

ARTICLE

# National Interests as Positive Externalities: Headquarters Retainment as Justification for Hybrid State-owned Enterprises in Norway (2000–2021)

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Ola Innset

As a result of the partial privatization and public listing of two large state-owned enterprises in 2001, the Norwegian state became the largest owner at the Oslo stock exchange. A new mode of corporate governance was developed, through which retainment of the corporate headquarters (HQ) of hybrid state-owned enterprises became the sole political goal of continued state ownership in these corporations. This article explores the perceived benefits to the national economy of these company HQ through an investigation of public documents and interviews with key stakeholders. The article argues that the main function of the goal of HQ retainment was to portray national interests and political goals as mere (positive) externalities of HQ location, and that this goal was formalized due to a perceived need to depoliticize the corporate governance of hybrid state-owned enterprises.

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**Keywords:** state owned enterprises; political economy; corporate governance; neoliberalism

## Introduction

In 2000 and 2001, the former government utility operator Telenor, and the formerly fully state-owned enterprise (SOE) Statoil became publicly listed companies with the Norwegian state as majority shareholder. Four other major Norwegian companies shared the same status as SOE hybrids, effectively making the Norwegian state the largest owner at the Oslo stock exchange.<sup>1</sup> The situation was a paradoxical result of reforms intended to limit the scope of state involvement in the economy, and through a complex process in the years up to 2007, Norwegian

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Email: [Ola.innset@bi.no](mailto:Ola.innset@bi.no)

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1. Lie, Myklebust, and Nordvik, *Staten som kapitalist*.

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governments attempted to justify this state of affairs within a social and political context in which private ownership was seen as “the norm.”<sup>2</sup> Interestingly, retention of company headquarters (HQ) became the sole, political justification for continued state ownership in publicly listed companies.<sup>3</sup> The perceived benefits to the nation in terms of positive externalities from the HQs of large multinational corporations thus became the political goal of the state’s depoliticized ownership. But what were these perceived benefits and is it reasonable to assume that these perceived benefits themselves drove the institutionalization of HQ location as the political justification for state ownership? This paper seeks to historicize and investigate HQ retention as a justification for continued state ownership in publicly listed, multinational enterprises through the following research question:

What were the perceived benefits of retaining the HQs of large multinational enterprises (MNEs) in Norway, and is there symmetry between the perceived benefits of HQ location, which formed part of the official justification in public documents, and other perceived benefits expressed in less official ways?

As is made clear in the Methodology section of the article, this question is attempted to be answered through a comparison between perceived benefits found in public documents regarding the Norwegian state’s ownership portfolio prepared during the period in question and perceived benefits found in interviews with key stakeholders from both politics and business.

The article thus contributes to and is relevant for a recent stream of literature on the resilience and continued existence SOEs after a period of privatization and liberalization that many thought would mark the end of such ownership schemes, and indeed of states as important players in economic life as such. Evans, Ruschemeyer, and Skocpol argued for “bringing the state back in” to economic analysis already in 1985,<sup>4</sup> and despite waves of privatizations, SOEs remain widespread throughout the world,<sup>5</sup> representing as much as 10 percent of global gross domestic product.<sup>6</sup> One can speak of a “renewal of state-owned enterprises in the twenty-first century” and the reversing of a “global trend” toward privatization.<sup>7</sup> Once discarded as “obsolete tools for governmental intervention in the economy,”<sup>8</sup> SOEs thus appear to be making a comeback in political discourse, along with ideas about the constructive role of the state in the economy as such.<sup>9</sup>

The governance and organization of SOEs were nonetheless profoundly changed during the period of what some scholars call neoliberalization,<sup>10</sup> and this article contributes to the

2. Colbjørnsen, *Stat i klemme. Statlig styring mellom politikk og markeder.*, 119.

3. Lie, “Context and Contingency: Explaining State Ownership in Norway.”

4. Evans, Rueschemeyer, and Skocpol, *Bringing the State Back In*.

5. Bird, “State-Owned Enterprises: Rising, Falling and Returning? A Brief Overview.”

6. Bruton et al., “State-Owned Enterprises around the World as Hybrid Organizations,” 92.

7. Bernier, Florio, and Bance, “Introduction,” 1.

8. Nevalainen and Yliaska, “From State-Owned Smokestacks to Post-Industrial Dreams: The Finnish Government in Business, 1970–2010,” 1327.

9. Allen, Konzelmann, and Toporowski, *The Return of the State—Restructuring Britain for the Common Good*; Garrard, *The Return of the State and Why It Is Essential for Our Health, Wealth and Happiness*.

10. Peck, *Constructions of Neoliberal Reason*; Harvey, *A Brief History of Neoliberalism*; Ban, *Ruling Ideas—How Global Neoliberalism Goes Local*; Mudge, *Leftism Reinvented—Western Parties from Socialism to Neoliberalism*.

historical analysis of such a change in the context of Norway. Musacchio and Lazzarini have found that worldwide processes of privatization in the 1980s and 1990s “did not lead to a full disarticulation of the systems of state capitalism that were developed in the twentieth century, but to a transformation in the way governments manage and own their large SOEs.”<sup>11</sup> Indeed, processes of privatization of SOEs were seldom unambiguous or carried to their logical extremes, even in the ideological climate of the 1980s, 1990s, and early 2000s.<sup>12</sup> SOE hybrids,<sup>13</sup> in which the state shares ownership with private investors, is a growing phenomenon and it means that state ownership quite recently accounted for as much as one-fifth of the world’s stock market capitalizations.<sup>14</sup> In this mode of economic governance, where states find new roles as what Musacchio and Lazzarino have called “Leviathan as majority investor,” the negative effects and efficiency losses believed to stem from the widespread politicization of SOEs<sup>15</sup> are attempted neutralized through the state exercising its ownership of said enterprises as if it were a private owner.<sup>16</sup> While often implicit in other countries, this move to “professionalize” state ownership by depoliticizing it is remarkably pronounced in the case of Norway, a country whose state ownership is also very sizeable.<sup>17</sup> The Norwegian case of SOE hybridization with HQ retention as the only political justification thus crystallizes new logics of governance and legitimation of SOEs that have become relevant throughout the OECD area after the turn of the millennium.

