

Abstracts

From Guilds to Corporatism. The influence of the employers on the Danish Vocational Education and Training system 1856-1937

Ida Juul

The introduction of freedom of trade resulted in the abolishment of the privileges of the guilds and it put an end to the guilds' role in regulating the right to employ skilled labour within the different crafts. Education in the form of apprenticeship played a crucial role in securing their privileges. The guilds had unsuccessfully protested against this development in order to maintain their privileges. Genuine employers' associations began to appear in the 1880s as a response to the labour movement and its frequent struggles for higher wages and better working conditions. The strategy of the employers was to suppress the trade union movement, but in the 1890s the strategy turned towards negotiation and arbitration. This not only created a uniquely organised labour market but also a precondition for the involvement of the social partners in the regulation of the Danish vocational training system. This meant that the employers were once again given an important role in the regulation of the Danish vocational education and training system. But contrary to the times when the guilds were at power, they had to share their influence with workers.

From open to a regulated economy – Foss, Rode and The Commission for Extraordinary Measures

Steen Andersen and Kurt Jacobsen

The outbreak of war in Europe had immediate economic consequences in the neutral state of Denmark. In August 1914 the unrest led to price rises and shortage of goods. Already on 7 August 1914, the Danish Rigsdag (Parliament) passed the so-called »August Law«, which authorized the Minister of Interior, Ove Rode, to fix the prices of goods and conduct expropriations. The actual instrument which regulated the economy was the so-called Den Overordentlige Kommission (DOK), (the Commission for Extraordinary Measures). The establishment of DOK was a practical solution, partly because the Danish state apparatus was not geared towards handling such a task and partly because it relieved Parliament of regulation policy. At the same time, DOK's authority was secure because its members represented the interests of major parties and organizations, linking them to the development of the regulation. The work of the DOK featured several major controversies in relation to the establishment of the of the regulation policy and exhibited a lack of corporate co-operation. The trades entered into co-operation in order to secure their own interests in the best possible way. The industrial chairman Alexander Foss did his best to secure the industry's conditions, nor out of sympathy for a corporate vision, primarily designed to secure supplies for industrial production. This led to clashes with Ove Rode on the objective of regulatory policy. In 1918, when Foss left DOK, it was precisely

because the trades had to large extent taken over supply policy themselves.

Industry and competition regulation

Morten Kallestrup

This article analyses Danish competition policy during the 20th century, in particular the interrelationship between business organizations and political decision-making. It is inevitable that competition regulation has been tightened and that competences of the authorities have increased over the years. Today the purpose of Danish competition policy is no longer primarily to prevent monopolies in Denmark, but rather in favour of consumers to establish a regulatory framework for Danish businesses based on international competition principles. The last regulatory stronghold of private businesses, which also differentiates Danish competition policy from international principles, is the direct representation of business organizations in the Competition Council. This is the case despite the fact that these issues have been matters of negotiation during all previous competition policy reforms. However, the political interest in abolishing direct business representation from the Competition Council has so far been neglected in favour of other changes.

The political power of Danish agriculture – myth or reality?

Mogens Rostgaard Nissen

Through the 20th century the Danish agriculture has had significant political influence. This is mainly linked to agriculture up to the 1970s had a crucial economic importance for the Danish society. Furthermore, agriculture through a highly hierarchical organization with a number of strong leader figures was very successful in coming through with their wishes and demands. Although the so-called »master-lobby« on Axelborg,

where the Agricultural Council of Denmark is located, has become less powerful over the past decades, it still has a considerable influence. Partly because agriculture still is important for the Danish economy, partly because the political leadership has been able to deal with the growing political marginalization of the agriculture. But the traditional goodwill among the political parties and among the population in general has become less evident as the community has put new demands on agriculture.

Electricity and Politics in the 1990s

Flemming Petersen and Mogens Rüdiger

The liberalization of the electricity sector was an important innovation in the 1990s, since during the previous decades the sector was subject to a more and more comprehensive political regulation, among other things due to concerns for the security of supply and the environment. The liberalization in the 1990s partially created a break away from this trend: the electricity companies were no longer defined as natural monopolies and competition became a framework for the future electricity market. Although traditionally, the electricity sector has succeeded in influencing the legislation, the electricity sector's demand for a deregulation was not met accomplished before a new government took over in 2001. On the contrary, the liberalization was accompanied by an even more complex regulation.

The liberalization process had two sources. First, Norway followed by Sweden established a free electricity market, and secondly the EU initiated a competitive and boundary/border crossing market for electricity.

In this article, we give an account of the electricity sector's change of attitude towards the liberalization, from a reluctant stance to the entire process, and especially to the aban-

donment of the companies' status as monopolies, a position the sector shared with the center-left Government, to a substantial satisfaction with the competitive market. Several motives to this change of attitude are thereafter discussed.

Microfinance – aid or business?

Andreas Kuchler

Microfinance programs have become increasingly popular as an instrument in development policy due to a more desirable incentive structure for the recipients than is the case in other development interventions and due to the likelihood of repayment and thereby reinvestment options of the funds. Microfinance attempts to loosen the credit constraints faced by asset poor individuals as a consequence of risk and lack of assets which could otherwise serve as collateral. In this article, microfinance is seen as representing an emerging policy area related to development and industrial policy. The article provides an overview of central problems to which microfinance can provide a solution and the perspectives for microfinance as part of Danish development policy. Microfinance has the potential to help a large number of poor increase their livelihoods, but the appropri-

ateness of microfinance depends on the market and institutional environment faced by the poor.

The Great Depression in the 1930s

Kim Abildgren

In the United States and Germany, the crisis in the 1930s was deep. In these countries the real gross domestic product declined by 20-30 per cent during the years 1929-33. Many other countries also experienced setbacks in production, although to a somewhat lesser extent. The international crisis gave rise to protectionism around the world with a large decrease in the international trade and the division of labour as a result. It was mainly an expansive monetary policy that brought the world economy out of the crisis. Fiscal policy did not play any major role. Denmark was among those countries that fared best through the 1930s, and the rate of unemployment was in fact well below those very high levels reported in the official Danish unemployment statistics. However, the welfare state was far less developed than today and the general level of income was significantly lower. Unemployment was therefore a serious matter for those who were affected.