into consideration Baekeland’s limited means – but afterwards they clearly seem to have regretted the arrangement. For instance, according to a March 1891 letter of Céline Swarts, they had purposefully caused complications by not informing her U.S.-based husband of sums that he was supposed to have paid off, nor of the subsequent visit of a bailiff. As a result of the ill will of his former partners, Baekeland was fined. But his wife appears to have convincingly explained the situation in a beseeching letter to King Leopold II, written, as she noted to her husband, to ensure “that you [Baekeland] won’t be busted upon your return”. More fundamentally, Valérie Gleesener’s mother denied ever having approved of the exemption for Baekeland and sought to reclaim up to about 15,000 francs. Gleesener-Duhayon’s own lawyer, however, admitted that the legal basis on which his client’s claims rested was precarious. Instead, he proposed “that Mr. Baekelandt commit himself to not engaging, either personally, or through third parties, in the manufacture of

33. SWARTS, letter to Baekeland, 29 August 1890 (LBP, series 3, box 13, folder 4) (translation mine). 34. Cf. JULES HENS & LAURENS ROSENS, De Belgische fotochemische industrie..., p. 161. In regard to Van de Poele’s joining the firm, Céline Swarts remarked: “Je crois que c’est tout ce qu’il faut pour crouler cette affaire. C’est un noceur qui n’a jamais fait d’études et qui je crois ne connait rien du commerce et sait moins de photographie peut être que ta petite femme”. See her letter to Baekeland, 4 February 1891 (LBP, series 3, box 13, folder 7). 35. ADRIENNE DRAPIER, letter to Baekeland, 13 February 1931 (LBP, series 3, box 9, folder 2). See also JAN GILLIS, Leo Hendrik Baekeland..., p. 33. 36. See “Reconnaissance de la liquidation de fait” and “Liquidation et dissolution” (LBP, series 8, box 34, folder 1). In Swarts’ opinion, “nous en avons cependant été quitte à bon compte de toute cette sale affaire”. See her letter to Baekeland, 29 August 1890 (LBP, series 3, box 13, folder 4). 37. Swarts to Baekeland, 31 March 1891 (LBP, series 3, box 13, folder 8). 38. Bruneel to Baekeland, 6 August 1890; anon. [Gleesener’s lawyer] to Bruneel, 28 July 1890 (both in LBP, series 8, box 34, folder 1).
photographic plates in Belgium during a term of twenty years” – a legal restraint, known as a restrictive covenant, with which Baekeland would also have to deal in the U.S. 39.

Baekeland’s role in the Guequiers’ financial downfall is said to have caused him public embarrassment upon a return visit to his home city in 1900. 40 Whether or not this actually happened, the Baekelands’ analysis of what went wrong provides an important alternative perspective on Leo’s early history as an entrepreneur. According to Céline, the Guequiers deserved no pity whatsoever, as they had been squandering Gleesener-Duhayon’s fortune, “living it up and cheating on clients” 41. When Céline vented her opinion, Leo reproached her with scandal mongering 42. However, the couple clearly concurred that Guequier was incompetent and deceitful. Yet, at the same time, Céline sought to impress upon her husband that his start-up had primarily suffered from capital shortages. In a period in which Leo was considering leaving Anthony & Co., the photographic firm he had joined shortly after his move to New York in 1889, she explained that: “I think it would be a mistake to work on your own ... To do something, and especially to start [something new], one needs a sufficiently firm financial footing to wait and to bear the losses that are inevitable at the beginning. That is what killed your [photographic] plates factory. G. [Guequier] certainly was a swindler and an imbecile, but chiefly you were lacking capital. There you have had a hard lesson, and frankly, consider that especially in America, where one has concerns established with enormous capital as competitors, it would be even a thousand times more difficult to succeed”.

In the same letter, Céline advised Leo to factor in his ignorance of commerce, thereby revealing the kind of anti-business sentiments that have been ascribed to her father Théodore. In her opinion, since you who are not the kind of man who can keep careful accounts and manage his finances, in a word a real businessman [commerçant], it would be wrong to want to undertake something on your own. Work with the capital of others, let them bear the losses and the unavoidable traces and pettiness of commerce, I am sure that you will earn a lot more by offering your services as a director in something 43.

With hindsight, it would have been more accurate to state that Baekeland had not yet acquired the skills of “the real commerçant”, for professional colleagues and acquaintances

would later consult and admire him for his administrative, business, and financial acumen. Hence, it seems fair to conclude that Baekeland had been hindered by a lack of experience rather than talent—an argument consistent with the contention that successful entrepreneurship is positively correlated with maturity “because [commercial] judgment improves with age and experience”44.

