



## **Business-Government relations and national economic models: how do varieties of capitalism emerge and develop over time?**

Niall G MacKenzie, University of Strathclyde  
Andrew Perchard, University of Stirling  
Neil Forbes, Coventry University  
Christopher W Miller, University of Glasgow

The varieties of capitalism concept and literature has been dominated by conceptual institutional modelling (Hall and Soskice, 2001; Hancké et al, 2007; Whittington and Mayer, 2002; Whitley, 1999). Business and economic historians have undertaken a number of significant works on varieties of capitalism in the form of empirical transnational firm and sectoral case studies (Chandler 1990; McCraw, 1997; Musacchio and Lazzarini, 2015; Cassis, 2002; Fellman et al, 2008; Sluyterman, 2014). A special issue in *Business History Review* in 2010 sought to bring a number of prominent business historians together to offer their thoughts on how business history can contribute to the varieties of capitalism literature which has been described as “ahistorical, at least in its original formulation” (Friedman and Jones, 2010). This call for papers seeks to extend and complement the work produced in that issue to consider how varieties of capitalism evolve in relation to government-business relations, building on and extending recent work by Thomas and Westerhuis on networks of firm governance and national economic models (2014), by elucidating how business-government relations affect the development and promulgation of different types of varieties of capitalism. The focus of much of the existing canon on varieties of capitalism is centred on aggregated models of institutional environments, and less on the critical interactions between principal actors within the economy, of which both businesses and governments are key. Indeed, recent work has been critical of the relatively static conceptualization and narrowness of the varieties of capitalism idea (Baccaro and Pontusson, 2016). To this end, business historians are uniquely placed to comment on the specifics and wider relevance of the role of both businesses and governments, the character of their interactions, and motivations, in the formation and development of varieties of capitalism.

One criticism of the classic business history literature detailing the development of modern capitalist systems (McCraw, 1997; Chandler, 1990; Wilkins, 1964) is that it has largely focused on the creation and development of American capitalism, which is not necessarily reflective of other forms of national capitalisms (Kipping and Bjarnar, 1998; Fellman et al, 2008; Sluyterman, 2014). Recent work by a number of business historians has begun to explore the development of alternative models of capitalism which are in many respects markedly different from the American story. Works by Cassis (1997), Stokes (2009), Tooze (2001), and Fear (1997) for example have explored the development of European capitalism in detail. Crucially, these consider the central role of government-business relations, national culture, and specific historical context that are distinct from the American story. In the European context, this has also been complemented by the work of economists Foreman-Peck and Federico (1999) on the landscape and levers of European industrial policy. Despite some work on Africa, Asia and Latin America (for example, Austin, 2016; Stockwell, 2000; White, 1996; Musacchio and Lazzarini, 2014), the limitations of the geographical scope of case studies have also been criticized (Radice, 1999).

In the political science field, the conceptual institutional modelling of varieties of capitalism has been exemplified by the work of eminent political economists Hall and Soskice (2001) who have advanced what they term as the five spheres in which firms must develop relationships to resolve co-ordination problems in their core competencies: industrial relations; training and education; corporate governance; inter-firm relations; and employee relations. Consistent within this is an explicit focus on firm level analysis and activities, which misses a number of other important factors, including context. In his classic work, Douglass North (1990) identified the importance of the 'rules of the game' in shaping business activity. Such rules are usually set by governments, but rarely without engagement with firms. Consequently, we are seeking to understand the dynamics of such engagements beyond simple firm-level competence and into the nature, structure, flows and intensity of interactions between firms and governments across different contexts and time as a way of explaining the development of different forms of capitalism. To this end, both descriptive and analytical analyses are welcome in submissions.

We posit that varieties of capitalism (VoC) develop in different ways, partly as a result of the complex interactions between government and business over time and in different contexts. An example of the demonstrable opportunities, and the current gap, are to be found in the lack of engagement between international political economy discourses on development (for e.g. Acemoglu and Robinson, 2013), and detailed historical studies of business in the decolonizing world (e.g. White; Stockwell; Butler, 2008; Decker, 2005). Similarly, detailed business historical studies of elites and networks within specific commodity markets offer to provide valuable insights to models of VoC (e.g. Ingulstad et al, 2014) and how they emerge, are impacted by, and impact on business-government relations. A further illustration of this can be found in the emergence of a particular form of capitalism in post-Soviet Russia where well-documented business-government interactions created a number of super-wealthy oligarchs against a backdrop of economic change and upheaval. To this end, we propose that VoC act as a framework for analysis of such relations in submitted papers, both focusing on individual countries, and companies operating across countries where appropriate.

