Éditorial

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Eli Moen et Harm G. Schröter

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EDITORIAL

AMERICANIZATION AS A CONCEPT FOR A DEEPER UNDERSTANDING OF ECONOMIC CHANGES, 1945 - 1970

by Eli MOEN and Harm G. SCHRÖTER

University of Oslo University of Bergen

For social history, Americanization is an established concept, which has become even a fashionable one in recent years\(^{1}\). Various studies have been published and have shown the viability of this approach in social life after the Second World War, especially in the context of politics\(^{2}\) and of youth culture\(^{3}\). Americanization is a cultural concept. The fact that it is now on the agenda for historians demonstrates the influence that French history has achieved on an international scale. It was firstly French historians who, for a long time, worked on questions related to the extent that culture matters in history. However, up to now, the concept has not been fashionable in the sphere of economic and business history on an international scale. This abstinence is remarkable since the link between cultural values and the history of technology is established. The fact that the two disciplines closest to economic and business history, social history and the history of techniques, employ cultural questions is a sufficient incentive for us to try to see what such an approach might achieve in business history. This entire issue of *Entreprises et Histoire* is to be seen in this light. This introduction and the contributions are not based on settled and undisputed ground, but they represent various and different explorations into the cultural concept of Americanization from a business history perspective.

\(^{1}\) The editors express their thankfulness to the Ruhrgas-Foundation, which generously sponsored our conference at Isegran, Norway on the problem of Americanization. We also express our thanks to this periodical, and especially to Prof. D. Barjot, for offering the opportunity to include our achievements on the question concerned in the present issue.


Various definitions of Americanization have accordingly been employed. They changed over time, adapting to the necessities of research and to the questions asked. At the turn of the last century, the term was focused on the United States being a « melting pot » for different people, who in the end became Americanized\(^4\). The issue focused on the identity of people, which expresses itself by the ways of feeling, and thinking, and every-day non-reflected actions. Usually this term was applied for the acculturation of immigrants into US society, in contrast to their previously different behaviour and feeling. The term was taken over, however, to express concern with any possible influence of a foreign economic power as well. When, before the First World War, British Marconi Ltd by direct investment became so strong in the US that some feared it would dominate the market, concern was expressed in the US. RCA, the Radio Corporation of America, was founded not only as a counter-weight but as a channel to introduce American influence and feeling into the sphere of radio transmission\(^5\). Politicians and businessmen were well aware of the political and marketing potential not only of this new medium, but also of its cultural aspects as well.

In this issue the concept has been turned around. We look for traces and the amount of American influence outside the US after the Second World War. To phrase it more specifically, we concentrate on the American impact and the transfer of values, behavior, institutions, symbols and norms, which were widespread in the USA, into the economic sphere of life in different states such as Brazil, Germany, and Norway. That is, in our context, the term Americanization applies to North America, mainly the USA. This is why we can look for an Americanization of Latin America. Americanization cannot be understood as an untouched import from the US, but as a regional or national internalisation of American hegemonic power\(^6\).

Nobody could expect unchanged imports of behavior from the US. Such imports have always been adopted and adapted to local needs and customs in the process of transfer. This makes the concept vague to a certain extent. We can speak of an Americanization if behavior has changed in the direction of how comparable issues have been treated in the US. In any case, the impact of the US has to be quite clear. Compared to the rest of the world, the US appeared as modern in many issues after the Second World War. The desire to become more competitive and more modern was felt nearly everywhere. However, a substantial part of modernizations cannot be claimed to be just an expression of Americanization, since it may have emerged from indigenous forces. During the period under survey, nearly all cases of Americanization can be understood as modernization, but not all modernization could be claimed to have been Americanization. To be sure of a process of Americanization we not only need a move in the direction of US-American patterns, but information on the means and forms of such an influence. Thus we need information on the process of transfer.

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\(^4\) E.g. in the series « Our National Problems », Royal Dixon wrote on Americanization (New York, Macmillan, 1916); and Edward Bok’s reminiscences were printed in the 11th edition in 1921 (Edward Bok, The Americanization of Edward Bok: the Autobiography of a Dutch Boy Fifty Years Later, New York, 1921).