In the Belgian photochemical industry of the late nineteenth and early twentieth centuries, however, it was not just novice entrepreneurs who were unable to make it. As Jules Hens and Laurent Roosens have documented, of the more than twenty enterprises founded in this period only one—Gevaert N.V.—was still in business after the Second World War45. If one agrees with Mark Casson and other economic theorists that entrepreneurial talent is nurtured through practical experience, it was critical that risk-takers who suffered setbacks like those encountered by Baekeland were not discouraged from trying anew46.

In light of this, it is significant that Swarts’ derogatory reference to “petty commerce” seems to suggest that business occupations were looked down upon in Baekeland’s academic surroundings in Ghent. In the next section we will take a closer look at this, as part of a discussion of the formal and informal institutions that possibly influenced Baekeland’s decision to settle down in the U.S., a country in which entrepreneurs have been more celebrated than perhaps anywhere else47.

II. A Transatlantic Escape?

Any attempt to pin down Baekeland’s decision to build a new life in the U.S. to a single moment in time would be doomed to failure. His capitvation with American inventors such as Edison, Bell, and Franklin dated back to at least his teenage years. And the exclusion of possible U.S. patents from Dr Baekelandt et Cie’s intangible assets suggests that the inventor in the making had settled his mind on trying his luck on the other side of the Atlantic no later than the end of 1887, when the partnership was formed. The stakes were high, however, because Leo’s transatlantic ambitions risked jeopardizing his relationship with Céline Swarts, who was not as adventurous a person as her fiancée48. Eventually, Céline agreed to join her partner, and on 10 August

47. According to economic historian Naomi Lamoreaux, “if ever there was a time or place when entrepreneurs were the most admired figures in society, it was the United States during the late nineteenth century”. See her “Entrepreneurship in the United States, 1865-1920,” in Landes, Moyn & Baunol (eds), The Invention of Enterprise, p. 367-400 (here p. 368).
48. For instance, in early March 1889 Baekeland commented “tu as le droit de protester de ton côté contre les lettres à la Schoppenhauer [sic] que je t’envoie; si je savais seulement trouver une solution pratique pour cette damnée question d’Amérique. Faisons
1889, two days after their wedding, the couple embarked on the SS Westernland steamer in Antwerp. But homesickness and a pregnancy made Céline prematurely return to Ghent in the following summer, and she and Leo lived almost constantly apart until the spring of 1891. During this period, Swarts regularly reminded her husband that, though prepared to leave Ghent, she would prefer to stay in Europe. Baekeland, on his part, clearly was not satisfied with his job at Anthony & Co., his New York employer. Around late November 1890, he resigned from the firm, and afterwards he proved unable to earn a comfortable living for himself, his wife, and his mother, whom he advised to move to the countryside. He actually began to accumulate debts. Why, then, did he nevertheless remain in the U.S.? The remainder of this article will demonstrate that this outcome almost certainly had more to do with Baekeland’s eagerness to leave his home region far behind than with the quality of his new life in the U.S. In other words, I will make the case that so-called push factors, perhaps even irrespective of Baekeland’s troubled relationship with the Guequiers, outweighed the elements that “pulled” the Belgian chemist to America. At the same time, I will argue that the institutional environment in which his scientific entrepreneurship was embedded was not a binding constraint. First of all, though, I will briefly clarify the context of Baekeland’s move to New York.

**Push and Pull**

Are standard accounts of Baekeland’s first transatlantic journey correct in connecting it with the travel fellowship that the Royal Academy had awarded him in 1887? There can be no doubt that officially Baekeland was to carry out a scientific mission on behalf of Belgium’s Ministry of the Interior and of Public Education, which financially supported his crossing to New York. However, it is obvious that this university chemist did not travel to the U.S. for purposes which were primarily academic in nature. Instead, his personal correspondence suggests that his focus was on arranging “his affairs” in New York, which he discussed with a man named Lufbery in or near Paris and which clearly concerned his self-developing glass plates. Baekeland may have been introduced to Lufbery by Jules Lechat, a rubber manufacturer at whose plants in Ghent and Lille the aspiring inventor seems to have regularly conducted laboratory experiments. For his part, Lufbery, a person “generous to active and entrepreneurial people”, was “the one who concluded the
The Baekelands’ villa Snug Rock (below) in Yonkers, New York, on the banks of the Hudson River (above). Baekeland bought this spacious villa in 1901, using the money earned through the sale of the Nepera Chemical Co. two years earlier. (Yonkers Historical Society)
transactions with Anthony”, the photographic firm that hired Baekeland shortly after his arrival in New York. This clearly suggests that Lufbery, contrary to the common assumption, arranged a meeting for Baekeland with the Anthony company.

