MAX-PLANCK-INSTITUT FÜR GESELLSCHAFTSFORSCHUNG
MAX PLANCK INSTITUTE FOR THE STUDY OF SOCIETIES

MPIfG Discussion Paper 13/4

Who Cares about Financialization?
Explaining the Decline in Political Salience of Active Markets for Corporate Control

Helen Callaghan

MPIfG Discussion Paper

Helen Callaghan
Who Cares about Financialization? Explaining the Decline in Political Salience of Active Markets for Corporate Control

MPIfG Discussion Paper 13/4
Max-Planck-Institut für Gesellschaftsforschung, Köln
Max Planck Institute for the Study of Societies, Cologne
May 2013

MPIfG Discussion Paper
ISSN 0944-2073 (Print)
ISSN 1864-4325 (Internet)

Helen Callaghan is a research fellow at the Max Planck Institute for the Study of Societies, Cologne.

callaghan@mpifg.de

Downloads
www.mpifg.de
Go to *Publications / Discussion Papers*

Max-Planck-Institut für Gesellschaftsforschung
Max Planck Institute for the Study of Societies
Paulstr. 3 | 50676 Cologne | Germany

Tel. +49 221 2767-0
Fax +49 221 2767-555

www.mpifg.de
info@mpifg.de

Abstract

Why is unprecedented financialization failing to provoke a strong political backlash? The role of financial markets, motives, actors, and institutions has expanded continuously in recent decades, but – contrary to Polanyi's "double movement" theory and despite the current financial crisis – market-containment efforts have grown weaker over time. The present paper approaches this puzzle by explaining how the practice of corporate takeover bids gradually gained political acceptance in the United Kingdom from the 1950s onward. Through its expansion, the market for corporate control contributed directly to eroding political resistance by triggering processes of routinization, adaptation, and elimination. *Routinization* decreases issue salience for "average voters" because it lowers the news value of takeover bids. *Adaptation* to new profit opportunities increases the number of beneficiaries from takeover bids, thereby bolstering pro-market clienteles. *Elimination* of stakeholder-oriented companies – through constant exposure to takeover threats – demoralizes the opponents of active markets for corporate control by leaving them with less to fight for. Empirical evidence is drawn mainly from qualitative and quantitative analysis of British parliamentary debates regarding takeover bids between 1953 and 2011.

Zusammenfassung

Warum provoziert die historisch beispiellose Finanzialisierung keine starke politische Gegenreaktion? Während der Einfluss der Finanzwelt auf Märkte, Motive, Akteure und Institutionen im vergangenen Jahrzehnt kontinuierlich gewachsen ist, sind Bestrebungen zur Markteindämmung schwächer geworden – entgegen Polanyis Theorie der Doppelbewegung und trotz der gegenwärtigen Finanzkrise. Der vorliegende Aufsatz nähert sich diesem Rätsel, indem dargelegt wird, wie die Praxis von Übernahmeangeboten in Großbritannien seit den 1950er-Jahren allmählich an politischer Akzeptanz gewonnen hat. Durch seine Ausdehnung hat der Markt für Unternehmenskontrolle direkt zur Erosion politischen Widerstands beigetragen, indem er Prozesse der Routinisierung, Anpassung und Eliminierung ausgelöst hat. Routinisierung verringert die Bedeutung des Themas für den „Durchschnittswähler", da sie den Nachrichtenwert von Übernahmeangeboten senkt. Anpassung an neue Profitmöglichkeiten erhöht die Zahl der Nutznießer von Übernahmeangeboten und stärkt so marktfreundliche Parteien. Eliminierung von stakeholderorientierten Unternehmen durch konstante Übernahmedrohungen demoralisiert die Gegner aktiver Märkte für Unternehmenskontrolle, da sich Widerstand weniger lohnt. Als empirische Belege werden quantitative und qualitative Analysen britischer Parlamentsdebatten zwischen 1953 und 2011 herangezogen.

Contents

Who Cares about Financialization? Explaining the Decline in Political Salience of Active Markets for Corporate Control

The average person … is so offended by the trappings of some bids and mergers that he tends to be sickened by the whole process … [Takeover bids are] just about the only issues on which the Socialists could win an election these days.
Harold Wincott, *Financial Times*, July 7, 1959

Every week, a bland announcement confirms the sale of another major British institution to a foreign predator and, bizarrely, no one is complaining … Labour's somersault is bewildering. The opposition is mute … In previous eras, takeover bids provoked furious battles and bitter recrimination.
Tom Bower, *The Guardian*, February 9, 2007

1 Introduction

Why is unprecedented "financialization"[1] failing to provoke a strong political backlash? The role of financial markets, motives, actors, and institutions has expanded continuously in recent decades, but – contrary to Polanyi's "double movement" theory and despite the current financial crisis – market-containment efforts have grown weaker over time.

Existing research largely neglects this political dimension. Instead, attention has centered on economic or socio-cultural aspects of financialization, including its relationship to overall economic performance, the distributional and organizational effects of changes in company-internal practices, or the spread of financial concepts, languages, and evaluative practices beyond the economic realm. Still scarce are systematic studies of how politics mediates these economic, distributional, and socio-cultural changes. Culpepper (2011) highlights the low political salience of regulatory changes pertaining to corporate control, Crouch (2012) reflects on the "strange death of neo-liberalism" following the financial crisis, and Krippner (2011) shows how US policy-makers promoted financialization as a solution to economic challenges that emerged during the 1970s. However, these path-breaking contributions say little about what determines political mobilization regarding the turn to finance and how it changes over time.

To help fill the gap, the present paper explores how the practice of takeover bids, initially considered intolerable, gradually gained political acceptance in Britain from the 1950s onward. Takeover bids represent an important step in the process of financializa-

1 Broadly defined, the term denotes the "increasing role of financial motives, markets, actors and institutions in the operation of the domestic and international economies" (Epstein 2005: 3).

tion because they allow shareholders to exert "arms-length," market-based control over managers. Where they occur, it is common to speak of a market for corporate control. Corporate control can and frequently does change hands even in the absence of a liquid market, through *negotiated* mergers or acquisitions. These proceed through a vote by the general assembly of shareholders, which is especially convened for the occasion, following lengthy negotiations by managers of the companies involved. By contrast, takeover bids are public tender offers addressed directly to shareholders.[2] They allow bidders to bypass managers of the target company and they replace formal coordination among shareholders by market-based coordination (cf. Apeldoorn/Horn 2007: 217).

An influential strand of economic theory presents active markets for corporate control as an effective means of forcing managers to maximize shareholder value. While the simple theory has many caveats (see Cook/Deakin 1999), empirical evidence shows that companies in the UK and the United States, where takeover bids are most frequent, pay out a higher proportion of their earnings in dividends, and a lower proportion in wages, than do companies in countries with less active markets for corporate control. According to one study of the 100 largest European corporations, in 1995, labor's share of net value added amounted to just 68 percent in the UK, compared to 88.6 percent in Germany (de Jong 1996; see also Pendleton/Gospel 2005).