The connotation of the expression Americanization differed widely over time and places. During the 1920s there was nothing particular negative, but the more the US were able to dominate defined spheres of interest in politics as well as in the economy, the more critics raised their voices. The shortest turn-around of values took place in Germany, when, especially during the 1948/49 blockade of Berlin, the Americans became friends after having been perceived as enemies: « Americans moved from the status of ‘lesser of two evils’ to somewhat less than angels »(7). Elsewhere, and especially in Latin America, the picture was not that bright, which caused William Lederer and Eugene Burdick to publish their book titled The Ugly American(8). This was the time when Ralf Dahrendorf, an influential German sociologist and politician, intervened in favor of the Americans. He tried to show that Americanization not only meant mass culture, mass consumption, etc., but that such phenomena are consistent with European development, which, because of having the most advanced economy of the world, took place in the USA(9). In Europe, the Marshall Plan and the US guarantee against communism caused significant goodwill, which opened the doors to Americanizations of various kinds. However, business leaders were not as easily convinced to give up the way they acted before.

Up to now, only a handful of studies existed on the impact of the US on business behavior abroad. Volker Berghahn was one of the first to raise the issue in the case of Germany(10). Recently the interest in the impact of the US on the world after 1945 has stepped up. There was a large conference in Caen, focusing on the productivity missions the US government started in Europe as one step among others to make the western part of the continent communism-proof(11) and also on the productivity missions from Japan to the US. Other workshops on Americanization took place in Berlin and in Fredrikstad, Norway(12).

Still the field is not very well covered, and Volker Berghahn’s call for such studies on more states especially in Europe and on Japan is valid(13). Up to now, most questions - and information - on this process have focused on West Germany. This is by no means a coincidence. It was an American desire to change West Germany first and, via that state, Europe. Here we find another side of Americanization, i.e. intended action by various groups within the US to make other countries look and behave more like themselves, to advertise the American way of life, and, last but not least, draw them nearer to the orbit of the USA. « This strategy was not just designed to reconstruct West Germany materially but was also intended to restructure the organizations of German capitalism after the experience of Nazism. The new structures were to be compatible with those of a multi-lateral liberal-capitalist world trading system which the US, as the hegemonic power, was bent on establishing after the catastrophes of 1929 and 1939. This reorganized West German system was - as Hoffman put it in May 1950 - to be deployed as the motor for similar changes in the other industrial nations of Western Europe in which the

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(12) The proceedings of the Berlin workshop are published in Jarausch and Siegrist, op. cit., those of Fredrikstad are included in the volume of Bar jot and in this one.
(13) Berghahn, Americanisation, p. 331.
Americans did not have a direct lever as an occupying power. Today it might be said that these American efforts were successful in the long run.\(^{(14)}\)

Whether it really can be claimed the American efforts were successful in the long run in Europe still remains to be shown. That such desire not only existed as such, but caused Americans to take a variety of steps in that direction is not to be doubted. These efforts have been dealt with in the project on the US productivity missions\(^{(15)}\).

However, at this time, we can only provide a sketchy outline of different developments, which are to be seen in the light of Americanization. For two reasons Germany will figure highly in the following: firstly, it was meant to become a tool in the course of the wished for Americanization, and secondly, up until recently most research was done concerning this country. However, the concept is beginning to be tried on other countries and issues, e.g. on the Marshall Plan\(^{(16)}\). In the following articles, three different sectors are examined: 1. institutional change, 2. media and ways of changes, and 3. Americanization of management.

It was one of the outstanding signs of American management not only to believe in competition and in their own ability to tackle all emerging questions and problems but to believe that such behavior would be best for the country as a whole. This attitude was consistent with the economists’ mainstream paradigm, with traditional US politics, and it was put forward by Alfred D. Chandler and other economic historians to have been the main feature (Leitbild) for the American way of running a capitalist economy\(^{(17)}\). Furthermore, they have shown that investment not only in production, but in organization and marketing skills was the key to growth and success.