There is a growing stream of international literature on different modes of hybridization and “institutional logics,”<sup>18</sup> but the details of why there seems to be a desire to retain important companies within national borders—recall the very recent controversies over the sale of US Steel to Japanese Nippon Steel—have arguably not made its mark on this literature yet. While the article does not directly contribute to the fields of economic and urban geography, it shows that a new way of thinking about space and location became important in the political legitimation of a depoliticized corporate governance of SOEs: In the quest to combine the efficient resource allocation of market mechanisms with the national, democratic control many governments still wanted,<sup>19</sup> this article argues that Norwegian stakeholders conceptualized what had formerly been the legitimate goals of an activist industrial policy seen to be in the national interest, as externalities and spillovers from the mere location of HQ of large MNEs within national borders. In order to understand this particular move, the article engages with literature on HQ economy, reverse knowledge transfers (RKTs), and industrial clusters and also with the history of SOEs and the ways in which political goals are imprinted into these organizations and in the very act of state ownership as such.

11. Musacchio and Lazzarini, *Reinventing State Capitalism: Leviathan in Business, Brazil and Beyond*, 23.

12. Bognetti, “History of Western State-Owned Enterprises: From the Industrial Revolution to the Age of Globalization.”

13. Vining and Laurin, “State-Owned Enterprise Hybrids.”

14. Musacchio and Lazzarini, *Reinventing State Capitalism: Leviathan in Business, Brazil and Beyond*, 3.

15. Goldeng, Grünfeld, and Benito, “The Performance Differential between Private and State Owned Enterprises: The Roles of Ownership, Management and Market Structure.”

16. Bruton et al., “State-Owned Enterprises around the World as Hybrid Organizations.”

17. Christensen, “Explaining State Ownership in Listed Companies in Norway.”

18. Cheung, Aalto, and Nevalainen, “Institutional Logics and the Internationalization of a State-Owned Enterprise.”

19. Clo, “Varieties of State Capitalism and Reformed State-Owned Enterprises in the New Millennium.”

The article begins with a section explaining the methodology and introducing the data set. After a short literature review, the findings from the public documents are presented along with a very brief history of Norwegian SOEs for context, followed by the findings from the interviews. Finally, there is a discussion of the findings and a short conclusion.

## Methodology

In order to answer the research question regarding the perceived benefits of HQ location for large, SOE hybrids that are publicly listed, I have utilized a data set consisting of two parts: a selection of public documents and a set of interviews with key stakeholders (see [Figure 1](#)).

The documents are mainly *Stortingsmeldinger (Meld. St.)*, translatable to Reports to Stortinget, which are reports from the executive branch of the Norwegian government to the legislative parliamentary branch, known as *Stortinget* concerning SOEs (see [Appendix 1](#) for full names). Such reports on government ownership have been prepared in each electoral period since 2002, and these are all included in the data set up until 2020. There are thus five of these ownership reports (*eierskapsmeldinger*): one from the centrist coalition government led by Kjell Magne Bondevik of the *Kristelig folkeparti* (Christian Democratic Party), two from the coalition government led by Jens Stoltenberg of the *Arbeiderpartiet* (Labour Party), and two from the coalition government led by Erna Solberg of the *Høyre* (Conservative Party).<sup>20</sup> The data set also includes one *Norsk offentlig utredning (NOU)* (Official Norwegian Report), a document drafted by a government appointed group of experts, is also included in the data set, as the 2004 NOU no. 7 was commissioned as a result of the first Stortingsmelding and laid the groundwork for the HQ justification, which is the topic of this study.

The documents have been analyzed using a fairly standard hermeneutic methodology of the humanities, with special attention to the methodology of document analysis.<sup>21</sup> Such documents are important sources, and in the words of Kristin Asdal, “opening up policy documents to scrutiny—not only in a chase for the motivations, interests, and positions that are assumed to lie behind them, or treating their contents as either simply information or, the

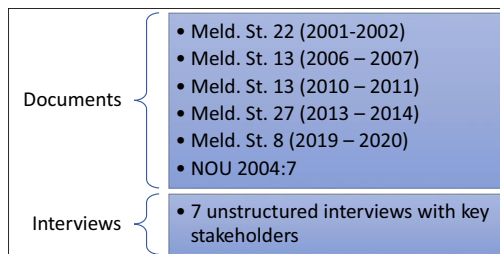


Figure 1. Data set.

20. A new ownership report was presented in 2022, under the premiership of Jonas Gahr Støre of the Labour Party, but since its publication took place after the interviews, it has not been included in the dataset.

21. Reinertsen and Asdal, *Hvordan gjøre dokumentanalyse?*

opposite, the expression of a certain ideology or pre-inscribed discourse...,”<sup>22</sup> can yield important insights. This is to say that I have read the documents carefully, in search of explicit arguments regarding the benefits of HQ location, and patterns in the way these are presented.