At any rate, when Richard Anthony, the firm’s vice-president and Baekeland’s self-proclaimed American “discoverer”, returned to his office in early September 1889 he “found Dr. Backelandt of Belgium here, waiting to show his self-developing dry plates”. But Anthony, as well as the technical advisors who witnessed Baekeland’s demonstration with him, were less favorably impressed with Baekeland’s plates than with his skills as a photochemist. In a letter to the company’s secretary, Anthony enthused about Baekeland’s abilities and the ways in which he could add to his firm’s bottom line. Given the scarcity of primary sources concerning this part of Baekeland’s career, including the kind of work that he carried out at Anthony & Co., Richard Anthony’s judgment is worth quoting at length. In his opinion, “he [Baekeland] proves to be a very thorough chemist and a practical emulsion maker. He says that he can make emulsions of extreme rapidity and absolutely the same every time, without the uncertainties that we have been laboring under, and I suggested that he go down to the factory and make some for us, which he agreed to do, simply to show what he can do. … He does not use the centrifugal [machine] at all in making his emulsions, and after explaining his method to Mr. Cossett [probably Franklin M. Cossitt, a photographic inventor whom Anthony had lured away from the Eastman company] and Dr. [Arthur H.] Elliott, they both are strongly of the opinion that his method is superior to that by the use of the centrifugal machine, and both say that it is impossible to see how there can be any variation in his emulsions if made after this method. He is extremely particular about every detail of the process, and Cossett says he has never seen a man so clean in his methods as he. … He says that he can make Aristotype paper perfectly well also, and Cossett is very anxious that we should make an arrangement with him to enter our employ regularly. … Cossett says he has already learned more from him about emulsion making than he ever learned from any one else in his life; and if he proves all that I hope, I feel strongly inclined to make an arrangement with him. … He … has come to us at a time when we are completely floored on our films, as it is impossible to make them work in the Lilliput [miniature camera] by any method known to Mr. Cossett”.

Like others before, Anthony also appreciated Baekeland’s work ethic and his “push and energy”, traits that resonated with the liberal “go-aheadism” prevailing in the U.S. at that time.
time. Hence, it is understandable that he was eager to secure Baekeland's services, even though his company was experiencing unprecedented financial difficulties. Cossitt expected Baekeland to sign up for approximately $1,500 a year. This would have represented an increase over his earnings in Belgium, yet would still have made him "a very cheap man" from Anthony & Co.'s point of view. The figure was probably a slight underestimation, as Swarts recollected in 1891 that her husband had been ready to join the firm "for $2,000 or even for $1,750". However, she had evidently pushed him to bargain hard, for eventually he had been granted a salary of $3,000 a year—a royal sum for an industrial chemist in those days.

The comparatively high American wages are one factor that possibly lured Baekeland to the United States and encouraged him to build up a new life there; as his wife "always repeated", Baekeland certainly had plenty of reasons to try to make "a lot a lot [sic] of money". According to estimates that Céline made in September 1890, Leo would likely be able to cover his living expenses and support his parents with about half of his $3,000 salary, thus allowing her to repay Lechat, the rubber manufacturer to whom she seemed to be "forever" in debt, with the remainder.

However, in the next month Céline left her parental home in Ghent for a place of her own, and the money that she needed to rent and furnish it, as well as to run a household with a servant, had not yet been factored.

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59. Idem: "He is a very hard worker. I asked him when he would be ready to begin with Cossett showing him about his emulsion and he said at seven o'clock in the morning. I asked him when he would get his breakfast and he said he would get if before that, as he always rose early. He is very quick in his movements and has a great deal of push and energy". Similarly, when Céline's mother announced to a Dr Librecht that her daughter was going to marry Leo, Libbrecht remarked "[c]'est un travailleur elle sera heureuse!" Afterwards, Céline had "souvent pensé à cette phrase et aujourd'hui je suis fière et heureuse d'avoir épousé un pauvre garçon qui par lui même et tout seul en est arrivé là où tu es". See Swarts to Baekeland, undated (probably late 1890 or early 1891). On American "go-aheadism", see Scott A. Sandvick, Born Losers: A History of Failure in America, Cambridge (MA), 2005.