After 1945, the US maintained that the traditional intertwined relationship between big enterprise and government in Germany, as well as in Europe as a whole, should be ended. But the state of the European economies after the war, and the German one in particular, made it impossible to deregulate it at once. In Germany the respective rules were not lifted before 1948 (together with the introduction of the D-Mark). Even during the 1950s, the prices of many goods, such as electricity or train fares, and even items for daily consumption remained regulated. Important consumer organizations related to the labor movement, the cooperative societies with more than 2.5 million members, were in favor of such regulations as long as they helped to keep prices low. Such organizations were even more powerful in Scandinavia and in the United Kingdom. Thus, certain groups believed in a European traditional way based on regulations and counter-power to be the best protection for consumers. In West Germany, Ludwig Erhard and the conservative German government followed the American liberal concept, and maintained that the best protection for consumers simply lay in competition. It is interesting to see how quickly this second concept grew from a minority position to an overwhelming one during the boom years. Parallel with the traditional concept of retail trade and the spread to self-ser-


\(^{(15)}\) Viz. Barjot.


vice, the traditional concept of consumer protection petered out between 1955 and 1965\(^{(18)}\). The question remains to what extent this development was an Americanization.

In the development of retailing, an important change which can be understood as Americanization clearly took place during this period. It was the move from traditional forms of retailing to self-service, since this change was advanced by comparisons to the US, it was designed after US experience, etc.. However, we are not sure about Americanization in the institutions of consumer protection. The victory of the competitive model over organized counter-power can be interpreted as an indigenous one. The fact that this transition caused neither the same type of organizations in Germany and in Europe nor the same trust in such organizations as in the USA suggests that this was a parallel move of modernization but not Americanization. For various reasons, the traditional European model of consumer societies with substantial membership became old-fashioned. New consumers organizations were founded during this period, but the membership of such organizations in Europe was by no means to be compared to the large numbers of their US counterparts. Furthermore, though Europeans removed their trust from labor-movement related counter-power, it was not transferred to a belief in competition but instead to state authorities. Trust in state authorities was another traditional behavior in a couple of European states. Thus, since the consumers exchanged their trust from one traditional European institution to another, we cannot detect major traces of an Americanization in this process.

The failure of the consumer societies coincided with the development of the mass market for consumer goods. This mass market developed first in the US, and this is why its culture initially was American. In Europe it caused tensions between youth culture, which tried actively to take over US standards of behavior, and established groups, which maintained and insisted on European traditions of individualism.

After 1945, the US generally pressed for deconcentration and decartelization, and hoped that their initiatives imposed on West Germany would spread to other countries. In this respect, their economic policy towards Japan was similar. They dissolved the old Zaibatsu, the traditional family owned conglomerates. This was the case with big German firms as well. Not only the notorious IG-Farben but the Deutsche Bank, the Dresdner Bank and the large steel trust, Vereinigte Stahlwerke, were broken into pieces. From the US point of view, the reason for this step was not so much punishment for Nazi collaboration, war efforts etc. but the wish to step up competition between German firms, and thereby cause them to behave more like their US counterparts in the long run - in other words, to reshape the mental attitude on the basis of which day-to-day business was carried out. The story how the US intentions were fooled has been told by Volker Berghahn and others. Through mergers, the banks reestablished their previous structures as early as 1957. It seems that all managers unanimously tried to reestablish the old institutions as soon as possible\(^{(19)}\). Furthermore the traditional type of institution, the German style of universal banks in contrast to the US type of special banks, was never questioned.

\(^{(18)}\) The traditional concept for consumer protection in Europe was represented by cooperative societies with a substantial membership (Harm G. Schröter, « Die Regulierung des Konsums. Vom Gegenmacht- zum Wettbewerbsmodell in der Verbraucherpolitik », in: Hartmut Berghof (ed.), Regulation and Deregulation of Consumption, Stuttgart, 1999 (forthcoming).

seriously. The steel trust was reestablished only in 1965 under the umbrella of Thyssen. It took a few more years in comparison to the banks since some parts of the former steel trust were reluctant to give up their independence. In that respect, some of the US intentions were met. The three main parts of IG Farben in West Germany never merged again, although they cooperated strategically, especially in the beginning. The heads of their respective boards, who still knew each other from the old IG Farben period, met regularly to talk about issues of common interest. It was perceived to be quite normal, and among Germans nobody thought in terms of conspiracy\(^\text{(20)}\). In this respect, the institutional reshaping of the former IG Farben cannot be claimed to have been a sort of Americanization. But later on, when these firms redirected themselves to the world market, and at the same time started to rely on imported oil instead of indigenous coal, a process of Americanization took place. In Japan also, the US tolerated the reemergence of such traditional institutions. The reason for it can be found in the Cold War, when it became more important to have functioning allies than insisting on US points of view.