Given the distributional implications of active markets for corporate control, it is worth asking why political resistance to them has declined in many advanced industrialized democracies. Takeover regulation was once a central battleground in political struggles between the advocates of shareholder- and stakeholder-oriented varieties of capitalism. At the European Union level, a directive aimed at facilitating takeover bids encountered stiff resistance for thirty years before a watered down version was finally passed in 2003 (Callaghan/Höpner 2005). At the national level, many European countries – including France and Germany – abstained from taking any measures to promote active markets for corporate control until well into the 1980s or 1990s (Callaghan 2009). In the UK, where takeover bids first emerged in the 1950s, their desirability has been debated in the House of Commons on no less than 79 occasions (see below). Historically, governments intent on curbing takeover bids also passed company laws to strengthen managerial defenses against hostile bids, constrained bidders' access to finance, exercised their veto rights or used tax incentives to render takeovers less lucrative. In recent years, such market-containing measures have gone out of fashion and are demanded less and less, even by opposition parties.[3]

2 Essentially, the bidder offers to buy all shares in the target company at a fixed price above the market price, subject to the condition that the number of shares sold to him at that price suffices for him to take control of the target company.

3 Foreign takeovers are a partial exception (see Callaghan 2012).

Pace Culpepper (2011:8), inherent issue complexity does not satisfactorily explain low political attention to the market for corporate control.[4] Culpepper suggests that elected politicians and the media care mainly about issues that mobilize voters, and that many corporate governance issues, including takeover rules, are too boring or too complex for voters to care about. As a result, politicians and journalists supposedly have weak incentives to acquire independent expertise and this opens the door to business lobbyists, who tell them quietly what to think and what to do. To be fair, what causes low salience is not Culpepper's main concern. Instead, his highly insightful analysis concentrates on the *consequences* of "quiet politics." To highlight those, he focuses on France, Germany, the Netherlands, and Japan between 1997 and 2006.

The narrow temporal and geographical scope of his study invites the suspicion that lack of problem pressure, rather than inherent issue complexity, accounts for the low political salience of takeover regulation in France, Germany, the Netherlands, and Japan. Contested bids are still rare in all four countries. Even in France, where the increase was largest, the average number of attempted takeovers since 1990 amounts to less than one per year. Moreover, most of the companies involved were in the financial sector, with no blue-collar jobs at stake. The vulnerability of French companies may have increased because of changes in the structure of corporate ownership which Culpepper describes in detail, but until more takeovers actually happen, it seems obvious that the average voter will not see a pressing need for their regulation.

The British case, examined below, offers richer insights regarding the determinants of political attention to takeover bids because its market for corporate control is older and more active. In Britain, as in the United States, bids became a significant technique of corporate acquisition in the 1950s and have remained so ever since. Elsewhere, takeover bids emerged later and remain less common, partly due to greater concentration of corporate ownership. Nevertheless, examination of the British case holds important generalizable lessons because many advanced industrialized countries with historically inactive markets for corporate control – including France in the late 1960s, Germany in the early 1990s, and Japan in the early 2000s – moved from no bids to some bids at some point during the post-war period (Jackson/Miyajima 2008), and emerging economies seem to be moving in the same direction (Armour/Jacobs/Milhaupt 2011: 273–280).

The UK experience shows, first, that media attention – Culpepper's measure of salience – changes over time because of changes in perceived problem pressure due to increasing routinization. Media attention is neither constantly low – as inherent issue complexity would suggest – nor linearly related to the number of takeover bids. Instead, it has a hump-shaped relationship to the number of bids. Media interest initially increases as the market for corporate control expands, but it declines again as the market expands further. The main mechanism at work is the routinization that results from increas-

4 The following paragraphs draw heavily on my forthcoming review of Culpepper's stimulating book for the *British Journal of Industrial Relations.*

ing regulatory sophistication. When takeovers first appear in a country, the regulatory framework for their conduct is typically underdeveloped and the resulting scandals are of high news value. As the number of bids increases, regulators accumulate experience, scandals grow fewer, and media interest declines. Thus, takeover politics can be "quiet politics" and tends to calm down over time, but it is not inherently quiet.

Second, to explain changing political attention, reflected in the varying intensity of parliamentary debate, we need to look beyond news coverage to changing interest group preferences. While the "average voter" can be mobilized by the media, certain interest groups – including the workers, managers, shareholders, and bankers of target companies – care about takeover bids regardless of media attention. Culpepper focuses on how quiet politics helps business groups get their way and also offers suggestions concerning why managers want different things in different countries. The British case shows that interest group preferences also change over time, as a direct result of market expansion. Two processes are at work. First, *adaptation* to new profit opportunities increases the number of beneficiaries from takeover bids. The market for corporate control thus "nurtures" its own pro-market clientele. Second, *elimination* of stakeholder-oriented companies – through constant exposure to takeover threats – demoralizes the opponents of active markets for corporate control by leaving them with less to fight for. Employees of a company that is already owned by footloose investors care less if their company is taken over by other investors of the same type.

By mapping and explaining the declining political salience of a key aspect of financialization, the present paper complements ongoing research on the dynamics of capitalist development. Streeck (2009), Sewell (2008), and others have recently revived a classical strand of research in political economy by asking why gradual change in contemporary capitalism is "not random but patterned, proceeding toward liberalization rather than in no or some other direction" (Streeck 2009: 240). While their answers focus on the drivers of market expansion, mine examines the political response. It thereby helps to explain why unprecedented financialization does not inevitably provoke market-taming counter-moves.

The paper proceeds as follows. Section 2 presents quantitative and qualitative data to map changes in the salience of, and political opposition to, takeover bids in Britain since the 1950s. Section 3 explains the decline in salience and opposition by documenting and explaining changes in the preferences of key interest groups. The final section relates these findings to recent research on the determinants of "quiet politics" and on capitalist development. It concludes with suggestions for further research.

2 Measuring political salience

To measure political salience, the present paper draws mainly on parliamentary debates – unlike Culpepper (2011), who relies exclusively on news coverage. Both analytical and methodological considerations inform this choice. Analytically, my interest in salience differs from Culpepper's. Documenting weak media attention is central to Culpepper's diagnosis of "quiet politics." However, to establish who cares politically about financialization, I want to know whether elected politicians promote market-constraining regulation. The frequency and content of relevant parliamentary debates measures this more directly. Methodologically, Culpepper's Lexis Nexis news-item count for the years 1997 to 2006 is difficult to replicate for the longer time period of interest here. Not all relevant British newspapers are electronically available from the 1950s onward, and the search masks of those that are differ too much to allow for reliable comparison. Moreover, a simple search for the term "takeover bid" produces too many articles that report only on economic details of specific bids without commenting on the desirability of the practice. More specific search strings are difficult to devise and still require a close reading of individual news items that is beyond the scope of the present inquiry.