Administrator-inspector Auguste Wagener, who represented the Belgian government at the University of Ghent. In this capacity, Wagener was an influential mentor to Baekeland in the 1880s. (Ghent University Archives)
Moreover, after his resignation from Anthony around late November, Baekeland failed to secure an equivalent source of income for a prolonged period of time, forcing him to accept short-term jobs incommensurate with his qualifications. In this context, Céline reasonably suggested that “it is better to have a decent position of 8 to 10,000 fr [francs] [a year] here [in Europe] than to become a worker in America, where life is very expensive.”

Leo himself had previously pointed to the high cost of living in the U.S. Yet, he nevertheless disagreed: in an embittered letter he countered that he would “in no way return to Europe for a miserable petty position of 5 to 6,000 francs.” The discrepancy in wage level expectations is significant, for Baekeland did seem ready to move to just about anywhere in the world if only he were duly remunerated. For example, previously unnoticed comments show that he had considered participating in a scientific and colonial mission to Congo shortly after having earned his Ph.D. In addition, in early 1891 Baekeland came very close to relocating to Paris or Valparaiso, Chile, for professional purposes. At the same time, though, he warned his wife that, if his assignment in France would be confirmed, he would try to return to the U.S. as quickly as possible so as to avoid unpleasant reunions with European acquaintances. Thus, while rational considerations of income maximization certainly were a more important determinant of Baekeland’s professional trajectory than has been recognized in earlier studies, they do not tell the whole story.

In fact, to his wife’s chagrin, another of Baekeland’s arguments was the sweeping generalization that “a few exceptions aside, all Europeans are more or less morons” – an attitude also expressed in later letters to his friend Edouard Remouchamps, as well as in travel notes, in which Baekeland made it a game to reveal the “general mentality of nations.” Most of the examples that Leo gave to demonstrate Europe’s “backwardness” did not directly concern his own career. To the chemist’s relief, for instance, the works of Emile Zola and other “decadent,” “demoralizing” European writers were being censored in the U.S.; and women seemed to be treated decently there – a point to

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which his wife was receptive\textsuperscript{71}. Likewise, until he grew disillusioned with politics and became a staunch technocrat, Baekeland favorably contrasted America’s republican democracy to Europe’s monarchies, among other political regimes. Still, it seems fair to connect Baekeland’s complaints about the “permanent exhibitions of stupidity, weakness of character, greed, selfishness, brutality, petty conceit and general lack of efficiency … [hidden in] … the cloak of art” that he observed in Western Europe in general, and his home town in particular, to his own socio-professional situation and interests and to his entrepreneurial personality\textsuperscript{72}. Most relevantly, a case could be made that Baekeland had partly been drawn to the U.S., a country known for its business dynamism, by a sense that the incentive structures prevailing in his home region were a hindrance to his scientific entrepreneurship. To be sure, in view of Belgium’s educational legislation, Baekeland had little reason to complain: at his alma mater, Ghent, the legal provision of 1849 that obliged professors of state universities to obtain governmental permission before engaging in remunerated activities outside of their academic duties was barely enforced during the 1880s\textsuperscript{73}. Indeed, it is doubtful whether Joseph Devolder, the Minister of the Interior and of Public Education from 1887 until 1890, had ever heard of Dr Baekelandt et Cie. Someone who could have informed him about the enterprise was Auguste Wagener (1829-96), the administrator-inspector (administrateur-inspecteur) representing the Belgian government at the University of Ghent. Yet Baekeland had a good personal relationship with Wagener, dating back to at least the beginning of his academic studies in 1880\textsuperscript{74}. Wagener, perhaps Baekeland’s most powerful mentor, limited himself to praising Baekeland as a gifted scientist who, in addition, had “the stuff to be an inventor, which is rare”\textsuperscript{75}. In November 1889, Wagener notified the minister that Baekeland was offering his resignation as agrégé spécial because he had been given the opportunity to commercially develop his photographic invention in the U.S., thus repeating the (misleading) explanation that Baekeland had given Wagener shortly before. It is significant that Wagener, when advising Devolder to allow Baekeland to retain an honorary affiliation to the university, referred to the chemist’s “exceptional entrepreneurialism in scientific matters”\textsuperscript{76}. Yet,
Leo Baekeland at work in his laboratory. He set up this laboratory on his estate in Yonkers, where, in 1907, he invented the first fully synthetic plastic, ‘Bakelite’. (Ghent University, Museum for the History of Sciences)
while Wagener seems to have been favorably impressed with Baekeland’s inventiveness and entrepreneurial attitude, there are indications that other people in Baekeland’s environment disapproved of entrepreneurial risk-taking. For instance, after having been informed that Leo had dissolved his contract with Anthony & Co., Céline indicated that “I won’t mention it to anybody, as you know how cautious, conservative etc. people are”, even though the financial impact of her husband’s decision thus remained veiled and her uncommunicativeness forced her to take on debts from outsiders. In 1898, Baekeland himself wrote to Remouchamps, a friend from Ghent with whom he corresponded extensively, noting that Europeans could hardly grasp that a professor could make for a good industrialist, perhaps suggesting that he had personally met with prejudice on account of his involvement in Dr Baekelandt et Cie.

