

H-France Review Vol. 18 (July 2018), No. 151

Danièle Fraboulet, Michel Margairaz and Pierre Vernus, eds., *Réguler l'économie. L'apport des organisations patronales. Europe XIXe-XXe siècles*. Rennes: Presses universitaires de Rennes, 2016. 360 pp. €20.00 (pb). ISBN 978-2-7535-4757-5.

Review by Daniel Ringrose, Minot State University.

Part economic history, part labor history, this impressive interdisciplinary collection studies the complexity and influence of employer associations and industrial cartels (*organisations patronales*) on different sectors of the European economy during the nineteenth and twentieth centuries. The twenty-three essays in this volume, when combined with the rich introductory essays to each of this work's major sections, offer a comparative exploration of the extent to which employer organizations, trade associations, and cartels sought to manage their industries and shape state economic policy. Although the world of employer syndicates, cartels, and trade associations is not exactly new territory for scholars of economic or labor history, the focus of this volume reaches well beyond the study of employer syndicates formed in opposition to unions and employee syndicates. Instead, the interdisciplinary and transnational approach of this volume lets the editors investigate the concerns that motivated employer associations and to understand their varied approaches to influencing economic affairs across a wide range of industries and regions. At the heart of this approach lies a richer understanding of the construction and diverse evolution of industrial capitalism and state regulation in twentieth-century Europe.

The editors' approach to understanding the pressure employer syndicates brought to bear on managing their respective sectors of the economy takes three forms. The first, and longest, section of the book constitutes case studies that examine the place of different kinds of employer organizations in shaping regulatory policy between the state and the market. Seven discrete case studies examine the efforts of employer syndicates from textile industries (cotton, silk, wool), metal industries (foundries and the cable industry), and the hospitality sector (hotel associations in Switzerland and Italy). These essays reveal distinctive national patterns, but also highlight the limits of employer and regional power. For example, Nicolas Stoskopf's essay reveals that the Société industrielle de Mulhouse (SIM) actively advocated for child labor regulation legislation in the 1830s but was not sufficiently powerful to dilute the terms of the actual law passed in 1841, which regulated child labor more thoroughly than SIM members desired. Once the law was in place, Stoskopf argues, the SIM became less influential because its members resisted limiting work hours for children in its most profitable textile activities while at the same time arguing on philanthropic grounds that the law's provisions should apply to other industries. In contrast, Pierre Vernus' essay on the Lyon silk industry demonstrates how the Silk Merchants Union (UMS) capitalized on Lyon's position at the center of the global silk industry to set quality

standards, prevent fraud, and establish favorable customs rates for long-distance purchasing. Vernus shows that even as the global silk market evolved to include other competitors, these strategies protected the privileged position of the Lyon silk industry while lowering the cost of participating in the global market. Jean-Luc Mastin's contribution shows that the Roubaix wool combing industry owed its dominant position to the activity of a tight-knit cartel that sought to advance mutual policies and goals of competing firms in Roubaix-Tourcoing. In this case, enduring market dominance relied on a sophisticated system of family pacts, implicit cooperation, and de-facto limitations on consolidation and competitive behavior.

Bruno Prati's essay on the Ardennes metal casting industry is one of the few that focuses specifically on labor relations. Prati explains that this regional experiment weakened after WWI when employers were unable to recreate the concentrated cooperative activity of the pre-war years, in part because surviving firms were very diverse and focused more, and with declining success, on rebuilding their client networks than on collaborating with each other or complying with their association's policy decisions. The *organisation patronale* representing European producers of electric wire and cable offers a counter-example that proved adept at regulating prices and limiting competition. There were only a small number of producers in the cable industry and the transparent nature of public bids for large contracts allowed the cartel to set prices and to force its members to adhere to common quality and production standards. Of the industries profiled in this volume, the dominance of the European cable cartel between 1928 and 1970 comes closest to an economist's ideal definition of a cartel as shaping one sector of the economy.

Two final essays in this section contrast the experiences of the Swiss and Italian hotel industries. From the 1870s to the 1950s a consortium of Swiss hoteliers formed a cartel that effectively coordinated advertising and pricing while discouraging outside competition. Absent a strong federal state, industry-imposed regulation set policy and practice across the entire Swiss hotel industry. This experience stands in sharp contrast to the Italian hotel industry's efforts at coordination. Early twentieth-century Italian trade groups sought to set uniform labor costs and to require transparent publication of hotel pricing, but with only limited success due to regionalization and lack of participation by hoteliers. As demand escalated after WWI, industry associations tried again to establish published prices, standards, and self-regulation, but these efforts were eclipsed by the arrival of Fascist corporatist state policies in the late 1920s.