In addition to the documents’ carefully worded justifications and policy prescriptions, this study has attempted to uncover the perceived benefits of HQ location through unstructured interviews with key stakeholders in Norwegian SOE hybrids. The interviews were carried out in 2021 and 2022 and consisted of conversations ranging from one-and-a-half to two-and-a-half hours, thus numbering some 18 hours of conversation, transcribed into over 200 pages of text.<sup>23</sup> Within historical research, interviews constitute the backbone of so-called oral history, and they have always been an important, yet arguably somewhat undertheorized, part of business history.<sup>24</sup> Interviews are more common in the social sciences, and as psychologists Brinkmann and Kvale write in a useful introductory text to the practice of what they call “unstructured” or “non-standardized” qualitative interviews, “(...) there are few standard rules or common methodological conventions [for interview research] (...) [and] many of the methodical decisions have to be made on the spot, during the interview.”<sup>25</sup> The interviewees in this case were given the questions in advance of the interviews, in order for them to be able to prepare, and although the sets of questions were often similar to each other, they were adjusted specifically to each case.<sup>26</sup> Since the method in use was purely qualitative in nature, it made little sense to ask the exact same questions every time, as in a survey, and I have avoided the temptation of attempting to quantify the responses given. The sociologist Richard Sennett writes, “Unlike a pollster asking questions, the in-depth interviewer wants to probe the responses people give. To probe, the interviewer cannot be stonily impersonal; he or she has to give something of himself or herself in order to merit an open response.”<sup>27</sup> The interviews took on the character of conversations, something which was a suitable approach for a study aiming not for the discovery of hitherto unknown facts, but instead for an improved understanding of what Brinkmann and Kvale refer to as phenomenological “life worlds”<sup>28</sup>—in this case how the interviewees themselves understood and conceptualized the benefits of HQ locations for the Norwegian economy and national community as such. The knowledge gained from interviews undertaken in the manner described above “contrasts with a methodological positivist conception of knowledge as given facts to be quantified.”<sup>29</sup> It is not my goal to uncover indisputable, scientific facts but to achieve improved insights by moving between different scales of analysis and uncovering patterns previously unseen.

The interviewees can be split into three groups: politicians, executives from the enterprises, and public servants involved in the management of the Norwegian state’s ownership portfolio. In [Figure 2](#), the three groups have been marked with gray, orange, and yellow, respectively.

22. Asdal and Huse, *Nature-Made Economy. Cod, Capital and the Great Economization of the Ocean.*, 133.

23. The interviews have also been used for other article projects.

24. Crawford and Bailey, “Cousins Once Removed? Revisiting the Relationship between Oral History and Business History.”

25. Brinkmann and Kvale, *Interviews*, 19.

26. See also della Porta, “In-Depth Interviews.”

27. Sennett, *Respect: The Formation of Character in an Age of Inequality*, 37.

28. Brinkmann and Kvale, *Interviews*, 18.

29. Brinkmann and Kvale, 21.

	CEO	Board chairman	Board member	Union leader	Government minister	Parliamentarian	Civil servant
I #1	*	*	*		*		
I #2	*	*	*		*		
I #3		*	*				
I #4					*	*	*
I #5			*	*		*	
I #6					*	*	
I #7							*
I #8					*	*	*
I #9					*	*	

Figure 2. Roles of interviewees within SOE hybrids.

This neat categorization notwithstanding, it is characteristic of these hybrid enterprises (and the relatively small size of the Norwegian elite to which all interviewees belong), that many high-ranking executives from the companies have a past as politicians and also that politicians have tended to take on roles as board members in the companies after leaving politics. The corporative nature of Norwegian society also means that high-ranking union leaders can be seen both as politicians (with close links to the Labour Party) and as members of the enterprises in question (albeit in a different role than that of the executives). Many of the interviewees thus belong to more than one category, as seen in Figure 2.

The questions in the interviews varied, but after discussions of a more general nature on the topic of SOE hybrids and of the specific experiences of the particular interviewees related to these companies, the conversation was always guided toward the HQ function of SOE hybrids and their potential benefits. The questions were broad and answers varied, but it was stated both before and during the conversations that the main points of the interviews were to uncover what the benefits of HQ location were and how these could be related to the actual functioning of HQ within the enterprise.

The interviewees are listed with short biographies in Appendix 2, but quotations are not attributed directly to specific interviewees. Norwegian society in general and the social and political elite in particular is characterized by a high degree of consensus, and this is particularly so in the case of SOE governance, where the current setup is supported by most political parties, unions, and business interest associations. Egil Myklebust, former head of the Confederation of Norwegian Enterprises (and former chief executive officer [CEO] of the then state-owned airline SAS), coauthored a book entitled *The State as Capitalist* with historian Einar Lie and former Statoil CEO Harald Norvik, who was interviewed for this study, in 2014. Among many other things, it is claimed in the book that the Norwegian state’s rise to the role as a major capitalist has incited “very few differences of opinion,”<sup>30</sup> and both the interviews and

30. Lie, Myklebust, and Nordvik, *Staten som kapitalist*, 10.

the public documents are studies as expressions of this consensus view on SOE hybrids in general and the benefits of HQ location in particular.