In this connection, the claim that Théodore Swarts disapproved of his son-in-law’s commercial endeavors because he would have liked him to fully concentrate on his academic pursuits is important. This interpretation is supported by Swarts’ lobbying efforts to have Leo promoted to the position of agrégé spécial – a function partly modeled after the German Privatdozent – prior to the marriage of his daughter to Baekeland in August 1889. It is also in accordance with the higher social status of Belgium-based academic chemists in comparison to their professional colleagues in industry. It is further confirmed by a letter in which Céline paraphrased her father saying that it had “always been his goal and intention before your settling down in the U.S.” to help Leo make a career at the University of Ghent. However, on the other hand, when Céline finally informed her parents about her husband’s departure from Anthony and his difficulties in finding an equivalent source of income, Théodore seemed eager to try to arrange for Leo “a decent position worthy of you and me here in Europe in whatever industry”. Indeed, he had previously recommended Baekeland to the Société Générale de Maltose, a Brussels-based enterprise which had acquired the rights on a fermentation process patented by chemist Jean Effront, the founder of the Institut des Fermentations, also in Belgium’s capital.

The case of Maltose was typical for Baekeland the entrepreneur in that it concerned a truly transnational endeavor. It was Théodore Swarts who heard in the fall of 1890 that the firm was trying to make arrangements for the exploitation of its U.S. intellectual property rights. Leo confirmed that he would like to get involved, but was informed that Maltose would not make a decision before the end of the year. Then, on 12 January 1891, Théodore met again with representatives of the enterprise, and upon his return Céline was able to extract the following account of late nineteenth-century 'technoscience' from her tired, incommunicative father. According to Céline’s letter, “[t]hey [Maltose] were in contact with an Englishman who wanted to exploit [the invention] in England and the United States, but as he did not seem to be in a hurry, and only had an option until the middle of January[,] there was talk of dropping him. But in Paris there is an American ambassador or consul Du Thilly is his name, I believe, who got in touch with American financiers who would buy the process for 1 million, + 100,000 [which] would have to be paid to this gentleman. These investors ask an option for 4 months, but today it was found that 4 months was a long period of time and if one had to give 100,000$ to this gentleman that would be a complication. In brief, a discussion on this started and here le patron [Prof. Swarts] talked about you, saying that you had gained a foothold in scientific circles there [in the U.S.], that you knew people and that you could be approached. To which they responded that a pure chemist was not exactly what they were looking for, that plainly someone to manage affairs and finances was needed, but that the combination of the two would be even better and they urged le patron to write you to bring you in contact with Carez (the engineer) so that you could get together with the capitalists whom I mentioned above.”

Théodore Swarts’ recurrent get-togethers with the Société Générale de Maltose and his intention to involve his son-in-law in the project put into question the anti-business attitudes that have been ascribed to him. At the same time, though, the outcome of the affair points to the risks of having to depend on Swarts’ goodwill. The University of Ghent’s chemistry professor continued to meet up with Maltose negotiators during the remainder of January and in early February, and his son-in-law was impatiently looking forward to hearing further details. But, to Leo’s unpleasant surprise, Théodore seemed not to have sent him a letter – a fact which confirmed Céline’s view that her father was “the most negligent and selfish being that I know of.”