American attempts to Americanize at an institutional level were not entirely in vain. For example, cooperation and cartelization were changed and adapted to US standards in the long term perspective. Though Germany had been a forerunner in international cartelization, cooperation was widespread in Europe - and in Japan\(^\text{(21)}\). The US prohibited all cartels in Occupied Germany after the Second World War. French and British forces, which for either ideological or traditional reasons had nothing against cartelization were forced to agree to their interdiction in their occupation zones as well. This ruling stayed in effect until the German law on competition was passed in 1957. After more than five years of struggle, this law was designed after the American model of a general interdiction of cartels. Only certain exemptions were allowed. Especially German industry had tried to have it the other way round, that is to allow cartels generally, with only proven detriments forbidden. Such a design would have met traditional German standards. The law of 1957 was a success for competition in general, although decision makers needed time to adapt. At the beginning not only German enterprises but all kinds of bureaucracies thought in terms of cooperation, and it took about one generation to change their attitude. Through American influence a change of paradigm clearly took place.

As Eli Moen has shown, in some industries this change was a protracted process. In the Norwegian pulp and paper industry the dominating cartels were not done away with until the late 1970s, a delay which was to the detriment of this industry. The international cartel for newsprint, Scannews, was not dissolved until 1987. A similar Americanization took place in all the countries of Western Europe. The speed in this process differed, leaving the Swiss at the end; but the move towards decartelization was shared by all of the European states. Today there is to a large extent consensus in the view on competition\(^\text{(22)}\). In this respect, international economic life became Americanized.

Another basic view on the economy was changed to American patterns, too. In the inter war period, and especially during the 1930s, Germany became strongly autarcistic. The same attitude was to be seen in the U.K., which with the Ottawa system and other

\(^{(20)}\) Interview with Hans-Jürgen Hamann on July 12, 1989. From 1958 to 1978 Dr. Hamann was member of the board of Schering AG, and was head of it from 1978 to 1984.


\(^{(22)}\) Ibid.
means tried to bind its Commonwealth more closely together than ever before. Also France established strong preferences for its own empire. Though the US maintained a high tariff wall up to the Second World War, they insisted on an open market policy afterwards. Abandoning autarchy was an Americanization in German industry\(^{(23)}\). Because of a lack of information, we can only presume that Americans exerted a similar influence on France and on the U.K.

Several studies have pointed out the impact the US had on education of business personnel\(^{(24)}\). This is underlined in our issue by Rolv Peter Amdam, who shows to what a large extent Norwegian management schools were prepared to add new fields of teaching during the 1950s: human relations, organizational science and work psychology. In this respect, they were remarkably advanced compared to other countries. In West Germany, management education was led by traditional forces.

While the influence of the US on West Germany, Japan and on other European states was carried out intentionally, the case of Brazil seems to be different. Rui Guilherme Granziera has shown that Brazilians were prepared to follow different and even controversial missions from the US within only a couple of years. But though there was massive US intervention in the country, which profoundly changed the whole economic structure and its institutions, the impact of the US was not reflected to the same extent as in the case of Europe. If this impression is true, it would mean that the US in their approach towards Brazil, and probably to Latin America as a whole, did not feel obliged to employ the same skills as with the Old Continent. This is the basis on which, as Granziera has stated, the Brazilians could think that for them the war had ended too soon!

The Americans employed a variety of methods and ways to spread their message. Through the Marshall Plan and a variety of sophisticated institutions, the OEEC among others, the US directed economic policy in the postwar years. Later the so-called productivity missions established cooperation between businessmen, specialists and representatives from labor unions from both sides of the Atlantic. In their endeavour, the Americans also established new institutions to teach Europeans. Rolv Peter Amdam has shown how innovative American business ideas were made to fit to the curriculum of Norwegian business schools. In contrast, the Ford Foundation failed to do so, partly because it did not actively choose partners for cooperation, and partly because of special features of Norwegian economic and political geography. What we can observe is that, over time, the US experienced a varying degree of success in its efforts to spread its ideologies and models. Interestingly its missions to Latin America and to Europe functioned quite differently. While Europe was helped with physical goods and financial means, and while various systems were set up for a transfer of know how, the US Abbink Mission to Brazil just suggested liberal economic politics and « preach that solutions would come from ‘mobility of factors’ and from satisfaction of current demands »\(^{(25)}\).