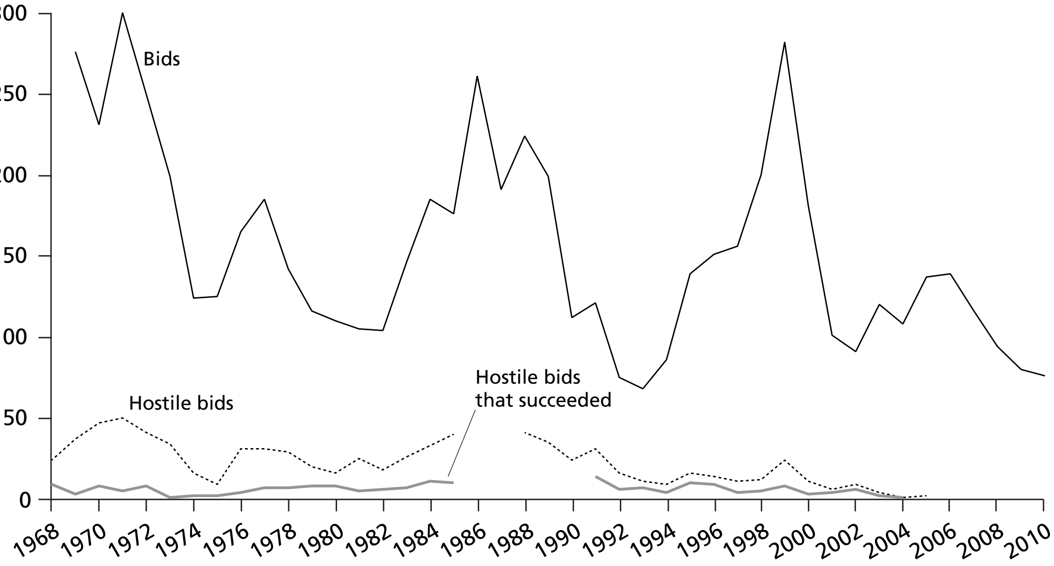
A rough indicator of how news coverage evolved is derived from *The Times* Digital Archive,[5] which offers full text coverage of *The Times* from 1775 through 2006 and allows searches by news item category. The results discussed below are based on an advanced search for all items containing the term "takeover bids" or "take-over bids" in the sub-categories "News/News" or "Business/Business and Finance."

Debates in the British House of Commons between 1953 and 2010, recorded in Hansard, were sourced from Millbank Systems[6] (for debates prior to 2006) and from the website of the UK Parliament[7] (for debates from 2006 onward). The complete dataset comprises all debates in which the term "takeover bid" or "take-over bid" occurs at least once. Within that set of 582 documents, 150 texts feature at least five occurrences of the term "takeover" or "take-over" and 21 texts feature at least 30 occurrences. In five of them, the search terms occur more than 100 times. The content analysis reported below is based on a close reading of these five debates, which took place in 1954, 1959, 1972, 1987, and 2000, respectively. Figure 2, which maps the distribution of debates over time, includes all debates that feature at least five occurrences of the term "takeover" or "take-over." Debates featuring less than five occurrences were excluded because the reference to takeover bids, if relevant at all, was too fleeting.

Both measures require controlling for the fact that takeover bids, like negotiated mergers and acquisitions, proceed in waves. Figure 1 maps the overall number of takeover bids and the number of "hostile" bids – defined as those bids that were initially opposed

5 See: http://find.galegroup.com/ttda
6 See: http://hansard.millbanksystems.com
7 See: http://www.parliament.uk/business/publications/hansard

Figure 1 Number of takeover bids for UK listed companies, 1968–2010



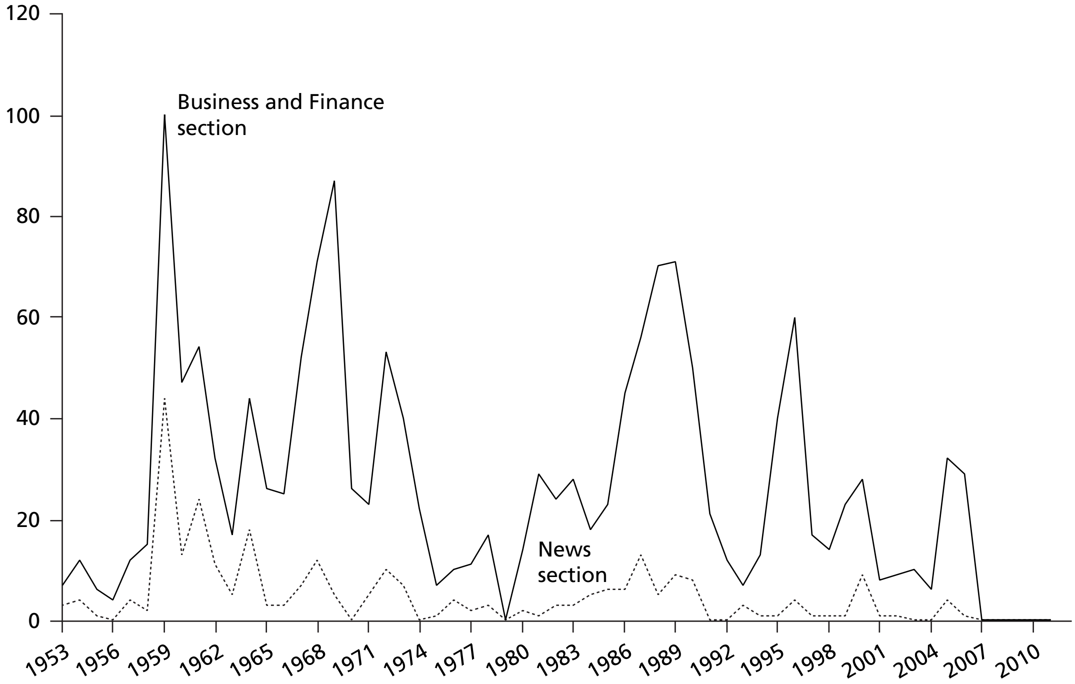
Hostile bids are defined as those bids that were opposed by the incumbent management throughout the process. *Note:* The Annual Reports do not provide direct information regarding the number of hostile bids. I calculated them based on the information provided, by adding the "number of opposed offers that failed" and the "number of opposed offers that succeeded." The Annual Reports stop providing the latter figures in 1986. From 1988 onward, Thomson Financial Platinum provides direct information regarding the number of hostile bids.

Takeover bids are defined as all proposals involving control that concerned the Panel on Takeovers and Mergers. *Note:* The Annual reports do not provide direct information regarding this measure. I calculated them based on the information provided, by subtracting the "number of offers and schemes of arrangement involving minorities" from the "number of proposals that reached the stage where formal offers were sent."

Source: The Panel on Take-Overs and Mergers, Annual Reports 1969–2010; Thomson Financial Platinum, 1988–2005.

by the target management – from 1969 onward. For earlier years, precise figures are not available, but Johnson (1980: 9–10) notes intense takeover activity in 1953 and 1954, and again in the late 1950s. Well-documented waves peaked – in terms of numbers – in 1968, 1971, 1986, and 1999. Of these, the third wave, during the late 1980s, was by far the largest in terms of value. At its peak in terms of value in 1989, the average deal value (at 1990 prices) was 20 million pounds, that is, ten times larger than in 1968 or 1972 (Sudarsanam 2003: 24). Bids were more aggressive than before, partly because Big Bang deregulation had opened the City of London to American investment banks that had brought their takeover expertise (Sudarsanam 2003: 25). The fourth wave, during the 1990s, was largely fuelled by the privatization and deregulation of many sectors, including water, electricity, gas, and telecoms.