From Céline’s letters, Théodore, a popular teacher, appears as an authoritarian, disloyal, and unbearable husband and father, who contributed to his daughter’s low esteem for Belgian husbands other than her own. Ironically, around the same period in which Théodore was elected into the Order of Leopold – perhaps the highest public honor

Leo Baekeland on the cover of Time Magazine. (Time, The Weekly News-Magazine, 22 September 1924)
in Belgium – Céline and her siblings had been assisting their mother in her efforts to obtain a divorce. Their preference was to arrange this by mutual consent, as detailed evidence of misconduct would have been needed in case of a judicial divorce “and mother has never taken much fun in following or watching this monster”\textsuperscript{88}. But Théodore, assisted by legal advisors of his own, informed the lawyer of his family members that he would: “not at any price accept a divorce by mutual consent, that if mom persisted in this idea [of divorcing] that he would on his part request a divorce in the tribunals on the ground of debts and suicide, that he would send Bibi [Céline’s then fifteen-year-old sister] to a boarding school and ruin the career of Frédéric [Céline’s brother Frédéric] by forcing him to resign [from the University of Ghent]”\textsuperscript{89}. As if this were not yet enough, Leo’s relationship with Frédéric, “who does not possess an easy character”, risked becoming equally explosive as his relationship with Théodore\textsuperscript{90}. For instance, in December 1890, a date by which Théodore’s attempts to reconcile himself with his family had met with some success, Céline anticipated that Frédéric was “predestined” to succeed his father as a chemistry professor at the University of Ghent. And “for that as well it is a good thing that you have left the university because such situations are so delicate and cause so much trouble, and it is easy to say that the son always comes first and that would have created irreparable scars”\textsuperscript{92}.

Still, in a sense, to claim that Baekeland primarily desired to leave Belgium far behind because of the Swarts – or even the Guequiers – would be to overrate the importance of these families. In effect, Baekeland appears to have been entirely fed up with his social surroundings in the “bunch of rubbish which one calls Belgium and where everyone is an idiot”, and unwilling to forego his newly acquired sense of liberty and independence\textsuperscript{93}. According to a letter to his wife, for example, “[t]he mere idea of having to return to Belgium and being once again in the company of ‘friends and acquaintances’ is already giving me a sense of malaise. Visits and visiting cards and straitjackets and everyone meddling in your affairs no no no I know too well that

\textsuperscript{88} Swarts to Baekeland, 22 August 1890 (translation mine). \textsuperscript{89} Swarts to Baekeland, 5 September 1890 (erroneously dated 1889) (translation mine). \textsuperscript{90} See “Frédéric Swarts (1891)”, in Université de Gand : Liber memorials, vol. 2, Gand, 1913. \textsuperscript{91} Swarts, letter to Baekeland, 9 January 1891 (LBP, series 3, box 13, folder 7) (translation mine). \textsuperscript{92} Swarts, letter to Baekeland, 10 December 1890 (LBP, series 3, box 13, folder 6) (translation mine). \textsuperscript{93} Swarts to Baekeland, 19 November 1890 (translation mine). See also Swarts’ letter of 25 September 1890 (referring to “les sots gantois”) (both in LBP).
my life of boredom and mutual annoyances would then start all over again. My character is not social enough for that anymore. The fewer people I see the better. ... do not believe ... that because of my present difficulties I have become tamable or could be turned into the banal, domestic animal which constitutes a society man.”

Whereas Leo had previously apologized somewhat playfully for his pessimism “à la Schopenhauer”, the tone of the above-quoted letter was truly embittered, suggesting that he was suffering from depression. But Baekeland’s message to his wife certainly was consistent with what he had written before; in fact, two recurring themes in the couple’s correspondence had been the different social dispositions and backgrounds of each partner and their dissimilar opinions as to what constituted the basic necessities of life. For instance, Leo repeatedly grumbled that Céline expected him to be working for “a good, well-furnished house with servants and your parents and this delightful city of Ghent with all your girlfriends”, whereas a life like that did not at all appeal to him. In response, Céline on the one hand admitted that in her social circles the view that “happiness was impossible where money was lacking” had been only natural and that she could barely stand the thought of her husband having to make up his bed himself. She also agreed that their characters differed, as “[y]ou are a little bear who knows how to live by himself and enjoys this solitude, but I am not like that”. On the other hand, though, she charged Leo with attempting to create an emotional gulf between them, in addition to the already existing physical one, by focusing on what separated them instead of what they had in common, as well as by exaggerating actual dissimilarities.

Céline also expressed concern that her husband would permanently develop into the kind of antisocial loner which he depicted himself as in the above-quoted letter. To Leo, however, this certainly was no incentive for returning to Europe. By contrast, he countered that: "Living two years in a free and independent country without being bothered constantly by friends and relatives has made me appreciate the advantages of this kind of life. Here at least if I don’t care about people they don’t care about me and I do not have the smallest interest in involving myself in the chicaneries and annoyances of ‘society’ again.”

