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Nielsen, K. & Pedersen, O. K. (eds.): *Forhandlingsøkonomi i Norden*. Copenhagen: Jurist- og Økonomforbundets Forlag, 1989, 306 pp.

Researchers from Denmark, Norway and Sweden have recently come out with an anthology on 'the negotiated economies' of the Nordic countries. Their approach is not a brand new one. The editors emphasize that they are attempting to revitalize the debate and further develop the concept of the negotiated economy which was first advanced in the research project on the distribution of power in Norwegian society initiated in the early 1970s. In my opinion, the approach, or rather the tradition within which it stands, is much older and goes at least back to, for example, the 1953 book by Dahl & Lindblom. Therefore, it would have been wise to point more directly to the scientific 'forefathers' in order to stress both their previous shortcomings and why there is today a strong demand for 'reforms' and elaborations.

However, none of the contributors seem to have severe problems endorsing the ideas behind the negotiated economy and all find convincing evidence of its existence. It is argued that the era of both the free-market economy and the mixed economy is gone and that the economy is today predominantly governed by negotiations. A number of so-called institutions – more specifically, policy institutions, discourse institutions, campaign institutions, negotiation institutions and arbitration and sanction institutions – all perform vital and complementary functions in this game where all actors are consciously or unconsciously working according to different types of rationalities although they do share a mutual understanding.

The theory developed is rather comprehensive and the introductory chapter must definitely be read twice. All its elements are far from used and tested in the individual empirical contributions. The intention here is logically not to comment on all ten papers and it is also far more tempting to discuss the relatively fresh theoretical work done. In the following I shall therefore raise a few questions hoping to encircle at least a few general ideas behind the theory of the negotiated economy.

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The book explicitly deals with the Nordic countries but it is reasonable to ask whether negotiated economies are exclusively a Nordic phenomenon or whether a specific Nordic variant can be traced. The relationship between market and state is indisputably complex in the Nordic countries but is it not the case in all Western European countries? No straightforward answer is offered, and perhaps such answer is impossible to give yet, but it would no doubt stimulate the discussion immensely if a few experiences from other countries were analysed or just referred to. In so doing, the existence of a 'Scandinavian model' could be documented or perhaps rejected. However, if researchers even outside Scandinavia will confront themselves with this theory in future we may come closer to an answer.

Another problem concerns the disciplinary location of the theory of negotiated economies. The traditional borders of economics and political science are surely not accepted and the approach is interdisciplinary in character. On the other hand, this does not exclude, but in my opinion it actually requires a profound discussion on, other approaches to the relations between organized interests and the state and the role of the market. In particular the introductory chapter takes up this challenge. Much energy, however, is devoted to theorizing on 'the mixed economy' which is considered a rather outdated version in both theory and practice due to the substantial impact on the economy of all sorts of negotiations between private and public actors and the fact that even individual decisions are seldom entirely public or private but rather a mixture of both.

In order to coin the theory, too limited attention is drawn to political theories although the theory on negotiated economies is basically not a theory on the functioning of the economy but a theory on society at large. As an exception, the contribution by V. Pestoff (Stockholm) presents an attempt to differentiate between the negotiated economy and neo-corporatism. Very briefly, neo-corporatism is here seen as the cooperation and collision between organized class interests whereas the negotiated economy is understood as a more encompassing category including neo-corporatist arrangements as well as other kinds of negotiations. The debate on whether organized class interests should be regarded as the hallmark of corporatism has not led to any consensus so far but it has been dominated by those favouring a less rigid interpretation. It has mainly been suggested that rather, the firm and well-established relationship between the state and organized interests in general should be considered the essential of neo-corporatist theory. Following this, it then seems that neo-corporatism and the negotiated economy are identical since the latter also includes far more than just organized class interests. A closer examination reveals that there is no such identity.

The theory of the negotiated economy, as I understand it, tries to integrate all kinds of negotiations and negotiators whether individual or collective, formal or informal. Individual corporations, state-owned enterprises, interest organizations, various state levels like the central government, counties and municipalities and perhaps even political parties are making up the cast. Neo-corporatism, on the other hand, primarily operates with the interactions between the state and the various collective private interests. Therefore, I believe that the new theory stands to gain most if it succeeds in including all actors mentioned above although it is certainly a difficult task. Otherwise, it runs the risk of hardly being distinguishable from the more familiar variants of neo-corporatism.

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