Figure 2 Annual number of articles on takeover bids in *The Times,* 1953–2006



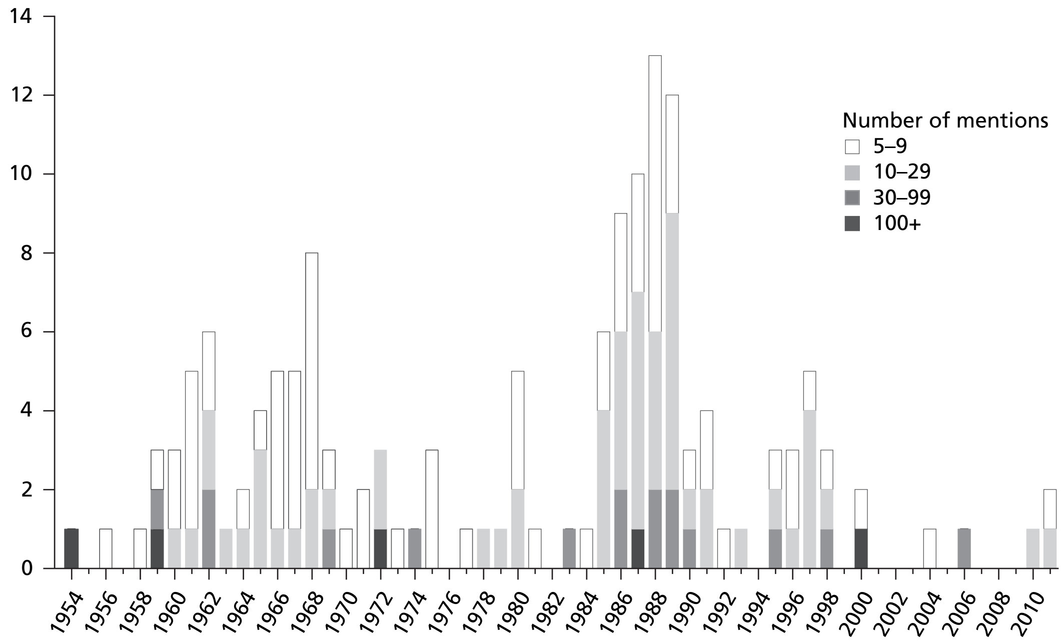
Advanced search for the terms "takeover bids" or "take-over bids" in the sub-categories "News/News" and "Business/Business and Finance," all available years (1785–2006).
Source: Author's count, based on *The Times* Digital Archive (1785–2006).

The evolution of media coverage in *The Times* indicates that takeover bids became less newsworthy over time (see Figure 2). Whereas the number of articles in the "Business and Finance" section of the newspaper correlates with the number of bids, the number of articles in the "News" section clearly declines over time. General news coverage peaked in 1959, exceeding subsequent coverage even during the takeover boom periods of the late 1960s, early 1970s, late 1980s, and mid-1990s.

The distribution of debates over time shows that political attention to takeover bids, while correlating with the number of bids, also declined over time (see Figure 3). Political interest in taming the market for corporate control displays the same cyclical properties as the market itself. This suggests that takeover regulation, although not inherently too complex, is too abstract to elicit sustained political attention. Parliamentarians, like the general public, require tangible reminders of why exactly the financialization of corporate control needs to be addressed.[8] However, the distribution of debates also suggests that salience declined over time, even though the trend is evidently not linear. Since 1998, issues related to takeover bids featured on average in less than one debate per year, in other words, less than during any comparable stretch of time during the 60-year history of the phenomenon.

8 In this context, it would be worth examining what types of bid spark calls for intervention.

Figure 3 Number of Commons debates in which the term "takeover" or "take-over" is mentioned at least x times



Source: Author's count based on Hansard (1953–2005, 2006–2010).

Thorough analysis of five key debates[9] and cursory reading of further debates corroborates the impression of declining salience. Broadly speaking, early debates featured strong opposition to active markets for corporate control, including vocal calls for market-restraining measures. Over time, opposition grew weaker and moved to the back benches. Front-bench Members of Parliament (MPs) became more reluctant to condemn contested takeovers and more willing to endorse the removal of barriers to active markets for corporate control.

During the 1950s, deplorable aspects or negative consequences of takeover bids were addressed not just by Labour delegates, but also by leading Conservatives. In 1954, R.A. Butler, Chancellor of the Exchequer, asserted that "adventure of an antisocial type with a view to speculative profit for one's own personal self without proper regard for the company should not only be watched but should be discouraged and action taken wherever possible."[10] Sir Walter Fletcher complained that a takeover bid "puts the directors in a difficult position,"[11] while John Bennett voiced concerns about asset stripping.[12] In

9 February 11, 1954: HC (House of Commons) debate "Takeover bids"; June 29, 1959: HC debate "The Condition of Private Industry"; November 11, 1972: HC debate "Takeovers and Mergers": January 28, 1987: HC debate "The City and Industry"; June 6, 2000: HC debate "Market Abuse."

10 R.A. Butler, Conservative, Saffron Walden, HC Deb 1954-02-11, c. 1458 ("c." stands for "column").

11 Sir Walter Fletcher, Conservative, Bury and Radcliffe, HC Deb 1954-02-11, c. 1422.

12 John Bennett, Conservative, Reading, North, HC Deb 1954-02-11, c. 1434.

1959, only two Conservative MPs spoke up against takeovers, but this reluctance was due at least partly to strong party discipline in the run-up to the 1959 general election. The *Financial Times* suspected that, on a free vote, the motion condemning hostile bids, tabled by the Labour opposition, would have been carried by a majority of two to one.[13] Those Conservatives who defied the whip spoke passionately of “a danger that the industrialist class is being superseded by the financier-accountant class”[14] and condemned institutional investors “more interested in an immediate good price for the benefit of their policy holders or their pensioners, or whatever they may be, than in the long-term future of an industrial venture.”[15]

In later years, Conservatives complaining about takeovers mainly worried about their effects on competition.[16] Those who denounced asset stripping or short-termism were mostly confronted with opposed bids in their own constituencies at the time of the debates.[17] Systematic analysis of further debates is likely to reveal a more complicated, non-linear pattern of support, reflecting changing economic circumstances and varying details of the bids in question. However, overall, Conservative attitudes toward active markets for corporate control clearly grew more positive over time, starting in the late 1950s.

The attitudes of Labour MPs changed later and more abruptly. Protest was still very vocal in 1987. By 2000, it had practically disappeared. The debate in 2000 revolved entirely around technical issues of regulation and did not feature fundamental objections to an active market for corporate control. Since then, complaints have remained scarce. A comparison of takeover-related pronouncements during election campaigns starkly illustrates the degree to which Labour Party attitudes have changed. Labour’s 1959 election manifesto problematized takeover bids in the opening paragraph.[18] Labour’s stance changed shortly before Tony Blair’s 1997 election victory. In February 1997, a commission established by the left-leaning Institute of Public Policy Research pronounced that “[t]here should be no new administrative restraints on takeovers.” Since then, Labour governments have followed this advice. In June 2000, Stephen Byers, trade and industry spokesman, told a conference organized by the Trades Union Congress that reforms intended to make companies pay more attention to stakeholders were not on the gov-

13 *Financial Times*, July 7, 1959, 6.
14 William Shepherd, Conservative, Cheadle, HC Deb 1959-06-29, c. 89.
15 Geoffrey Stevens, Conservative, Portsmouth Langstone, HC Deb 1959-06-29, c. 105.
16 Anthony Grant, Conservative, Harrow Central, HC Deb 1972-11-24, c. 1825; Paul Channon, Conservative, Secretary of State for Trade and Industry, HC Deb 1987-01-28, c. 373; Michael Grylls, Conservative, Surrey-North-West, HC Deb 1987-01-28, c. 399.
17 Janet Fookes, Conservative, Merton and Morden, HC Deb 1972-11-24, c. 1777; Bill Walker, Conservative, Tayside North, HC Deb 1987-01-28, c. 421. An exception was Sir Peter Holdern, Conservative, Horsham, HC Deb 1987-01-28, c. 384.
18 “The business man with a tax-free expense account, the speculator with tax-free capital gains, and the retiring company director with a tax-free redundancy payment due to a take-over bid – these people have indeed ‘never had it so good’” (Labour Party 1959).

ernment's agenda.[19] In May 2001, Tony Blair promised a shake-up of business merger law to facilitate takeovers, proud to be "right in the centre of the City of London, one of the main financial institutions, launching our business manifesto with the support of many successful business people."[20] In the run-up to the 2010 election, in the context of a controversial bid for Cadbury, Gordon Brown and Peter Mandelson repeated over and over again that governments must not interfere with shareholders' right to decide.

