

Editorial Note

The bulk of this issue of *Scandinavian Political Studies* is devoted to studies of *negotiated economy* in Scandinavia. Launched by the Norwegian Power Study in the late 1970s, the theory of the negotiated economy has come to attract a great number of political scientists since then.

The key problem addressed in the theory is the changing nature of public-private interaction in the Scandinavian welfare states. The Norwegian Power Study suggested that the power of most governmental institutions, and as a result the power of the State as a whole, is declining. Instead, organized interests and the private business community are becoming increasingly influential in the making of public policy. A major cause for this change is the increasing segmentation of the State: each policy-sector is effectively protected by its major beneficiaries, and hence the exercise of political power has to an increasing extent become incoherent and inconsistent. Moreover, the cost-intensity of for example industrial structural change has now reached a level where it has become a strong incentive for public as well as private actors to seek joint ventures. In the long-term perspective, there is a risk of policy goals displacement and lack of political overview and accountability.

Thus, the theory of the negotiated economy offers a new and alternative approach to the State and the relationship between the State and other major societal actors. The significance of the theory, apart from addressing these problems from a new and original vantage point, is that it also takes issue with most previous assessments of the locale of political power. Unlike the institutional approach of the 1930s and 1940s, placing institutional design and function as dependent objects, the theory of the negotiated economy perceives institutions as political and social structures engaged in processes of moulding public policy in dialogue with organized interests and private businesses.

In this issue, three articles present and discuss the theory of the negotiated economy, theoretically as well as empirically. The bulk of the Nielsen and Pedersen article is a presentation of the theory. In their general account of the development of the theory, empirical illustrations are given to illustrate key problems in a negotiated economy. In their analysis, the authors stress the significance of the institutionalization of negotiations.

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point at inherent mechanisms in contemporary welfare states, producing counterproductive dynamics between markets and political intervention. Also, the authors, emphasizing the international interdependence of an industrialized welfare state, point at various conceivable distortions of 'ideal' models of policy-planning.

Presumably, negotiated economies are less responsive and conducive to change, compared to other politico-economic arrangements. The processes of negotiation, as well as that of conducting policy change, become tedious and complex. In his article, Atle Midttun seeks to give an account for the 'institutional lag' entailed by the negotiated model of policy-making and implementation.

The articles on negotiated economy were originally presented at a workshop on Scandinavian negotiated economy at the Scandinavian Political Science Association Conference in Copenhagen, Denmark, in August, 1987. The editors deeply acknowledge the support and editorial assistance of Ove K. Pedersen of Roskilde University Center (RUC), Denmark, chairing the workshop together with Klaus Nielsen. Also, we are indebted to Ole Berrefjord, Petter Nore and Atle Midttun for revising their drafts to fit the format of this issue of *SPS*.

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