The second part of the research question asks whether there is symmetry between the perceived benefits of HQ location “which formed part of the official justification in public documents, and other perceived benefits expressed in less official ways.” Part of the reason for including interviews in the data set has been to answer this question. Instead of, for instance, a study of media reports or parliamentary debates, I thus use the interviews to ascertain the degree of symmetry between official formulations of perceived benefits of HQ location found in public documents, and those expressed “in less official ways”.

## HQ Economy

Before moving to the findings of the study, a brief sojourn into the existing literature on the benefits of HQ location is in order. According to J. Myles Shaver, one of the leading proponents of the HQ economy field, HQ are “engines of corporate success and contributors to regional economic and social vitality.”<sup>31</sup> Shaver’s focus is regional, partly situated within the field of urban geography, so his analyses of HQ economies are not immediately transferable to the governance of SOEs. Having made HQ retention the sole political goal for SOE hybrids, Norwegian stakeholders have nonetheless brought these worlds together, so Shaver’s framework, which relies heavily on human capital theory<sup>32</sup> and posits HQ as “a collection of managerial and administrative talent—whose skills are applicable across a wide range of companies and industries”<sup>33</sup>—become an interesting benchmark for the corporate governance of modern SOE hybrids. Shaver’s insistence that the skills of these white collar workers are related to HQ functions that are more or less the same in companies within a variety of sectors and industries is important, because, according to him, the fact that these workers can move between different firms creates a virtuous circle in which more companies want to move their HQ to a location in which this pool of talent already exists. Shaver argues that “A headquarters economy is an engine for regional economic and social vitality” and cites four ways in which this happens. The three first of these all relate to how an HQ economy is diverse and makes a region less dependent on one employer or type of industry, whereas the last reason relates to the fact that professional and managerial jobs are high-paying jobs, which increases the tax base of a region<sup>34</sup> and comes with a host of other benefits closely related to Richard Florida’s concept of a “creative class” whose presence in a city increases social well-being and economic productivity on a number of different parameters.<sup>35</sup>

According to a 2014 study by Pan et al., “HQ economy’... has been widely used and adopted by Chinese local governments in developing urban economies.”<sup>36</sup> Again, the focus

31. Shaver, *Headquarters Economy: Managers, Mobility and Migration*, 1.

32. Becker, *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education*.

33. Shaver, *Headquarters Economy: Managers, Mobility and Migration*, 4.

34. Shaver, 149–151.

35. Florida, *The Rise of the Creative Class*.

36. Pan et al., “Building a ‘Headquarters Economy’: The Geography of Headquarters within Beijing and Its Implications for Urban Restructuring,” 1.

is on benefits for urban areas and the regions for which they constitute a centre and not for nations as such. In China, the construction of HQ economies is also considered as “a path towards industrial upgrading,”<sup>37</sup> but, although the literature on HQ economy emphasizes research and development (R&D) activities as an important part of what an HQ does,<sup>38</sup> the literature seems more interested in what kind of people work at an HQ than with what they are actually doing. According to Michael Porter, clusters can increase productivity among the companies in the cluster, drive innovation, and also stimulate new businesses.<sup>39</sup> There is a vast literature on business clusters, also known as industrial clusters, competitive clusters or even Porterian clusters, but so far this has not been brought into the study of HQ economies in any significant way. This is perhaps due to these clusters having primarily been conceptualized as relating to innovation and production rather than to the corporate functions of business enterprises. Knowledge is a key factor in such clusters, however, and the HQ economy literature does focus on HQ as knowledge centers. Under the heading of RKTs, there is a broad literature within management studies that focuses precisely on how knowledge is transferred not only from HQ to subsidiaries but also the other way, thus bringing new knowledge to the place in which an HQ is located. “It is generally accepted that knowledge ranks first in the hierarchy of strategically relevant resources,” write Foss and Pedersen in a 2002 study of some of these processes.<sup>40</sup> The literature on RKTs generally focuses on the knowledge needed precisely for the functioning of a specific company,<sup>41</sup> however, and has little to say about how the knowledge that a parent company receives from a subsidiary may benefit the nation in which the HQ of said parent company resides.

## Findings from Public documents

Einar Lie has characterized the ownership portfolio of the Norwegian state as driven by “context and contingency,”<sup>42</sup> and one of the interviewees for the data set referred to it as “an empire by accident.” Some SOEs were created in the postwar years as part of a phase of industrial development.<sup>43</sup> Other SOEs, especially Statoil (called Equinor since 2018), were created after the discovery of oil reserves in the North Sea in 1969 and became integral parts of Norway’s management of its significant natural resource wealth.<sup>44</sup> Norway’s largest commercial bank, DnB, on the other hand, was partly nationalized after the banking crisis of the

37. Pan et al., 1.

38. Shaver, *Headquarters Economy: Managers, Mobility and Migration*, 3.

39. Porter, *The Competitive Advantage of Nations*.

40. Foss and Pedersen, “Transferring Knowledge in MNCs: The Role of Sources of Subsidiary Knowledge and Organizational Context,” 49.

41. Zhang, Guohua, and Cantwell, “Geographically Dispersed Technological Capability Building and MNC Innovative Performance: The Role of Intra-Firm Flows of Newly Absorbed Knowledge”; Sheng and Hartmann, “Impact of Subsidiaries’ Cross-Border Knowledge Tacitness Shared and Social Capital on MNC’s Explorative and Exploitative Innovation Capability.”

