

HOW THE LARGEST AMERICAN CORPORATIONS EVOLVED IN THE PERIOD 2019-2022

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Abstract: *One of the most important achievements of the last century was the spread of huge business organizations all over the world. Based on modern organization and management, these corporations began to obtain an increasing efficiency through various methods and techniques. After the fall of the Berlin Wall, the process of globalization expanded very rapidly all over the world. As key pillars of this widespread and complex process, corporations fulfil several important functions, such as employing a large number of people and providing various products and/or services to numerous customers. Today's business world is ruled by huge multinational and transnational corporations which operate and compete on a global scale. Many of them are powerful American corporations from various domains. The goal of the paper is to present and briefly analyze the evolution of the first ten American corporations in the period 2019-2022 in terms of their total revenues. This aim was achieved through a qualitative research method. The results reveal that the ten largest American corporations in terms of total revenues obtained high economic performance during the period 2019-2022 and that they are activating in important economic sectors, such as retailing, the pharmaceutical sector and health care system, and the IT&C sector. Wal-Mart clearly dominated the hierarchy in the whole period.*

Keywords: *corporation, revenue, Wal-Mart, America.*

JEL Classification: *F00, F23.*

1. Introduction

One of the most important achievements of the last century was the spread of huge business organizations all over the world. Based on modern organization and management, these corporations began to obtain an increasing efficiency through various methods and techniques, such as divisionalization, decentralization, diversification or economies of scale (Whittington and Mayer, 2000; Cornescu et al., 2004; Marinescu and Toma, 2015). Corporations represent a vehicle of capitalism expansion (Butler, 1989) and vary across countries due to the existence of different institutional structures, laws and regulations, cultures, and government policies (Ellsworth, 2002).

After the fall of the Berlin Wall, the process of globalization expanded very rapidly all over the world. As key pillars of this widespread and complex process, corporations fulfil several important functions, such as employing a large number of people and providing various products and/or services to numerous customers. Thus, they create and deliver value to many stakeholders (e.g., shareholders, employees, customers, communities). Moreover, corporate decisions are considered as „one of the major drivers of some of the most pressing social problems, including rising inequality, labor market dislocations, growing market power, and climate change” (Bebchuk and Tallarita, 2022, p.1038).

Today's business world is ruled by huge multinational and transnational corporations which operate and compete on a global scale (Toma, 2013). Many of them are powerful American corporations from various domains (e.g., retailing). Since the end of the nineteenth century most American industries have begun to be dominated by large corporations.

The goal of the paper is to present and briefly analyze the evolution of the first ten American corporations in the period 2019-2022 in terms of their total revenues. This aim was achieved through a qualitative research method. The study is structured as follows: the next section displays the literature review. The research methodology is illustrated in the third section of the paper. The outcomes of the study are discussed in the fourth section. The last section shows the conclusions of the paper.

2. Literature review

Derived from the Latin word *corporatio*, the concept of corporation has always represented a subject of interest for researchers and practitioners. A corporation is defined as:

- „a type of business that the law treats like a single person” and “can be owned by multiple shareholders” (Hitchcock, 2023, p.1).
- „a legal entity that is separate and distinct from its owners” (Berry-Johnson, 2024, p.1).
- „a legal entity created by individuals, [stockholders](#), or shareholders, with the purpose of operating for profit” (Corporate Finance Institute Team, 2024, p.1).
- „a body formed and authorized by law to act as a single person although constituted by one or more persons and legally endowed with various rights and duties including the capacity of succession” (Merriam-Webster, 2024, p.1)
- „a legally established entity that can enter into contracts, own assets and incur debt, as well as sue and be sued- all separately from its owner(s)” (Business Development Bank of Canada, 2024, p.1).

Thus, there is a plethora of definitions in the literature. Despite the lack of consensus, the above-mentioned definitions emphasize some of the key characteristics of a corporation, as follows:

- It is a legal entity owned by a single person or by several shareholders, being separate from him/her or them.
- A corporation is created by shareholders with the aim of obtaining profit.
- It has different rights and duties according to the law.
- A corporation carries on business activities, enters into contracts and possesses its own assets.

In the last decades, researchers published numerous articles and books related to the evolution of the largest corporations all over the world (Toma et al., 2016a; Grădinaru and Toma, 2018; Toma, 2019; Foley et al., 2021). In the age of globalization (Toma, 2005; Michie, 2019), facing especially the Chinese challenge (Toma et al., 2017), the American corporations (e.g., Wal-Mart, Berkshire Hathaway, Apple, Exxon Mobil, CVS Health) proved to be highly competitive and successful (Blanchard and Matschke, 2015) in the retailing sector (Grădinaru and Toma, 2017), the financial and banking sector (Toma and Grădinaru, 2018), the information technology and communications (IT&C) sector (Froud et al., 2012), the oil sector (Toma et al., 2015) and the pharmaceutical sector (Toma and Catană, 2021) etc. Their impressive performance is based on the design and implementation of various concepts, methods and techniques, such as strategic thinking (Toma et al., 2016b) and planning (Toma and Grădinaru, 2016c), entrepreneurialism (Zainea et al., 2020), marketing mix (Catană and Toma, 2021), corporate social responsibility (Marinescu et al., 2010), total quality management (Toma, 2006), Six Sigma (Toma, 2008), digitalization (Toma and Tohănean, 2018), and sustainable business models (Toma and Tohănean, 2019) .

3. Research methodology

To attain the purpose of the paper, the author utilized a qualitative research method. On this line, he began by collecting the data through desk research. The author found many information in several secondary data sources (e.g., articles, reports, books). Then, he analysed and synthesized them in order to write the paper.