3 Explaining the decline in salience

The decline in news coverage is attributable at least partly to routinization. When takeovers first appeared in the United Kingdom, there was no regulatory framework for their conduct and the resulting scandals provoked the anger of a broad and diverse coalition that extended beyond those directly affected. By 1959, according to the *Financial Times*, "[t]he average person … [was] so offended by the trappings of some bids and mergers that he tend[ed] to be sickened by the whole process."[21] The fact that the early bids were typically conducted by unruly entrepreneurs and violated unwritten norms of conduct added an element of drama to takeover battles that was appreciated by journalists: "In the popular press, where take-overs received plentiful attention in the 1950s, they were portrayed as swashbuckling duels whose 'distinctive flavour' was the regular trouncing of the Establishment by buccaneer outsiders" (Roberts 1992: 186).

Over time, as rules grew increasingly sophisticated, the practice of takeover bids, now less risky and less damaging to the bidders' reputation, spread beyond "buccaneer outsiders," scandals grew fewer, and media interest declined. The decline in attention was one objective of regulation – "This is our last chance before legislation," remarked one of the practitioners responsible for drawing up the Takeover Code (cited in Johnston 1980: 41) – and one that seems to have been obtained. In 1971, the Chair of the Takeover Panel expressed satisfaction that the Panel had been "rather less 'in the news' during the past year: a welcome circumstance, not, as I think, solely attributable to the fact that few major problems have had to be dealt with, but also resulting from a general acceptance of the Panel's activity as part of the normal machinery of the City" (Panel on Takeovers and Mergers 1971: 3).

Apart from the increase in regulatory sophistication, increasing callousness or the boredom of those not directly affected by takeovers may also have contributed to the decline in news coverage. "By the summer of 1959 *The Times* was commenting that in recent

19 *Financial Times,* June 8, 2000, 8.
20 *The Guardian,* May 30, 2000, 16.
21 *Financial Times,* July 7, 1959.

weeks there had been such a flow of take-over bids that, if the trend continued, bids would cease to be news" (Johnston 1980: 18). In 1987, a Labour MP warned of the danger that,

> if more and more stories [about criminal activity related to takeover bids] come out … the British public will simply become conditioned to accept them. If that happens, the newsworthiness of those stories will subside and the danger is that we will create a climate of acceptability for these practices in the City … It will become like Northern Ireland, where, when someone dies, the media do not treat it in the same way as they did perhaps 10 years ago.[22]

However, to explain declining political attention and opposition, as reflected in the declining intensity of parliamentary debate, we need to look beyond news coverage to interest group preferences. While the "average voter" can be mobilized by the media, certain interest groups – including the workers, managers, shareholders, and bankers of target companies – care about takeover bids regardless of media attention. Like Culpepper (2011), I assume that, where media attention is low, politicians cater mainly to these groups. Accordingly, the remainder of this section documents and explains changes in interest group preferences to help explain the decline in salience.

Two processes triggered by the expanding market for corporate control contributed to changing interest group preferences. The first, *adaptation*, took various forms, including conversion, compensation, and co-evolution. Adaptation through conversion best describes the changing attitudes of British merchant banks. Today's merchant banks unambiguously benefit from Britain's active market for corporate control, but in the 1950s they had not yet positioned themselves in that way. Established houses had good reason to fear that involvement with hostile bids would elicit punishment by other members of what, at the time, was still a tight, club-like, business network. In 1953, the Governor of the Bank of England "sent a letter to the banking and insurance industry associations reminding them that … the authorities regarded the finance of take-overs as speculation and wished it to stop, a classic example of the Bank of England exercising informal regulatory control over the City of London" (Roberts 1992: 189). When, in 1959, the merchant banks Warburgs, Hellberg, Waggs, and Schroders violated unwritten rules by financing a hostile bid for British Aluminium, the banks advising the target company,

> Lazards and Hambros, were outraged and appalled … a feeling which was widespread in the City. On New Year's Eve it was revealed that a "City Consortium," comprising 14 of the most respected names in the Square Mile including the merchant banks Morgan Grenfell, Samuel Montagu, M. Samuel, Brown Shipley and Guinness Mahon and the leading brokers Cazenove and Rowe & Pitman, had been assembled to contest the issue. (Roberts 1992: 192)

The merchant banks adapted rapidly after the government and the Bank of England refrained from intervening to prevent the hostile bid. According to Roberts (1992: 193) "the humiliation of the City Consortium changed City attitudes to take-overs overnight

22 Dale Campbell-Savours, Labour, Workington, HC Deb 1987-01-28, c. 395.

and henceforth financial advisers added hostile bids to their repertoire of merger and acquisition techniques." The main mechanism at work was conversion – or what Culpepper (2005) calls a "joint belief shift" – but numeric expansion also took place. Slater Walker, founded in 1964, is only one prominent example of a new banking establishment specializing in takeover finance. After "Big Bang" deregulation in the 1980s, London's lucrative investment banking business also attracted many entrants from abroad.

Adaptation through compensation best describes the changing attitudes of managers, although adaptation through conversion also played a role. According to Armour and Skeel (2007: 1772, 1775), "the first wave of hostile takeovers in the early 1950s provoked public hostility from corporate managers and trade unions," who denounced individuals like Clore and Samuel as "speculators" intent on the "predatory dismembering" of British businesses solely to "tak[e] out as much cash as possible in the shortest time." Managers felt within their rights to defend themselves by whatever means they pleased and frequently did so (see Johnston 1980). "[By 1969], management opposition to the idea of hostile takeovers had waned dramatically" (Armour/Skeel 2007: 1775).

Adaptation through conversion changed the attitudes of *some* managers, but the resulting divisions within the managerial community did not quell all protest, although they weakened the capacity of managerial associations to speak with one voice. "[S]tarting in the 1960s, bids were driven by consolidation, and managers were just as likely to be bidders as targets in this milieu" (Armour/Skeel 2007: 1775). For a brief period during the 1960s, new accounting rules also raised hopes that bids motivated by asset stripping had become less feasible (Johnston 1980: 58). However, when these hopes were dashed during the takeover boom of the 1980s, discontent flared up again. The CBI conference in November 1986 split down the middle over a resolution stating that "[g]overnment and financial institutions in particular must recognize that if manufacturing industry is to survive, a long-term view must be taken in terms of financial returns, rather than the short-term view forced by them on British managers."[23] That same winter, the Institute of Directors conducted a survey of 200 senior company directors in which almost 40 percent of respondents described the relationship between manufacturing and industry, on one side, and the city and the financial sector, on the other, as unsatisfactory or very unsatisfactory.[24] Similarly, a 1988 CBI survey of 250 companies in the manufacturing and service sectors showed that 64 percent of respondents did not think that financial institutions were taking a long-term and strategic evaluation of their company.[25] As in the previous year, City short-termism featured prominently at the 1988 CBI conference. A resolution declaring that "[t]his conference is concerned that the national attitude towards investment appears to place greater emphasis on the values of the City rather than those of manufacturing industry" ended in a tied vote.[26]

23 *The Times,* November 12, 1986.
24 *Financial Times,* December 29, 1986, 3.
25 *Financial Times,* November 4, 1988.
26 *Financial Times,* November 8, 1988.