42. Lie, “Context and Contingency: Explaining State Ownership in Norway.”

43. Grønlie, *Statsdrift. Staten som industrieier i Norge 1945–1963*.

44. Ryggvik, “Norsk oljepolitikk mellom det nasjonale og det internasjonale.”



1990s.<sup>45</sup> The creation of hybrid SOEs began with the partial privatization of the arms manufacturing SEO Kongsberg Våpenfabrikk, which became publicly listed in 1993 with the state owning 50.1 percent of the shares.<sup>46</sup> It nonetheless had a precedent in the industrial conglomerate Hydro, which had been an early form of hybrid SOE since the state became its largest owner in 1945 through the confiscation of German-owned shares in the company. This “Hydro-model,”<sup>47</sup> that I here refer to as hybrid SOEs, was thus tried and tested with both Hydro, Kongsberg, and DnB when both the former telecommunications directorate, which had been called Telenor since 1995 and had operated under increasing competition with private companies,<sup>48</sup> and Statoil—Norway’s largest company—were publicly listed in 2001 and 2000, respectively. The public listing of these companies effectively made the democratic state into Norway’s biggest capitalist, and various solutions developed in other European countries with “golden shares” and other legal constructs allowing government control over privatized SOEs were not chosen.

The Norwegian state thus owned either the majority of the shares or held a controlling minority in six of the countries’ largest private companies, and a series of Norwegian governments of various political orientations were forced to reckon with the fact that processes of privatization of SOEs had made the state’s role in the economy neither smaller nor less complicated than what it had been during the heyday of what Knut Sogner, with a nod to Mariana Mazzucato calls “the entrepreneurial state.”<sup>49</sup> A report to Stortinget was drawn up in 2002 to begin the process of rationalizing the state’s role as owner of Norwegian enterprises. The first adjective of the title, which translates to “A smaller and better ownership,” indicated the centrist government’s ambition to reduce the role of the state but rather than reduction per se, the government indicated its ambition to professionalize the management of what had turned into a very substantial ownership portfolio of both publicly listed companies, SOEs operating in open markets, and a wide selection of public services and utilities now organized as corporations and therefore now considered SOEs—for instance, hospitals.<sup>50</sup> As a result of the parliamentary debates following the presentation of the report, an NOU was commissioned—a format in which a government appoints a committee of experts and stakeholders to suggest legislative changes. The group produced the 2004 NOU no. 7 entitled, “State ownership of business. Organization and Management,” which laid the groundwork for a splitting up of SOEs into three different categories.<sup>51</sup>

Overarching goals of state ownership in various industries before this point in time had not been codified but only alluded to in general terms, and there existed a variety of reasons and goals behind the ownership of each specific SOE. These were seldom formulated or communicated in any streamlined way but appeared rather randomly in parliamentary records,

45. Ekberg, *Radikal forvandling*.

46. Sogner, “Creating and Protecting Paths: Learning in an Entrepreneurial State,” 11.

47. Christensen, “Chapter 9: The Capitalist State or the State as Private Owner.”

48. Thue, *Nye forbindelser. Norsk telekommunikasjonshistorie 1970–2005*, 211.

49. Sogner, “Creating and Protecting Paths: Learning in an Entrepreneurial State.”

50. Nærings- og handelsdepartementet, “St.meld. nr. 22 (2001-2002) Et mindre og bedre statlig eierskap.”

51. Norges offentlige utredninger, “NOU 2004:7 Statens forretningsmessige eierskap. Organisering og forvaltning av eierskapet.”

public documents, and public debate.<sup>52</sup> This changed when the ministry of trade introduced a categorization of different SOEs in Meld. St. 13 (2006–2007), based on the different ways in which the state justified its ownership in the various companies it owned. The 2007 report, prepared by a center-left coalition party led by the social democratic prime minister Jens Stoltenberg had the more positively oriented title, “An active and long-term ownership,” and described the several hundreds of companies owned by the Norwegian state (many of which were not previously organized as enterprises), but the hybrid SOEs represented a very large chunk of the state ownership portfolio, due to their size. At that point, the hybrid SOEs included the previously mentioned five companies—Statoil, Kongsberg, Telenor, DnB, and Hydro—plus the fertilizing company Yara, which was split off from Hydro in 2004, and they were all categorized in category 2.<sup>53</sup> Category 1 enterprises were defined as companies in which the state’s only goal was maximization of capital returns, and category 3 enterprises were defined as companies through which the state hoped to achieve political goals. The companies in category 2, however, had two justifications: both maximization of financial returns and the achievement of political goals. There were other companies than the hybrid SOEs in this category, but these six companies were different from the others in that the only political goal listed, apart from maximization of returns, was retainment of the HQ function of these large enterprises within Norway.<sup>54</sup> The six companies were all MNCs, and research show that they seldom change HQ location, but that it does happen.<sup>55</sup>

The justification of state ownership in these companies was thus maximization of returns and retainment of company HQ within Norwegian borders. The following reports to Stortinget that are included in the data set all contained a number of formulations about *how* the state was to act as an owner—in concordance with laws, guidelines, and frameworks not too dissimilar to those which in the same period were often referred to as “corporate social responsibility”—but in terms of political goals beyond maximization of returns, HQ retainment became the sole political goal of state ownership in these enterprises. According to Lie, “this became the official formulation of what earlier generations of politicians labeled as ‘national interests.’”<sup>56</sup>

The 2007 report to Stortinget also commented directly on the HQ question, and the notion of *nasjonal forankring* (national anchoring) of important enterprises was introduced in

52. Christensen, “Den politiske debatten om statens eierskap i Norsk Hydro 1955–1963.”

53. Since 2007, the Norwegian state also owned a controlling minority of Aker Kværner Holding, a non-publicly listed company which in turn controlled the publicly listed enterprises Akastor ASA, Aker Solutions ASA, and Kværner ASA. Aker Kværner Holding was also listed as a category 2 enterprise, but has not been included in this study since it is not publicly listed in itself.