4. Results and discussion

This section of the study is devoted to the analysis of the evolution of the first ten American corporations in the period 2019-2022 in terms of their total revenues. This interval of time encompassed both the pre-COVID 19 pandemic years and the pandemic period. With more than 523 billion USD revenues, Wal-Mart, the American retailer colossus, clearly dominated the top in 2019 (Table no. 1). The first ten American corporations operated in various fields of activity as follows:

- four corporations (CVS Health, UnitedHealth Group, McKesson, Cencora) were from the pharmaceutical sector and health care system;
- two corporations (Wal-Mart, Amazon) were from the retailing sector;
- two corporations (Apple, AT&T) were from the IT&C sector;
- one conglomerate holding company (Berkshire Hathaway) encompassed different sectors (insurance, financial services, utilities and energy group, construction etc.);
- one corporation (ExxonMobil) was from the petroleum refining industry.

Table no. 1. The ten largest American corporations by their total revenues in 2019

No.	Corporation	Revenues (\$B)
1.	Wal-Mart	523.964
2.	Amazon	280.522
3.	ExxonMobil	264.938
4.	Apple	260.174
5.	CVS Health	256.776
6.	Berkshire Hathaway	254.616
7.	UnitedHealth Group	242.155
8.	McKesson	214.319
9.	AT&T	181.193
10.	Cencora	179.589,1

Source: Fortune, 2020

One year later, Wal-Mart preserved its first position in the top (Table no. 2). The first ten American corporations activated in different domains of activity as follows:

- four corporations (CVS Health, UnitedHealth Group, McKesson, Cencora) were from the pharmaceutical sector and health care system;
- two corporations (Wal-Mart, Amazon) were from the retailing sector;
- two corporations (Apple, Alphabet) were from the IT&C sector;
- one conglomerate holding company (Berkshire Hathaway) encompassed different sectors (insurance, financial services, utilities and energy group, construction etc.);
- one corporation (ExxonMobil) was from the petroleum refining industry.

Table no. 2. The ten largest American corporations by their total revenues in 2020

No.	Corporation	Revenues (\$B)
1.	Wal-Mart	559.151
2.	Amazon	386.064
3.	Apple	274.515
4.	CVS Health	268.706
5.	UnitedHealth Group	257.141
6.	Berkshire Hathaway	245.510
7.	McKesson	231.051
8.	Cencora	189.893,9
9.	Alphabet	182.527
10.	ExxonMobil	181.502

Source: Fortune, 2021

Year 2021 witnessed, once again, the domination of Wal-Mart (Table no. 3) . The first ten American corporations operated in various fields of activity as follows:

- four corporations (CVS Health, UnitedHealth Group, McKesson, Cencora) were from the pharmaceutical sector and health care system;
- two corporations (Wal-Mart, Amazon) were from the retailing sector;
- two corporations (Apple, Alphabet) were from the IT&C sector;
- one conglomerate holding company (Berkshire Hathaway) encompassed different sectors (insurance, financial services, utilities and energy group, construction etc.);
- one corporation (ExxonMobil) was from the petroleum refining industry.

Table no. 3. The ten largest American corporations by their total revenues in 2021

No.	Corporation	Revenues (\$B)
1.	Wal-Mart	572.754
2.	Amazon	469.822
3.	Apple	365.817
4.	CVS Health	292.111
5.	UnitedHealth Group	287.597
6.	ExxonMobil	285.640
7.	Berkshire Hathaway	276.094
8.	Alphabet	257.637
9.	McKesson	238.228
10.	Cencora	213.988,8

Source: Fortune, 2022

In 2022, Wal-Mart remained the largest American corporation in terms of revenues (Table no. 4). The first ten American corporations activated in different domains of activity as follows:

- three corporations (CVS Health, UnitedHealth Group, McKesson) were from the pharmaceutical sector and health care system;
- two corporations (Wal-Mart, Amazon) were from the retailing sector;
- two corporations (ExxonMobil, Chevron) were from the petroleum refining industry;
- two corporations (Apple, Alphabet) were from the IT&C sector;

- one conglomerate holding company (Berkshire Hathaway) encompassed different sectors (insurance, financial services, utilities and energy group, construction etc.).

Table no. 4. The ten largest American corporations by their total revenues in 2022

No.	Corporation	Revenues (\$B)
1.	Wal-Mart	611.289
2.	Amazon	513.983
3.	ExxonMobil	413.680
4.	Apple	394.328
5.	UnitedHealth Group	324.162
6.	CVS Health	322.467
7.	Berkshire Hathaway	302.089
8.	Alphabet	282.836
9.	McKesson	263.966
10.	Chevron	246.252

Source: *Fortune*, 2023

In essence, the above outcomes lead to the following interesting issues for the period 2019-2022:

- Wal-Mart was by far the largest American biggest corporation by its total revenues every year. It succeeded in continuously growing its revenues from one year to another.
- Amazon was the main competitor of Wal-Mart for the whole period.
- Seven American corporations out of ten were present in the top every year.
- The top was dominated by American corporations from the pharmaceutical sector and health care system, retailing, petroleum refining industry, financial services, and IT&C sector.

5. Conclusions

Since their emergence, the American corporations have become key players not only in the American economy but also in the global economy. The globalization process allowed them to expand all over the world.

The study shows that the ten largest American corporations in terms of total revenues obtained high economic performance during the period 2019-2022. Also, it reveals that they are activating in important economic sectors, such as retailing, the pharmaceutical sector and health care system, and the IT&C sector. Wal-Mart clearly dominated the hierarchy in the whole period.

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