The literatures on national economic models by political scientists and business historians have been shaped by their own national environment. We thus seek to review the connections (explored and otherwise) between the literature identified above, and advance understanding of business-government relations across different spatial and temporal contexts. We seek to extend and complement the current 'historical turn' within business and management scholarship (Kipping and Üsdiken, 2014; Maclean and Harvey, 2015; Perchard et al, 2017) through their consideration of the 'dual integrity' of the social sciences and history, to elicit greater understanding of business-government relations and the conduct of these in the emergence and development of varieties of capitalism. This offers to produce work which speaks to both business historians and political scientists alike, as well as to policymakers. We encourage new historically informed reflections on national economic models and institutional environments, especially from under-represented territories (for example, South Asia, Eastern Europe, Africa and Latin America), or during scenarios such as war, disasters, or other exogenous crises, or on the role of family wealth in developing forms of capitalism (for example the influence of the Wallenberg family in Sweden, or the Rothschilds' financial influence). The proposed special issue will raise the profile and awareness of the potential contribution of business history to wider debates on capitalist systems of economic organization by utilising the unique insights gleaned from historical enquiry into the actions and motivations of business and government actors to interrogate the efficacy of the varieties of capitalism concept. In turn, this will have wider value beyond business history and offer a demonstrable contribution to a range of other disciplinary studies.

We welcome innovative submissions that combine empirical studies with conceptual literature both on business-government relations and national economic models (including different conceptualisations of national and regional economies). Submissions may adopt a local, regional, and/or national, foci. Whilst we welcome submissions focusing on any country, we particularly encourage those covering relatively under-researched regional models of capitalism (such as Eastern European, African and Latin American areas). All manuscripts will be expected to demonstrate an active engagement with historical approaches and methods, conceptual models, and be based on substantive use of historical sources (public and private archives, oral history and other personal narratives). Articles that engage with both the political science and business history fields are particularly welcome. Amongst the topics and themes suggested are:

- **The development of varieties of capitalism and national economic models;**
- **Governments as business actors in terms of rule setting and participation in business activities;**
- **How and why firms engage with government within different national and transnational contexts;**

- The different experiences of businesses and sectors of industry under national governments during wars and major conflicts and the resultant impact on national economic systems;
- Theorising on national economic modelling and institutional environments from historical perspective; and
- Different forms of capitalism and regulation.

The above is by no means an exhaustive list, but rather an indicator of the types of work the editors are provisionally interested in seeing.

### Indicative reading list:

Acemoglu, D., and Robinson, J.A. *Why Nations Fail: The Origins of Power, Prosperity and Poverty*, (Profile, 2013).

Austin, G. 'Is Africa too late for "late development"? Gerschenkron south of the Sahara', in Andersson M. and Axelsson, T. (eds). *Diverse Development Paths and Structural Transformation in the Escape from Poverty*, (OUP, 2016). 206-35.

Baccaro, L., & Pontusson, J. Rethinking comparative political economy: the growth model perspective. *Politics & Society*, 44(2), (2016). 175-207.

Butler, L.J. *Copper Empire: Mining and the Colonial State in Northern Rhodesia, c. 1930-64*, (Palgrave, 2008).

Cassis, Y. *Big Business: the European experience in the twentieth century*. (OUP, 1997).

Decker, S. "Decolonising Barclays Bank DCO? Corporate Africanisation programmes in Nigeria, 1945 –1969", *Journal of Imperial and Commonwealth History*, Vol. 33, No. 3 (September 2005): 419-440.

Edgerton, D. *Britain's War Machine: Weapons, Resources and Experts during the Second World War*. (OUP, 2011).

Fear, J. R. 'German capitalism'. In: McCraw, T.K. (ed.) *Creating Modern Capitalism: How Entrepreneurs, Companies, and Countries Triumphed in Three Industrial Revolutions*. (Harvard University Press, 1997), pp. 135-182.

Fellman, S., Iversen, M., Thue, L., and Sogren, H. *Creating Nordic Capitalism: The Development of a Competitive Periphery*. (Palgrave, 2008).

Friedman, W. and Jones, G. 'Business History and Varieties of Capitalism'. *Business History Review*. Vol. 84, No. 4, (Winter, 2010).