The notion of entrepreneurs as “strangers” or outsiders has a long history in entrepreneurship research, and there can be no doubt that Baekeland considered himself alien to his academic milieu in Ghent. As he liked to emphasize in later autobiographical reflections, his social background had been more modest than that of most of his colleagues and friends and his pre-university education in industrial chemistry at the bilingual Industrial School of Ghent (École industrielle or Nijverheidsschool) had been far more practically oriented. Clearly, Baekeland’s feelings of estrangement in connection to this background facilitated his choice to settle down abroad, in opposition to his wife’s preferences. They also go a long way in explaining why he did not appear to focus as much on making a career in academia as might be expected of someone seeking to gain social standing and prestige.

In September 1885, as an example, the Faculty of Sciences of the University of Ghent unanimously proposed to promote Baekeland to the position of assistant to the course in general chemistry. Yet the professors present at the meeting were under the impression that Baekeland – who had actually been considering moving to Congo – would rather accept a job abroad. Furthermore, these personal background factors almost certainly contributed to the fact that Baekeland reached life-changing decisions in a relatively autonomous and sometimes individualistic manner.

In the opinion of Carl Kaufmann, author of a comprehensive biographical profile of Baekeland, the scars caused by Céline and Leo’s quarrels and prolonged separation never fully healed. Yet their marriage did not collapse and Céline, together with Jenny, the daughter to whom she had given birth on 5 November 1890, finally rejoined Leo in New York around May 1891.

Relatively little is known about what happened between this reunion and the foundation of Baekeland’s second photochemical start-up, the Nepera Chemical Co., in the second half of 1893. Baekeland surely attempted to hedge his bets by working on different potential inventions, including an antiseptic compound for food preservation, for which he filed a patent application in June 1892. It is also noteworthy that Baekeland promoted a process invented by Effront, the fermentation chemist who had assigned his patent rights to the Société Générale de Maltose, to American alcohol manufacturers and “biological chemists” in an article in the Journal of American Chemistry. This might suggest that Baekeland still had ambitions to become the U.S. representative of the Brussels-based enterprise. Additionally, Leo seems to have taken to heart Céline’s earlier advice to actively participate

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in photographic clubs and societies. In April 1892, for example, he presented an introductory paper on carbon photography to the Society of Amateur Photographers. Finally, it is undisputed that Leo conducted further photochemical experiments until he was struck by appendicitis later that year or early in 1893 and “barely escaped the clutches of death.”

With hindsight, it is evident that Baekeland’s encounter with Leonard Jacobi (1850-1931), a German-Californian Jew, constituted a key event that helped break the downward spiral in which he was finding himself. Baekeland and Jacobi got to know each other in Europe, where Jacobi, a former stockbroker with an international network of professional contacts, is said to have been spending a fortune earned in finance on no less than fourteen years of “travel and recreation.” Then, in June 1893, while Baekeland was recovering from his illness, they met again in Yonkers, the New York City suburb in which Jacobi’s family had rented a mansion for the summer. Baekeland had just relocated from Manhattan to Yonkers and, apparently not deterred by the severe economic depression that would keep unemployment rates at above ten percent until 1898, he and Jacobi went into business later that year.

Unlike Baekeland and Jules Guequier, Jacobi had no background in science. But his thoroughness and common sense approach to the day-to-day running of a business proved indispensable, as Baekeland would later recollect. This is not to say that Baekeland himself had drawn no lessons from his previous problems and failures. Perhaps most importantly, the chemist now seems to have almost single-mindedly dedicated himself to company affairs: there is considerable evidence that he worked long hours, limited his vacation time—particularly during the firm’s crucial first four years of existence—and did not engage in any other occupation. This, I would suggest, indicates that he had obtained a more detailed understanding of what it takes to turn an initial invention or discovery into a commercial success and, this time around, fully committed himself to this process. The invention concerned—Velox photographic paper—was occasionally promoted as a gift

to the United States by Baekeland, Jacobi, and their collaborators. Needless to say, as with his later invention, Bakelite, the benefits to the economy of Baekeland’s country of birth were comparatively small.