Adaptation through compensation may help to explain why, since the late 1980s, divisions within the CBI have all but disappeared. "Golden handshakes" or "golden parachutes" that guarantee generous compensation in the event of job loss due to a takeover effectively insulate managers from the disciplinary pressures of the market for corporate control. They could thus be interpreted as a bribe that buys managerial acquiescence. As Boyer (2005: 21) puts it, "beneath the tyranny of investors, an implicit alliance between managers and investors takes place." Systematic historical data on severance pay arrangements are not available and golden handshakes are too old an invention to fully account for the abrupt change in managerial attitudes since the 1980s. As early as 1954, Labour leader Hugh Gaitskell complained that "the directors of the original companies are in a position to bargain so as to take care of their own position … as a rule, the crucial point in such negotiations … is whether directors threatened with displacement feel that they will be adequately looked after."[27] The first use of the term "golden handshake" in a Commons debate dates back to 1959.[28] Between 1959 and 1989 it was used regularly in takeover-related debates, appearing 59 times in 22 debates. (Strangely, there are no further mentions after 1989.) However, there is reason to suspect that golden handshakes became more widespread in response to the takeover boom of the 1980s – a period that also saw dramatic change in other dimensions of British executive pay (see Conyon/Schwalbach 2000: 507).[29] During the early 1990s, they were definitely widely used. According to a 1993 Incomes Data Survey, "the typical severance arrangement for a senior executive with a three-year rolling contract was two years' pay plus compensation for the loss of any expected bonus" (Thompson 2005: 22, footnote 4). Labour Research reported that, in 1992, "48 directors of UK listed companies had received severance pay in excess of £100,000 … Eleven of these directors had pay offs exceeding £500,000" (Conyon 1994: 26). From the early 1990s onward, a backlash against excessive severance payments has led to their partial curtailment (Thompson 2005: 22–23), but compensation still takes place.

Adaptation through co-evolution best describes growing support from institutional investors. Institutional investors did not need to be converted or compensated because their emergence and proliferation is directly attributable to the emergence and expansion of the market for corporate control. Today's institutional investors are vocal advocates and major beneficiaries of Britain's active market for corporate control. Moreover, the size of Britain's financial sector nowadays makes it difficult not just for Conservatives, but also for Labour, to ignore investors' demands. In 2007, financial services accounted for 4 percent of total UK employment, 15 percent of income tax and 26.5 percent of corporation tax (Morgan 2012: 379). However, matters were different in the 1950s. While financial domination of the British economy goes back much further, institutional investors emerged and grew alongside the market for corporate control.

27 Hugh Gaitskell (Labour), HC Deb 1954-02-11, c. 1443.
28 Harold Wilson (Labour), HC Deb 1959-06-29, c. 41.
29 Stock option usage became popular after 1984 and the gap between top pay and manufacturing operatives doubled in the period from 1984 to 1996.

> Among institutional investors, pension funds and insurance companies were the dominant players, with the percentage of shares owned by pension funds growing from 1 percent in 1957 to 17 percent in 1975 and 31 percent in 1991 and the equivalent figures for insurance companies being 8 percent (1957), 16 percent (1975) and 20 percent (1991). (Cheffins/Bank 2007: 802)

The numeric increase in institutional investors was caused in part by the same tax rules that drove large blockholders to divest their stakes and thereby rendered takeover bids attractive during the 1950s (Cheffins/Bank 2007). They continued to prosper in Britain's active and increasingly well-regulated market for corporate control at least partly because, as minority shareholders, they benefited from the strong minority shareholder protections enforced by the Takeover Panel.

While the expanding market for corporate control thus nurtured pro-market political clienteles by triggering an expansion in the number of beneficiaries from takeover bids, the number of victims was not thereby significantly reduced. Except for managers, who may have been won over by compensatory side-payments, the non-shareholder stakeholders of target companies suffer no less from exposure to takeover threats today than they did 50 years ago.

Nevertheless, market expansion also contributed to weakening protests by triggering a process of elimination, not of the victims themselves, but of their strongholds, as it were. To the extent that takeover threats force companies to prioritize shareholder value, expanding markets for corporate control gradually eliminate stakeholder-oriented companies and this demoralizes opponents by leaving them with less to fight for. During the early 1950s, before shareholder value pressures took their toll, there were many stakeholder-oriented companies worth defending against the challenges of takeover bids. In the 1954 debate, Roy Jenkins explained his party's opposition to takeover bids by noting that

> a sort of de facto situation has grown up recently in which it has been accepted that at least the very big public companies exist for a great number of reasons other than that of making profits for their shareholders. The importance of the whole take-over bid situation is that it is a direct challenge to that understanding.[30]

In the same vein, his party colleague John Strachey remarked that

> [t]he great companies of this country have at least partly realized that they are no longer simply profit-spinning organizations, that they are no longer simply organizations which have one duty and one duty alone – to maximize the distribution of profits to their shareholders.[31]

---

30 Roy Jenkins in HC Deb 1954-02-11, c.1393.

31 John Strachey, Labour, HC Deb 1954-02-11, c. 1420; compare also Eric Fletcher, Labour, HC Deb 1954-02-11, c. 1430.

The complaint that takeover bids hit "virtuous" companies appears frequently in early debates but has been used less in recent times. A rare exception is the 2010 takeover of Cadbury, which had a Labour backbencher protesting that "this is a company with a sense of belief and commitment to its own community. It is a model company. The sense of anger and betrayal in the area about what has happened cannot be underestimated and we want a response that is appropriate to that."[32]

The declining frequency of such protests can be attributed at least partly to the fact that, during 60 years of exposure to takeover threats, the number of stakeholder-oriented companies deemed worth defending has inevitably declined. The case of Pilkington, a sheet glass manufacturer based in Lancashire, illustrates the point. Pilkington was subject to takeover bids in both 1985 and in 2005. The first bid, by the British-based conglomerate BRT, sparked massive protest, while the second, by NSG, a Japanese competitor, proceeded far more quietly. Asked for an explanation, David Watts, the Labour MP for St Helens North, remarked that, nowadays, "large companies like Pilkington are mainly controlled by London-based investors anyway and therefore the local link isn't as strong as it might have been in the past." [33]

4 Conclusion

The present paper shows that and suggests why the practice of takeover bids, initially considered outrageous, gradually gained political acceptance in Britain from the 1950s. I argue that the very process of market expansion contributed to eroding political resistance by triggering processes of routinization, adaptation, and elimination. *Routinization* decreases issue salience for the average voter because it lowers the news value of takeover bids. *Adaptation* to new profit opportunities increases the number of beneficiaries from takeover bids, thereby bolstering pro-market clienteles. *Elimination* of stakeholder-oriented companies – through constant exposure to takeover threats – demoralizes the opponents of active markets for corporate control by leaving them with less to fight for.