- Hall, P. A., and Soskice, D. (Eds.). *Varieties of capitalism: The institutional foundations of comparative advantage*. (OUP, 2001).
- Hancké, B., Rhodes, M., and Thatcher, M. *Beyond varieties of capitalism: Conflict, contradictions, and complementarities in the European economy*. (OUP, 2007).
- Ingulstad, M., Perchard, A., and Storli, E. (Eds.), *Tin and Global Capitalism, 1850-2000: A History of the "Devil's Metal"*. (Routledge, 2014).
- Kipping, M., and Bjarnar, O. (eds). *The Americanisation of European Business*. (Routledge, 1998).
- Mayer, M., and Whittington, R. The evolving European corporation: strategy, structure and social science. In Geppert, M., Matten, D. and Williams, K. (eds). *Challenges for European management in a global context*, (Palgrave, 2002). 19-41.
- McCraw, T. K. *Creating Modern Capitalism: How Entrepreneurs, Companies, and Countries Triumphed in Three Industrial Revolutions*. (Harvard University Press, 1997)
- Musacchio, A., and Lazzarini, S. G. *Reinventing State Capitalism: Leviathan in Business, Brazil and beyond*. (Harvard University Press, 2015).
- North, D. C. *Institutions, Institutional Change and Economic Performance*, (CUP, 1990).
- Perchard, A., MacKenzie, N. G., Decker S., and Favero, G. 'Clio in the Business School: Historical approaches in strategy, international business and entrepreneurship', *Business History*, 2017.
- Radice, H. *Global Capitalism: Selected Essays*. (Routledge, 2015).
- Sluyterman, K. (ed.), *Varieties of Capitalism and Business History: The Dutch Case*, (Routledge, 2015).
- Stokes, R. G. *Divide and prosper: the heirs of IG Farben under Allied authority 1945-1951*. (Hexagon Press, 2009).
- Thomas, D. and Westerhuis, G., *The power of corporate networks: A comparative and historical perspective*. Vol. 26. (Routledge, 2014).
- Tooze, J. A.. *Statistics and the German state, 1900-1945: the making of modern economic knowledge* (Vol. 9). (Cambridge University Press, 2001).
- Touwen, L. J., "Varieties of Capitalism and Institutional Change in New Zealand, Sweden and the Netherlands in the 1980s and 1990s", in: Henrik Egbert and Clemens Esser (eds.), 2010, *Aspects in Varieties of Capitalism: Dynamics, Economic Crisis, New Players*. INFER Series in Applied Economics, Volume 3 (Lambert Academic Publishing, 2010), 171-202.

White, N. J. *Business, government, and the end of empire: Malaya, 1942-1957* (OUP, 1996)

Whitely, R. *Divergent Capitalisms: The Social Structuring and Change of Business Systems*. (OUP, 1999).

### **Submission instructions:**

Articles should be based on original research and should not be under consideration by another journal. Abstracts of articles of up to 1,000 words should be submitted by **30 April 2018** via ScholarOne, using the drop down to select submission to the Special Issue on *Business-government relations and national economic models: How do varieties of capitalism emerge and develop over time?*

The abstracts initially selected for the Special Issue will be presented as full papers in a workshop that will take place at the Stirling Management School, University of Stirling, Scotland, in **early June 2018**, sponsored by the Stirling Management School and the *Business History* Editors' Fund. The final version of the papers, to be submitted via ScholarOne by **15 August 2018**, should be the result of this workshop. All abstracts and articles will be peer reviewed and, therefore, some may be rejected. Authors should ensure that their manuscripts comply with the *Business History* formatting standards. Authors who are not English native speakers are responsible for having a native English-speaking copyeditor check and correct their texts before final acceptance.

### **Editorial information**

Guest Editors:

Niall G MacKenzie, University of Strathclyde (niall.mackenzie@strath.ac.uk)  
 Andrew Perchard, University of Stirling (a.c.perhard@stir.ac.uk)  
 Neil Forbes, Coventry University (lsx143@coventry.ac.uk)  
 Christopher W Miller, University of Glasgow (christopher.miller@glasgow.ac.uk)

### **Timetable**

**February 2018** – Issue of CfP

**30 April 2018** – Deadline for submission of abstracts

**Early June 2018** – Development workshop, Stirling Management School

**15 August 2018** – Deadline for submission of full manuscripts

**February 2019** – Final decision on accepted submissions.

**NB Early submissions welcome.**