In other cases, Americanization took place indirectly through market pressure. Eli Moen has shown how US firms through open competition forced West European produ-


\(^{(24)}\) For detailed information see footnote no. 1 in Rolv Peter Amdam’s contribution in this volume.

\(^{(25)}\) Granziera in this issue.
cers of pulp and paper to adapt to US standards. American firms stimulated the change of European industry by firstly introducing new products such as packaging, especially for self-service in retailing, secondly by employing new marketing techniques, thirdly by foreign direct investment in particular in the EEC region. This sort of Americanization was the most common. We cannot trace an intended plan, but just ordinary competitive forces. As a result, the West European industry was forced to follow suit: to integrate vertically and to adopt new business strategies. This Americanization process was not nationally determined, it could have taken place in Brazil and elsewhere.

In management, there surely was Americanization to be found, for example, in the case of Norwegian business schools. British engineering industry felt the impact as well\(^{(26)}\). A third case was that Norwegian pulp and paper suppliers had to adapt to new methods of selling and to product development, both of which were new tasks of management. The same applies to marketing in Germany which was a totally new issue for that country. Marketing agencies as well as other service industries were actually introduced into West Germany by American industry. Management consultants or tax advisers were not unknown but rarely employed before 1950. Necessary advice was accepted from banks, but to ask a management consultant was thought to be a failure of one’s own capabilities. In contrast, US firms in Europe asked other American enterprises to advise them in Germany. Consequently, the first large firms of this kind acting in Germany were affiliates of American ones. This was the way German managers learned how to make use of such kinds of services. A very similar story is told by Harm Schröter in this issue about the introduction of advertising and marketing agencies.

Although the concept of Americanization has proved itself to be fruitful in the fields of cultural and social history, it is not undisputed in business and economic history. The workshop on Americanization at Isegran in 1997 made it very clear. Some scholars like Raymond Stokes suggested the use concepts of internationalization or globalization instead of Americanization. In our understanding, Americanization would be part of internationalization or globalization processes, but a more defined one according to sources, places and periods. Furthermore, the approach of internationalization or globalization is based on a view of a more even distribution of more advanced and less advanced countries than that of Americanization. While such a more even distribution between the developed nations surely is true for the years after 1970, there is no doubt that the first two decades after World War II were heavily influenced by the hegemonic US. Harm Schröter has argued elsewhere\(^{(27)}\) that the concept of Americanization should be tried on later periods as well, because of the influence of the US media, electronic devices, the spread of US food etc., especially since the second half of the 1980s. It cannot be excluded that the usefulness of the approach may vary over periods. However, such instabilities add to the reasons underlined by Haldor Brykjeflot in his contribution on the persistence of differences in US and German management in this issue. He does not employ the concept of

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Americanization to a large extent, since he focuses on distinctions rather than similarities between different types of management. His contribution suggests more a solid path dependency rather than a transfer of behavior, rules and values. His views were underlined by Werner Abelshauser, who questioned that the development of the Weimar Republic or the boom period of West Germany can be interpreted as Americanization - and he surely is right in that statement. The question is whether the concept can provide us with a deeper understanding of business and economic development, since it takes not only economic factors into account but social and cultural ones as well. However, Abelshauser and others successfully challenged the view to interpret the development of the West German labor movement after 1945 in this light\(^{(28)}\).

Volker Berghahn suggested that when Americanization is studied the counter movement to curb it should be investigated as well. At least in social and cultural development, such a counter movement was quite massive. Up to now, we have too few studies in business and economic history focussing on this issue\(^{(29)}\). However, a precondition for this issue is to recognize and to apply the Americanization concept.

This issue collects contributions which to a large extent prove the usefulness of the concept. What has not been established are its further possibilities and its limits. Up to now, we have no indicators as to why the concept provides us with different levels of validity in different sectors of the economy. We have too few international comparative studies to explain why Americanization had a deeper impact on certain states, such as Norway or West Germany, compared to e.g. France or Spain. We do not know to what extent politics played a role in this process and we have not yet established its foremost periods of influence. Surely there are many questions left open. Nonetheless, by including cultural aspects to the history of economic change, Americanization appears as a promising approach for such studies.


\(^{(29)}\) Hartmann could be useful in this (Heinz Hartmann, *Amerikanische Firmen in Deutschland*, Köln, 1963; idem, *Der deutsche Unternehmer*, Frankfurt/M., 1968).