Why, then, did the opponents of takeover bids not prevent market expansion during the 1950s, before it triggered routinization, adaptation, and elimination? Quite possibly because, even at their strongest and most numerous, they never stood a chance. Or maybe they would have if Labour had returned to government before it was too late. (The reasons for Labour's 1959 election defeat are manifold, but vocal condemnation of the market for corporate control was not among them – at least according to the *Financial Times*, which considered it a vote-winning stance; see the quote on p. 1).

32 Tony Wright, Labour, Cannock Chase, HC Deb 2010-01-26, c. 787.
33 *Daily Post* (Liverpool), November 16, 2005, 8 and 9.

A definite answer may not be possible and is certainly beyond the scope of the present enquiry, which confines itself to explaining why the window of opportunity for political resistance to financialization may narrow, rather than widen, over time. Apart from the interest-transforming processes discussed above, ideational developments clearly also play a role and there may be countervailing factors that I have overlooked. Rather than provide a complete and parsimonious causal explanation, the present paper draws attention to what market expansion itself contributes to the gradual erosion of political resistance.

By documenting the decline in both salience and opposition, the paper advances recent research on the determinants of "quiet politics" (see Culpepper 2011). Qualitative and quantitative analysis of British parliamentary debates and news coverage from the 1950s onward shows that inherent issue complexity does not adequately explain why recent takeover politics has been quiet rather than loud. In the UK, as elsewhere, for the past two decades political parties have largely refrained from questioning the desirability of an active market for corporate control. However, the heated debates of earlier periods show that the issue can, in principle, provoke broad political mobilization. The argument that expanding markets gradually erode resistance to them suggests that "salience curves" may be hump-shaped. At low levels of financialization (here: low numbers of takeover bids) salience is low due to low problem pressure and thus presumably low salience. As problem pressure mounts, salience increases, at least initially. As problem pressure mounts even further, actors begin to adjust and salience declines. Politically, this implies that the window of opportunity for broad political mobilization against takeovers and other instances of financialization is not perpetually locked, but that it narrows over time.

By exploring the determinants of political salience, the paper also complements recent research on the dynamics of capitalist development. Static cross-country comparison in the "Varieties of Capitalism" tradition still dominates contemporary research in political economy, but earlier work on changes *within* capitalist systems of production is attracting renewed attention. With its emphasis on under-socialized opportunists as drivers of institutional innovation, Streeck's (2009) recent influential account advances a venerable tradition of scholarship.[34] However, to fully understand the dynamics of capitalist development, we need to understand not just how the market for corporate control emerged, but also why elected politicians tolerate and increasingly promote its

34 Tensions between entrepreneurial outsiders and guardians of the status quo, "summarized by Pareto (1980) as the conflict between foxes and lions, and by Veblen (1934) in his depiction of predatory, industrious hunters conquering diligent farmers and ranchers, also underlies Merton's (1972) analysis of entrepreneurial innovators, Smith's ([1776]1937) model of competition, Marx's contention that capitalists will thereby devour each other (Marx and Engels 1978) and contrasts by Chandler (1962, 1977) and Schumpeter (1954) of entrepreneurs and administrators" (Hirsch 1986: 804).

survival and territorial spread. The processes outlined above help explain why unprecedented market expansion regularly fails to provoke a re-regulatory, market-taming response.

Beyond that, the paper aims to stimulate further research, much of which remains to be done. Among other tasks, the evolution of political attitudes needs to be mapped more precisely through systematic coding of further debates. Cursory reading suggests that the decline in resistance was not linear but proceeded in fits and starts. The great majority of takeovers never attracted much political attention and among those that did, the intensity of the reaction always varied across targets. Anecdotal evidence suggests that brand name familiarity is no less important than the economic significance of the target company. In the UK, takeover battles involving breweries,[35] tobacco companies,[36] chocolate makers,[37] and car manufacturers[38] drew strong media attention. In France, a rumored bid for food maker Danone inspired new anti-takeover legislation, while, almost simultaneously, the actual takeover of Euronext, a pan-European stock exchange headquartered in Paris, received scant political attention (Callaghan/Lagneau-Ymonet 2012). Identifying factors that spark debate would contribute to research on the political salience of corporate governance issues that was recently initiated by Culpepper (2011).

Extending the analysis to other countries would also be worthwhile. In France, takeover bids did not become a political issue until the 1980s. In Germany, they were practically unknown until the 1990s. Since then, a market for corporate control has developed in both countries, even though the number of bids is still modest by comparison to the UK and the United States (see Jackson/Miyajima 2008; Höpner/Jackson 2006). The time lag significantly affected the dynamics of market development. In the UK, as shown above, the market for corporate control emerged spontaneously after the structural prerequisites – widely dispersed corporate ownership, the possibility to detect undervalued companies, and incentives to acquire them – had come about more or less unplanned. In Germany and France, interested actors deliberately tried to create these conditions with the express aim to emulate the British example. EU legislation served as an important vehicle for these efforts. Exploration of the political dynamics in these countries would bring us another step closer to understanding the decline in salience of financialization.

35 For example, Sears/Watney Mann (1959), Guinness/Arthur Bells (1985), Elders XL/Allied Lyons (1985).
36 For example, Gallaher/American Tobacco (1968).
37 For example, Nestlé/Rowntree (1989), Kraft/Cadbury (2010).
38 For example, Honda/Rover (1985).

References

Apeldoorn, Bastiaan van/Laura Horn, 2007: The Marketization of European Corporate Control: A Critical Political Economy Perspective. In: *New Political Economy* 12, 211–235.

Armour, John/Jack B. Jacobs/Curtis Milhaupt, 2011: The Evolution of Hostile Takeover Regimes in Developed and Emerging Markets. In: *Harvard International Law Journal* 52, 221–285.

Armour, John/David Skeel, 2007: Who Writes the Rules for Hostile Takeovers, and Why? The Peculiar Divergence of U.S. and U.K. Takeover Regulation. In: *Georgetown Law Journal* 95, 1727–1794.

Boyer, Robert, 2005: From Shareholder Value to CEO Power: The Paradox of the 1990s. In: *Competition and Change* 9, 7–47.

Callaghan, Helen, 2009: Insiders, Outsiders and the Politics of Corporate Governance: How Ownership Structure Affects Party Positions in Britain, Germany and France. In: *Comparative Political Studies* 42, 733–762.

——, 2012: *Economic Nationalism, Network-based Coordination, and the Market for Corporate Control: Motives for Political Resistance to Foreign Takeovers.* MPIfG Discussion Paper 12/10. Cologne: Max Planck Institute for the Study of Societies.

Callaghan, Helen/Martin Höpner, 2005: European Integration and the Clash of Capitalisms: Political Cleavages over Takeover Liberalization. In: *Comparative European Politics* 3, 307–332.

Callaghan, Helen/Paul Lagneau-Ymonet, 2012: The Phantom of Palais Brongniart: Economic Patriotism and the Paris Stock Exchange. In: *Journal of European Public Policy* 19, 388–404.

Cheffins, Brian/Steven Bank, 2007: Corporate Ownership and Control in the UK: The Tax Dimension. In: *Modern Law Review* 70, 778–811.

Conyon, Martin J., 1994: Tenure and Contracts: The Experience of UK CEOs. In: *Personnel Review* 23, 25–33.