54. Nærings- og fiskeridepartementet, “St.meld.nr.13 2006-2007: Et aktivt og langsiktig eierskap.” The justification for ownership in Equinor also contained a formulation regarding the fact that Equinor is the vendor of oil and gas directly owned by the Norwegian state. The other companies were given justifications relating to the industry in which they operate, and a special one relating to the importance of an armament industry for national defense in the case of Kongsberg, but all pointing directly to the retainment of the HQ as the way in which these goals were reached.

55. Foss, “On the Rationales of Corporate Headquarters”; Lunnan et al., “Dealing with Headquarters in the Multinational Corporation: A Subsidiary Perspective on Organizing Costs”; Benito et al., “Fra Operativ Til Strategisk Internasjonalisering—En Studie Av Norske Selskapers Utflytting Av Divisjonshovedkontorer”; Andersson and Holm, “Introduction and Overview.”

56. Lie, “Context and Contingency: Explaining State Ownership in Norway,” 920.

relation to the question of HQ retainment. This notion remained in use throughout the period, for instance, in the 2011 report, which stated that category 2 SOEs were motivated by financial interests, “but with the added dimension of securing a Norwegian anchoring of company headquarters and the belonging headquarter-functions, for instance research, innovation and technological development.”<sup>57</sup> All five reports in the data set thus speculated to some extent as to what more exactly the positive benefits, ripple effects or externalities of the HQ might be for the Norwegian nation and economy as such. These were brief, rather nonbinding statements, and in the 2020 iteration, they could be summarized into four main points:

1. Competence building for specialists and leadership functions, herein including management of business areas and subsidiaries, strategy, transactions, financing leadership development, risk management, control and compliance, and legal and investor contacts.
2. The maintenance of a network of suppliers in Norway, leading to knowledge transfers between and within various industrial clusters.
3. An entry point for international knowledge, since investors, competitors, and partners address decision makers based in HQ.
4. The chance that important decisions for the development of the company are affected by the Norwegian context in which they are taken. This is stated to be unsure, but it is speculated that increased knowledge about possibilities and conditions in the “home market” (Norway) might “influence decisions” and that the companies might even choose to prioritize these markets in times of unrest.<sup>58</sup>

While the 2020 report discarded the notion of national anchoring, instead opting for Norwegian anchoring—a term that appears to have been resurrected from the 2001 report—the 2020 report was also the first to use the term “externality” to refer to the positive benefits of HQ location in Norway. After a brief explanation of the economic concept of an externality, however, the report began using the term *ringvirkninger* (ripple effect) instead.<sup>59</sup> This is arguably more apt, since an externality is usually defined as an impact (positive or negative) flowing to a third party that is not party to the transaction in question. In this case, the political community of the Norwegian nation state would be seen as the beneficiary of the ripple effects of HQ location of large MNEs, and since it is also party to the transaction, as majority owner of the enterprises in question, we are probably not speaking of “externalities” here, at least not in the economic meaning of the word. On the other hand, it could be argued that one of these two parties could be split into the Norwegian government, which is party to the transaction, and the Norwegian economy as a whole, which is in some ways not party to the transaction but is nonetheless positively impacted by it.

Regardless of whether one would deem it a correct usage of the concept of an externality or not, its appearance in the 2020 report shows an interesting development within the HQ justification in public documents, especially since the 2020 report is the same report in which national anchoring, which was mentioned between twenty and forty times in the preceding

57. Nærings og fiskeridepartementet, “St.meld.nr.13 2010-2011: Aktivt eierskap,” 39.

58. Nærings- og fiskeridepartementet, “Meld. St. 8 (2019-2020) “Statens direkte eierskap i selskaper. Bærekraftig verdiskapning.”

59. *Ibid.*, 18.

three reports, was replaced by only three mentions of Norwegian anchoring. The use of an economic concept such as externality could be seen to show a further development within the public documents; away from the before-mentioned national interest of earlier generations toward a purely economic way of conceptualizing the benefits of HQ retainment.

## Findings from interviews

Where the public documents are clear, but brief, the interviewees all spoke at some length. Variations of all four perceived benefits of HQ found in the documents were repeated by the interviewees, to various degrees. As for competence building in leadership functions, it was emphasized, for instance, that this “happens every day, competence on how to carry out an international growth strategy, mergers and acquisitions. This competence is built every day, not necessarily by Norwegian citizens, but in the Norwegian headquarters.” This points to the third perceived benefit, namely the notion that HQ become entry point for international knowledge.

However, the interviewees also attributed a wider range of perceived benefits from retaining HQ within Norway. Many of these were related to benefit number 4 in the typology listed above—the idea that these companies become more Norwegian by being based in Norway, and that this is a good thing (especially for Norway). Being located in Norway means that HQ staff are perhaps more alert to possibilities that arise in Norway than other places, claimed many, and one interviewee used an old expression translatable to “no need to cross the river to find water,” which is similar to the English proverb that expresses the equal pointlessness of “carrying coals to Newcastle,” the point being that large SOE hybrids headquartered in Norway would naturally take advantage of what the geographical location has to offer and not search abroad for things that already exist in its vicinity. It was also pointed out that an HQ in Norway was central for union influence over company decisions. One interviewee stated that “if you have a Norwegian HQ, Norwegian board and Norwegian owners, you can talk to the ones making decisions, you are close to decision making processes and can have an influence,” later referring to union influence in foreign companies based in Norway as “zero.”