The individual case studies in part one illustrate the diverse intent and varied success of employer organizations in regulating economic activity. Some organizations began with idealistic positions, such as the regulation of child labor, but were not sufficiently influential to shape actual legislation. Others, such as Lyon silk merchants, used their influence to set standards or preserve market position amid changing global conditions and government trade policy. In select instances, such as the Swiss hotel industry, trade groups effectively wrote their own regulatory framework, which over time became official practice, while largely avoiding state-imposed regulation such as those imposed in Mussolini's Italy.

In the next section the editors shift focus to industrial lobbying organizations at the national level. Three essays study umbrella organizations (*organisations faitières*) representing small retail merchants in Belgium, the coal and steel industry in West Germany, and the steel industry in Italy and Luxembourg during the years after WWII. Peter Heyrman's essay shows that Belgian merchants enjoyed strong state legal protection in the 1930s and that in subsequent decades they

protected this position through the Association Belges de défense des petites entreprises (ADPE). This umbrella organization proved so effective after WWII that the ADPE became the de facto regulator in some areas of artisanal production. More significant was the ADPE's success in the 1960s and 1970s in slowing growth of large retail stores (*les grandes surfaces*) by embedding its positions in the state's elaborate permitting process. This process allowed input from small retailers and required local, regional, and national review, which doubtless contributed to the resilience of small Belgian retail establishments.

In the case of the steel makers in the Federal Republic of Germany, Werner Bühner shows that trade associations vigorously resisted any government attempts at regulation on the grounds that they interfered with liberal free trade. At the same time, these same associations actively participated in setting and enforcing common labor practices and pricing among members of the steel cartel. Bühner labels this approach "autoadministration" and he demonstrates convincingly that West German steel makers actively used official and illegal cartels to protect German steel production well into the 1970s. Paulo Tedeschi's article reveals that parallel efforts by Italy and Luxembourg to lobby the European Coal and Steel Community produced only temporary advantages in the new Common Market framework and that their umbrella organization could not influence steel prices or set protective minimum prices, leaving Italy and Luxembourg at a disadvantage.

The articles in the second section of this volume emphasize the role of *organisations patronales* in the financial and agricultural sectors of the economy. The essays on finance each reflect national particularities, but by grouping them together the editors make possible a collective assessment of the role *organisations patronales* played in shaping financial practices and providing credit in twentieth-century Europe. One common finding is that measures promoted by financial firms acting together frequently emerged as rules and practices that eventually became state policy. This pattern holds true even though the banking systems of Spain, Switzerland, the United Kingdom, and France each operated very differently.

Miguel Artola Blanco charts the gradual organization of regional Spanish banks under an industry umbrella group named the Comité centrale des banques espagnols (CSB) between 1918 and 1936. The influential CSB regulated the Spanish financial system with state approval while simultaneously representing the established interests and private arrangements of its member bankers, at least until 1936. Sébastien Guex's and Malik Mazbouri's work on Swiss bankers documents how the powerful Associations Suisse des banquiers (ASB) coordinated financial practices and enforced uniform fee schedules and banking culture. This cartel, according to Guex and Mazbouri, shaped financial practice from the late nineteenth century to the 1990s, largely independent of federal regulation. Olivier Butzbach's study of building societies in the United Kingdom documents the unique regulatory status held by these private societies, which provided real estate investment opportunity and offered credit and financing for real estate construction. His work traces the activity of the Building Society Association (BSA), which represented the cartel of British building societies, set membership and imposed strict conduct rules, distributed market information to its members, and lobbied government regulators. Butzbach demonstrates clearly that from the 1930s to the 1980s the BSA and the Chief Registrar of Friendly Societies worked closely together, signaling a high level of influence that preserved the privileged position of BSA members and revealing the surprising degree to which state regulators depended upon the BSA.

The three articles on French financial practices also break new ground, for they address the extent to which industrial firms influenced state practices on consumer credit, accident insurance, and private accounting, topics which have not typically received extensive attention in studies of French history. Sabine Effosse's well-researched piece shows how industry lobbying groups pushed for the creation of France's two major consumer credit organizations, Sofinco and Cetelem, to encourage sales of stoves, refrigerators, and other domestic appliances. Extending credit for such purchases became a central weapon for French producers as they sought to compete with other European manufacturers, particular those in West Germany. In an era where credit was difficult to obtain from French banks, the state justified the creation of these credit agencies in part because they were seen as an effective way to subsidize legitimate French industries in the 1950s. Raymond Dartevelle's article on workplace accident insurance identifies industry groups as active, but only partially successful, in limiting state mandates on employer obligations and accident insurance. In the final study in this section, Béatrice Touchelay traces the gradual systematization of the accounting practices of private companies. Her work documents a gradual increase in compliance during the post-Vichy era, despite concerns that adoption of uniform and transparent accounting in the private sector might facilitate heavy-handed state planning and taxation of private firms. Even though these concerns had been evident under Vichy and in the early years of post-war reconstruction planning, heads of private companies also understood the value of uniform accounting practices to corporate decision making and to shareholders, leading Touchelay to cleverly label the incremental adoption of private accounting the "invisible hand" of French employers.