Conyon, Martin J./Joachim Schwalbach, 2000: Executive Compensation: Evidence from the UK and Germany. In: *Long Range Planning* 33, 504–526.

Cook, Jennifer/Simon Deakin, 1999: *Stakeholding and Corporate Governance: Theory and Evidence on Economic Performance.* Cambridge: ESRC Centre for Business Research, University of Cambridge. <http://webarchive.nationalarchives.gov.uk/+/http://www.dti.gov.uk/cld/esrc1.pdf>

Crouch, Colin, 2012: *The Strange Non-Death of Neoliberalism.* Cambridge: Polity Press.

Culpepper, Pepper, 2005: Institutional Change in Contemporary Capitalism: Coordinated Financial Systems Since 1990. In: *World Politics* 57, 173–199.

——, 2011: *Quiet Politics and Business Power: Corporate Control in Europe and Japan.* New York: Cambridge University Press.

de Jong, Henk Wouter, 1996: European Capitalism between Freedom and Social Justice. In: William Bratton et al. (eds.), *International Regulatory Competition and Coordination: Perspectives on Economic Regulation in Europe and the United States.* Oxford: Clarendon Press, 538.

Epstein, Gerald A., 2005: *Financialization and the World Economy.* Cheltenham: Edward Elgar.

Hansard, 1953–2005: *Official Report* [of Proceedings of the House of Commons and the House of Lords]. <http://hansard.millbanksystems.com>

——, 2006–2010: *Official Report* [of Proceedings of the House of Commons and the House of Lords]. <www.parliament.uk/business/publications/hansard/>

Höpner, Martin/Gregory Jackson, 2006: Revisiting the Mannesmann Takeover: How Markets for Corporate Control Emerge. In: *European Management Review* 3, 142–155.

Jackson, Gregory/Hideaki Miyajima, 2008: A Comparison of Mergers and Acquisitions in Japan, Europe and the United States. In: Roger Strange/Gregory Jackson (eds.), *Corporate Governance and International Business: Strategy, Performance and Institutional Change.* Basingstoke: Palgrave MacMillan.

Johnston, Alexander, 1980: *The City Takeover Code.* Oxford: Oxford University Press.

Krippner, Greta, 2011: *Capitalizing on Crisis: The Political Origins of the Rise of Finance.* Cambridge, MA: Harvard University Press.

Labour Party, 1959: Labour Party Manifesto 1959. Located on: *An Unofficial Site on the Labour Party.* <www.labour-party.org.uk/manifestos/1959/1959-labour-manifesto.shtml>

Morgan, Glenn, 2012: Supporting the City: Economic Patriotism and Financial Markets. In: *Journal of European Public Policy* 19, 373–387.

Panel on Takeovers and Mergers, 1969–2010: *Annual Reports.* <www.thetakeoverpanel.org.uk/statements/reports>

Pendleton, Andrew/Howard Gospel, 2005: Markets and Relationships: Finance, Governance, and Labour in the United Kingdom. In: Howard Gospel/Andrew Pendleton (eds.), *Corporate Governance and Labour Management: An International Comparison.* Oxford: Oxford University Press, 59–83.

Roberts, Richard, 1992: Regulatory Responses to the Rise of the Market for Corporate Control in Britain in the 1950s. In: *Business History* 34, 183–200.

Streeck, Wolfgang, 2009: *Re-Forming Capitalism: Institutional Change in the German Political Economy.* Oxford: Oxford University Press.

Sudarsanam, Sudi, 2003: *Creating Value from Mergers and Acquisitions.* Harlow: Pearson.

The Times, 1785–2006: *The Times Digital Archive.* <http://find.galegroup.com/ttda/advancedSearch.do>

Thompson, Steve, 2005: The Impact of Corporate Governance Reforms on the Remuneration of Executives in the UK. In: *Corporate Governance* 13, 19–25.

Thomson Financial SDC Platinum, 1988–2005: http://thomsonreuters.com/products_services/financial/financial_products/a-z/sdc/

Recent Titles in the Publication Series of the MPIfG

MPIfG Discussion Papers

DP 13/3
M. Markantonatou
Diagnosis, Treatment, and Effects of the Crisis in Greece: A "Special Case" or a "Test Case"?

DP 13/2
R. Mayntz
Erkennen, was die Welt zusammenhält: Die Finanzmarktkrise als Herausforderung für die soziologische Systemtheorie

DP 13/1
P. Degens
Alternative Geldkonzepte – ein Literaturbericht

DP 12/11
J. Kim
How Politics Shaped Modern Banking in Early Modern England: Rethinking the Nature of Representative Democracy, Public Debt, and Modern Banking

DP 12/10
H. Callaghan
Economic Nationalism, Network-based Coordination, and the Market for Corporate Control: Motives for Political Resistance to Foreign Takeovers

DP 12/9
P. Balsiger
Competing Tactics: How the Interplay of Tactical Approaches Shapes Movement Outcomes on the Market for Ethical Fashion

DP 12/8
M. Lutter
Wem wird gegeben? Matthäus-Effekte und geschlechtsspezifische Ungleichheiten auf dem Arbeitsmarkt für Filmschauspieler

DP 12/7
M. Lutter
Soziale Strukturen des Erfolgs: *Winner-take-all*-Prozesse in der Kreativwirtschaft

DP 12/6
F. W. Scharpf
Legitimacy Intermediation in the Multilevel European Polity and Its Collapse in the Euro Crisis

DP 12/5
M. Höpner, A. Schäfer
Integration among Unequals: How the Heterogeneity of European Varieties of Capitalism Shapes the Social and Democratic Potential of the EU

DP 12/4
J. Beckert
Capitalism as a System of Contingent Expectations: Toward a Sociological Microfoundation of Political Economy

DP 12/3
J. Rössel, J. Beckert
Quality Classifications in Competition: Price Formation in the German Wine Market

MPIfG Books

D. Seikel
Der Kampf um öffentlich-rechtliche Banken: Wie die Europäische Kommission Liberalisierung durchsetzt

J. Beckert
Erben in der Leistungsgesellschaft
Campus, 2013

A. Schäfer, W. Streeck (eds.)
Politics in the Age of Austerity
Polity Press, 2013

W. Streeck
Gekaufte Zeit: Die vertagte Krise des demokratischen Kapitalismus
Suhrkamp, 2013

M. R. Busemeyer, C. Trampusch (eds.)
The Political Economy of Collective Skill Formation
Oxford University Press, 2012

R. Mayntz (ed.)
Crisis and Control: Institutional Change in Financial Market Regulation
Campus, 2012

T. Paster
The Role of Business in the Development of the Welfare State and Labor Markets in Germany: Containing Social Reforms
Routledge, 2012

Ordering Information

MPIfG Discussion Papers
Order printed copies from the MPIfG (you will be billed) or download PDF files from the MPIfG website (free).

MPIfG Books
At bookstores; abstracts on the MPIfG website.

www.mpifg.de
Go to *Publications*.

New Titles

Consult our website for the most complete and up-to-date information about MPIfG publications and publications by MPIfG researchers. To sign up for newsletters and mailings, please go to *Service* on the MPIfG website. Upon request to info@mpifg.de, we will be happy to send you our Recent Publications brochure.

ERPA

MPIfG Discussion Papers in the field of European integration research are included in the *European Research Papers Archive (ERPA),* which offers full-text search options: http://eiop.or.at/erpa.