Furthermore, several of the interviewees with experience from high-level management of SOE hybrids believed that the international operations of these companies adhered to higher standards in terms of labor protection and sustainable development than those of their competitors, because they were Norwegian. Indicating that the subsidiaries of hybrid SOEs could be considered part of a broader mission to spread “Norwegian values” or a “Norwegian way” of doing business abroad, several interviewees insisted that “Norwegian values” and a “Norwegian way of thinking” were instilled into a company by it having its HQ located in the country. While not a direct benefit for Norway, but rather for global business practices as such, this was nonetheless regurgitated by many interviewees when speaking of the importance of HQ location. As discussed in the Methodology section, even interviewees with a background from the trade union movement could also be considered to have such experience from high level management—as board members—and it is difficult to find patterns that differentiate the answers given from interviewees with differing backgrounds. Politically, the conservative party Høyre has historically been somewhat more critical of the high degree of state ownership

in the Norwegian economy than the social democratic Arbeiderpartiet. Among those who have served in relevant government positions, however, the reasoning is indeed very similar regardless of party affiliation. This was expected, and instead of uncovering differing views amongst the rather heterogenous set of individuals interviewed, this research project probes and analyzes a consensus view among Norwegian stakeholders regarding the question of hybrid SOE governance and the benefits of HQ location.

In addition to various points made by the interviewees falling within the typology from the public documents, however, many also spoke of how HQ location allowed for some degree of national control with natural resources. There are hints toward this point also in the public documents, but very brief statements are often followed by nuancing paragraphs, like this one from the 2014 report, indicating that “the necessity of state ownership to achieve these aims can, however, be discussed.”<sup>60</sup> In the interviews, however, the notion of national control was especially clear in the case of the oil company Equinor, but also Hydro, which after a period as Norway’s second largest oil company reverted to mainly being an aluminum producer, with hydroelectricity from dam constructions Hydro themselves pioneered as early as in the nineteenth century as an important input. Kongsberg was historically an arms manufacturer but later became involved in a variety of industries, including maritime industries that supply oil exploration on the continental shelf. The weapons branch remained important, however, and their contracts with Norwegian armed forces was held up as an important reason why the company should be “kept Norwegian” by retaining its HQ in the country through the Norwegian state’s majority ownership share. There were some suggestions that the retainment of the country’s largest financial services company, DnB, also served a strategic purpose.

Innovation was held up as perhaps the most important positive externality emanating from HQ of hybrid SOEs. This was related to the second benefit from the public documents but with a focus going beyond just the existence of supply networks and toward a notion that HQ of SOE hybrids lead to improved innovation capacities in the Norwegian economy. References were made to the place of certain SOE hybrids’ R&D divisions within a larger Norwegian R&D setup including universities and various research centers. “The road is short from Kongsberg or Hydro to Enova (a government enterprise responsible for promotion of environmentally friendly production and consumption of energy) or Innovasjon Norge (a national development bank for the stimulation of entrepreneurship) or the prime minister’s office,” said one interviewee, and many emphasized close connections between various SOE hybrids and research centers like the Norwegian University of Science and Technology in Trondheim, its partner institution for applied research SINTEF, and the Norwegian Research Council.

It is possible to summarize additional benefits indicated by the interviewees in the following three points:

5. Instating these companies with “Norwegian values” related, among other things, to labor protection, sustainable development, and a general sense of decency.
6. A degree of national control over strategic assets, such as natural resources, military industry, and financial services.

60. Nærings og fiskeridepartementet, “St.meld.nr.27 2013-2014: Et mangfoldig og verdiskapende eierskap,” 53.

7. Improved innovation capabilities in the Norwegian economy as such (loosely connected to point 2 above, but with a clear[er] focus on innovation).

## Discussion

A typology of the perceived benefits of headquarter retention found in the different parts of the data set is listed in [Figure 3](#).

With regard to the question of symmetry between the two parts of the data set, we thus find that there is considerable overlap but also that interviewees typically list a wider range of benefits than those found in the official formulations in public documents. The remainder of this discussion probes deeper into what this partial asymmetry may tell us about the Norwegian HQ justification, in particular, and about the historical development toward depoliticized SOEs internationally in this period more generally.

The perceived benefits found in both documents and interviews generally appear to be somewhat more in line with a notion of depoliticized ownership than do those which only appear in interviews, but the division is not clean cut. With regard to supply networks (2) and to some extent innovation (7), it should be noted that there are studies that attempt to quantify the importance of Norwegian SOE hybrids for the Norwegian economy. They show that some of these companies do form part of clusters or underpin the creation of other such clusters in Norway through the use of Norwegian supply companies. Norwegian research on the matter indicates that there are three industrial clusters in Norway: oil and gas, maritime industries, and seafood,<sup>61</sup> and while Equinor figures as a key element of the first cluster and Kongsberg Gruppen as an important element of the second, the four other Norwegian SOE hybrids are rather absent in existing industrial clusters. The importance of Equinor for the supply industry connected to offshore oil and gas exploration can hardly be overstated, whereas a company like Telenor instead sources components and other inputs through subcontractors in other countries. Another study suggest that these companies are nonetheless important contributors to total R&D spending in the Norwegian economy,<sup>62</sup> but there are significant differences between the companies in question,

Of the listed perceived benefits, it is not beyond the pale to consider numbers 1, 2, 3, and 7 as positive externalities for the Norwegian economy as a mere result of large MNEs being headquartered within the borders of the country. It can thus be argued that they make a certain amount of sense within the scope of a depoliticized ownership model in which the main justification for continued ownership is retaining company HQ for the sake of these positive externalities.