III. Concluding Remarks

This article has shown that institutional arrangements and attitudes in Baekeland’s European home environment were an important reason behind his migration to the United States and his related decision to dissolve Dr Baekelandt et Cie at the earliest possible moment. In view of the rise of academic biotechnology entrepreneurship from the late 1970s onward, which cannot be properly understood without considering legislation regarding intellectual property and venture capital finance, it is significant that informal institutions clearly mattered more than formal ones. For instance, there are no indications that Belgium’s patent system was a constraint, although it offered relatively weak incentives to invent, particularly in comparison to the U.S. system. As for the rules against State university employees accepting outside work without government permission, my analysis points to the importance of the informal, de facto implementation of regulations, in contrast to the formal, de jure rules. In this respect, Baekeland’s timing was fortunate. In the 1890s, such extra-academic engagements by professors and other faculty members came under scrutiny and were sometimes forbidden. In the late 1880s, by contrast, the legal provision on the basis of which “the door was closed to abuses” in the next decade had essentially remained a dead letter. There are even indications that Wagener, the then government representative at the University of Ghent, had personally encouraged Baekeland to bring his photographic invention to market. Arguably, the financial side of the history of Dr Baekelandt et Cie provides an exception to the relative unimportance of formal institutions. From a present-day perspective, the absence of formal seed and venture capital industries could be considered a heavy constraint. Baekeland and his partners did get a loan from the Banque de Flandre and were able to raise considerable sums from a few wealthy individuals, but the Guequiers were desperately searching for additional funding by the summer of 1890 and Baekeland’s wife concluded that Dr Baekelandt et Cie had mainly lacked money. However, even if the availability of venture capital had been stipulated by formal rules and regulations, it would not have automatically followed that the academic inventor’s start-up would have effectively received the much-needed funding.

The impact of informal institutions certainly was more tangible. These included the aversion to risk that Céline Swarts observed in

her social surroundings in Ghent as well as the (perceived) lack of occupational mobility to which her husband referred. Yet, above all, the expectation to behave as a “society man” represented a major burden to Baekeland, an independence-seeking outsider of a relatively modest background. As demonstrated, this argument is supported not only by the Baekelands’ correspondence from around 1890 but also by later evidence. On a return to Ghent in 1913, for instance, Baekeland fulminated against the idolization of “[a]rt – art !! Art !!!” – as opposed to science, technology and industry – a cultural hierarchy which he connected with “stupidity and ignorance and arrogance!”\textsuperscript{113}. He made similar observations elsewhere in Europe; but contrary to his early-twentieth-century efforts to reform the U.S. patent system, at the stage of his career examined in this article Baekeland had preferred to reinvent himself on the other side of the Atlantic rather than dedicate himself to institutional change back home. In other words, he was not yet an institutional entrepreneur.

To say that informal institutions influenced Baekeland’s decision-making is not to say that institutional theory provides the most appropriate framework for analyzing his early entrepreneurship. As a case in point, on the basis of the evidence presented, one could equally argue that the culture of Baekeland’s home environment did not reward entrepreneurialism as strongly as a more individualistic American culture, shaped by an ideology of “self-made manhood” to which Baekeland was receptive\textsuperscript{114}. Furthermore, while research on the social backgrounds of entrepreneurs and their personality traits has, to an extent, gone out of fashion\textsuperscript{115}, I would suggest that studies in this tradition provide a better basis from which to interpret some of Baekeland’s basic drives and motivations than the perspective offered by the institutional literature. It would, for instance, be worthwhile to more thoroughly analyze Baekeland’s sense of being an outsider from a socio-psychological point of view. Another potentially crucial drive concerns Baekeland’s troubled relationship with his father, a shoemaker with alcohol problems. Important comparative information on this feature is provided by a 1978 article entitled “American Entrepreneurs and the Horatio Alger Myth”. The study’s author, economic historian Bernard Sarachek, found that 56 percent of the 187 entrepreneurs in his research sample had lacked a supportive father\textsuperscript{116}. Finally, a solely institutional perspective would also fall short in explaining the link between the professional backgrounds of Baekeland and the Guequiers and the unsatisfactory performance of Dr Baekelandt et Cie. As this article has demonstrated, the lack of business experience, and commitment, of the partnership’s founders constituted a major stumbling block. In order to appreciate the importance of this fact, it was necessary to look beyond rules, norms, and incentive structures.

Taken together, these qualifications suggest the desirability of incorporating findings from various strands of entrepreneurship research into hybrid theories, rather than relying on the institutional approach to entrepreneurship as a single paradigm. An example of such a synthesis is provided by a 2013 article in *Business History*. Drawing on life histories of Indian entrepreneurs, the authors show that a stress on historical complexity need not exclude the development of valuable theoretical concepts and arguments. In this way, biographical research on entrepreneurs truly adds to entrepreneurship theory.

**Abbreviations**

<table>
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<tr>
<th>ABP</th>
<th>Association Belge de Photographie</th>
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