Réguler l'économie also addresses associations that advocated for agricultural policy, with particular emphasis on French and Spanish wine producers, wheat lobbying in France, and agricultural regulation in Italy in the 1940s and 1950s. Clotilde Druelle-Korn's introduction to this topic positions each contribution along a spectrum between a state-managed economy and unfettered liberal capitalism, which allows the reader to compare the effects of lobbying and trade association activity in each sector. Comparisons of the French and Spanish wine industry in the early twentieth century underscore the importance to lobbyists of receptive regional and state institutions: in the early twentieth century French wine merchants consistently received more favorable treatment than their Spanish counterparts, particularly during the Franco era when the state only reluctantly negotiated with cartels and producers. Alain Chatriot's essay on the French wheat industry during the interwar period reminds readers of the extent to which l'Association générale des producteurs de blé (AGPB) had to respond to changing circumstances that included dramatic political shifts and the Great Depression. Chatriot shows that this umbrella organization succeeded in enlisting farmers, but struggled to recruit large landowners, although during the Depression the AGPB eventually gathered enough support to urge the government to establish price controls. In contrast, Italy after WWII was unique in that farmers were represented by two competing *organisations patronales*, one for small producers and a second that argued for policies favoring large farms and industrial agriculture. Claudio Besan and Andrea Maria Locatelli skillfully narrate the complex and at times caustic relationship between these two groups, as well as the eventual reconciliation that allowed these groups to argue for favorable terms for Italian agriculture in the emerging European Common market.

This lengthy volume concludes with three intriguing pieces, each of which merits further contextualization and discussion. The first examines the aluminum industry in Québec, emphasizing the role of industry syndicates in shaping official labor policy. As many of the other essays in this volume reveal, Québécois industrialists used trade associations and cartels to

influence (and sometimes avoid) state policy and to identify opportunities favorable to all members of the cartel. In this sense, Melanie Laroche's findings about the Québec aluminum industry mirror many of the strategies employed by similar European industries discussed elsewhere in this collection. Two final pieces offer fascinating first-hand accounts by Jean-Pierre Fine and Jérôme Frantz of their work in two of France's most influential *organisations patronales*: l'Union des industries et métiers de la métallurgie (UIMM) and La Fédération des industries mécaniques (FIM). These intriguing contributions merit further contextualization and discussion.

Readers of this collection will find it offers a rewarding approach to European economic history. Its essays represent detailed, rich scholarship that allows comparisons across Europe and between economic sectors that are not usually grouped together. The editors' organization around the much larger theme of capitalism, state economic regulation and, most crucially, the extent to which industry and lobbying associations were able to manage economic affairs related to their industries, brings coherence to essays that might otherwise interest only a handful of specialists on a particular region or industry. Of particular note is the opportunity embedded in these essays to understand how *organisations patronales* functioned, why some struggled and others flourished, the diverse variety of their organization and operation, their ascendancy and institutionalization from the 1880s to roughly the 1970s, and the extent to which cartels influenced state economic regulation, or, in some instances, supplanted it entirely. While beyond the scope of this study, it would be intriguing to explore the degree to which alliances between affluent families and the personal social networks of industry leaders overlapped with the membership and activities of *organisations patronales*, particularly as associations became more institutionalized over the course of the twentieth century. It is understandable that in a collection of this scope the time periods and regions covered vary enough to make direct comparisons possible only in some sectors or geographic regions, but despite this limitation the cases presented offer a rich cross-section of countries and economic activity, including case studies from Italy, Spain, Switzerland (not often well represented in economic and industrial history) as well as France, the United Kingdom and Germany. In addition to geographic diversity, the *organisations patronales* selected vary in scope and scale from small regional industries to national trade associations. Finally, the interpretive essays that introduce each section and this volume's conclusion offer rich and thoughtful summaries of the volume's central questions, along with a welcome call for transnational comparative work to test and extend their findings. Collectively, one of the true strengths of this volume is that it reveals with sophistication and nuance the extent to which state policy on the European economy was interwoven with and influenced by a diverse variety of industry associations and cartels.

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ISSN 1553-9172