

Quiet Politics and Business Power

Corporate Control in Europe and Japan

Does democracy control business, or does business control democracy? This study of how companies are bought and sold in four countries – France, Germany, Japan, and the Netherlands – explores this fundamental question. It does so by examining variation in the rules of corporate control – specifically, whether hostile takeovers are allowed. Takeovers have high political stakes: they result in corporate reorganizations, layoffs, and the unraveling of compromises between workers and managers. But the public rarely pays attention to issues of corporate control. As a result, political parties and legislatures are largely absent from this domain. Instead, organized managers get to make the rules, quietly drawing on their superior lobbying capacity and the deference of legislators. These tools, not campaign donations, are the true founts of managerial political influence.

Pepper D. Culpepper is professor of political science at the European University Institute. He was previously on the faculty at the Harvard Kennedy School. He is the author of *Creating Cooperation* and coeditor of *Changing France* and *The German Skills Machine*. His work has appeared in *International Organization*, *World Politics*, *Comparative Political Studies*, *Revue Française de Science Politique*, *Politische Vierteljahresschrift*, *West European Politics*, *Journal of European Public Policy*, *Journal of Public Policy*, and the *Oxford Review of Economic Policy*, among others. Culpepper was a Marshall Scholar at Oxford University and received his Ph.D. in political science from Harvard University.

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European University Institute



CAMBRIDGE
UNIVERSITY PRESS

CAMBRIDGE UNIVERSITY PRESS

Cambridge, New York, Melbourne, Madrid, Cape Town, Singapore,
São Paulo, Delhi, Dubai, Tokyo, Mexico City

Cambridge University Press

32 Avenue of the Americas, New York, NY 10013-2473, USA

www.cambridge.org

Information on this title: www.cambridge.org/9780521134132

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First published 2011

Printed in the United States of America

A catalog record for this publication is available from the British Library.

Library of Congress Cataloging in Publication data

Culpepper, Pepper D.

Quiet politics and business power : corporate control in Europe and Japan / Pepper D. Culpepper.

p. cm. – (Cambridge studies in comparative politics)

ISBN 978-0-521-11859-0 (hardback)

1. Corporate governance – Europe. 2. Corporate governance – Japan. I. Title. II. Series.

HD2741.C94 2011

338.6094 – dc22 2010014153

ISBN 978-0-521-11859-0 Hardback

ISBN 978-0-521-13413-2 Paperback

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To my mother