

New perspectives on international cartels: size, scope and impact

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This session consists of four research papers, one brief introduction and an invited commentary by a Norwegian expert. The four papers are based on research from two new projects, one at the University of Gothenburg and one at the University of Helsinki. The projects which are both at an early stage and explorative in their character asks new questions and make use of new sources. The first project (Susanna Fellman, project leader) aims at broadening the understanding of the limits and scope of “the international cartel phenomenon”, with the aid of a new database under construction. The main goal of this project is to advance our understanding of the changing historical patterns of international cartels and their prevalence in international markets. The second project (Elina Kuorelahti, University of Helsinki) will highlight the international politics of international cartels, with a specific focus on security policy issues.

Introduction to the Session: Identifying international cartels, their scale and scope, and putting them into context (working title)

Susanna Fellman, University of Gothenburg

This introduction presents problems in relation to research into international cartels and new questions and new directions for research, with an aim to tie the individual papers together. The Intro also addresses the question of scale and scope of the “international cartel phenomenon”, based on a new database under construction. It also presents the challenges of finding and identifying these cartels.

Cultural conceptions of competition. The European business community and the common market, ca 1960–2000

Elin Åström Rudberg, Stockholm University

The starting point is that cultural conceptions concerning what constitutes legitimate cooperative and/or competitive business behavior both 1) differ across countries and across other boundaries too and 2) that this mattered for how the European business community handled issues relating to competition and cooperation in conjunction with the creation and development of the common market in Europe. The paper is based on research in Swedish and European business interest organizations' archives and trade press.

Historicizing business and security in the 20th century

Elina Kuorelahti, University of Helsinki

The paper investigates the security risks that were involved in commodity trade and international cartels in the 1930s, particularly those in which the Soviet Union was involved. The paper look at the commodity policies that the League of Nations promoted and actions it

took in the 1930s to promote international cartels in timber, coal, sugar, and wheat industries. While research has identified economic nationalism and protectionism as the underlying reasons for increased political interest to promote cartelisation, discourses on security-related issues and diplomacy as forces that have shaped international cartels have been less discussed.

The price of Swedish life insurance. Competition, collusion and cartels during the 19th and 20th centuries

Mikael Lönnborg, Södertörn University

Alf Sjöblom, Stockholm University

The origin of the Swedish life insurance market was built on inspiration in particular from corporations in United Kingdom and Germany. Swedish insurers copied, among other things, insurance contracts and premium calculation schemes. During the 19th century, policyholders were only among the wealthy segments of the population but at end of the century, so-called industrial life insurance companies were launched aiming at a wider part of society. With inspiration from US, these companies were based on the idea to write small insurance sums collected on a weekly basis by an extensive sales organisation. Due to the vast number of leisure agents and dubious sales tactics these companies jeopardized the “social purpose” of life insurance. To further promote the legitimacy of life insurance, a close collaboration between insurers was formalized in the 1900s. Premiums became settled in common agreements and the agency system, as well as the agents “moral character”, was monitored by a common supervisory institution. In concert with the authorities, cartels became a central part of the Swedish insurance market. In this paper the formation of the Swedish life insurance industry is discussed with the emphasis on how the market developed through competition, collusion and cartel agreements.

Cartels in the building industry – how many and where?

Malin Dahlström, University of Gothenburg

The paper investigates the number and scope of cartels in the building industry in Europe during the 20th century. There will be two different methods used to trace the cartels; the archive of building material companies located in Sweden and the cases that the European Commission has investigated. The Swedish companies were often active in forming cartels during the 20th century and by using their archives we can determine what kind of cartels that were set up and how they worked. The European Commission has since 1964 published their investigations and several of the investigations concern the building industry. It will contribute with information about scope and function of cartels.

Buying out your competitors – how to deal with outsiders in an international cartel

Kristoffer Strandqvist, Stockholm School of Economics

This paper addresses the question of international cartel strategies, and especially how international cartels dealt with outsiders. The case is the international wood screw cartel in the 1930s and the division of the world market in this industry.