The notion expressed by many interviewees that HQ location contributes to the spread of Norwegian values abroad is complicated in the context of this paper, insofar as it does not really refer to a benefit for the Norwegian economy, but rather for employees of these companies abroad, the countries in which Norwegian SOE hybrids operate and to global business practices as such. It was nonetheless brought up by several interviewees when probed about

61. Reve, "15 år med klyngestudier—Hva har vi lært?"

62. Herstad and Nås, "De store selskapene. Forskningslokomotiv eller dresiner?"



Figure 3. Perceived benefits of HQ location found in data set.

the benefits of the HQ of hybrid SOEs to the Norwegian economy, and some improvements abroad and to the wider global economy can of course be seen to be indirectly to Norway's benefit as well. While it may be tempting to write this off as blue-eyed nationalism of a kind Norway is rather famous for, the purpose of this article is to find the motivations among key stakeholders for making HQ retention the sole political justification of continued state ownership in hybrid SOEs, and the notion that this spreads Norwegian values abroad is indeed one of the findings from the interview part of the data set. One interviewee who followed this line of argumentation also noted that there was a risk that this "Norwegian way of doing things" came to be seen as a form of naivety by international business partners, so the executives of Norwegian hybrid SOEs themselves did not necessarily speak too loudly about this.

While benefits 1, 2, 3, and 7 can be interpreted, at least charitably, as mere positive externalities of business activity, benefits 4 and 6 run into a tension in which the Norwegian state effectively attempts to achieve political goals through a depoliticized corporate governance structure.<sup>63</sup> On the one hand, the mere fact of geography, that the HQ is located within the country's borders, is seen as enough to secure a whole host of positive outcomes through the enterprise in question operating just like any other capitalist business. On the other hand, it is claimed, or at least hoped, that the enterprise being partially state owned and therefore having its HQ located in the country, *will lead to it behaving differently than it otherwise would have*, in ways that benefits the country. This is related to national strategic control and to the possibility of affecting strategic decisions of the company in a way that benefits the nation. Politics, or any type of logic beyond what is considered a purely rational business logic, thus sneaks in the back door, and in the final instance, outcomes which potentially diverge from an imagined "pure" business rationality as a result of geography, becomes the justification for continued state ownership—the residual politics of a depoliticized age.

One interviewee commented on this point in relation to the notion that HQ location influences the strategic decisions of the firm in ways that benefit Norway (4). While the interviewee clearly thought this was a good thing for Norway, he also noted that company executives ran the danger of choosing the "closest" option, i.e., a Norwegian option, even when it was not the most economically rational one. According to his estimate, 80 percent to 90 percent of corporate decisions would have been the same if HQ was located elsewhere, but it is perhaps in this 10 percent to 20 percent of economic irrationality that some of the political

63. Innset, "State-Owned Enterprises after the Market Turn: Hybridisation and the Historical Development of Nested Paradoxes in the Case of Norway."

benefits of HQ location lies. It is worth noting that this perceived benefit, which does not sit particularly well with the notion of depoliticized ownership or the idea that HQ benefits can be seen as positive externalities, is present also in the public documents.

One striking finding is that the main benefit of company HQ location that the literature on HQ economy points to, regional economic development, is *not* among the perceived benefits listed by Norwegian stakeholders and policymakers. Not only is there no mention of regional economic development as a boon from the location of HQ but also this was never mentioned in any of the interviews. The HQ economy literature, and the practice of actively fostering HQ economies in China, indicates that the pool of managerial talent attracted to an HQ economy is hugely beneficial for regional economic development, but this does not appear to not have been considered for the regions that host the HQ of Norwegian hybrid SOEs (Oslo hosts Hydro, Telenor, Yara, and DnB; Stavanger hosts Equinor; and Kongsberg hosts Kongsberg). This could be considered a clear sign that the HQ justification is not related to some newfound belief, among Norwegian policy makers after the market turn, in HQ location as an important goal for industrial policy, as is the case in the literature on HQ economy. Rather, it is an indication that Einar Lie was largely correct to identify the HQ justification as “an official formulation of what earlier generations of politicians labeled as ‘national interests.’”<sup>64</sup> The notion of national interest can appear apolitical, as it implies an interest which is shared by all members of a nation regardless of their political leanings. But in the context of this paper, and the context of global political economy, a national interest *is* political because it stands in opposition to purely economic interests, which, in their ideal form, know no nationality. The attempt to recodify the perceived benefits of SOE HQ as externalities in the 2020 report from the data set is particularly interesting in this respect. A concept from economic theory is mobilized in order to render partially discredited political ideas more palatable. A more fine-grained analysis than the present one could probe even deeper into which perceived benefits of HQ location replace former justifications for state ownership, which ones represent something new, and which of the former justifications that have been lost.

The HQ justification for continued state ownership in publicly listed MNEs arose at a time when a belief in the positive benefits of private capitalism to all members of society was arguably at an all-time high, at least since the days of nineteenth-century liberalism. A strong belief in market incentives as superior to political or other incentives for practically all social organization, but especially enterprises, was a driving force and strong justification for processes of privatization both in Norway and other countries.<sup>65</sup> In some ways, this begged the question of why states would retain ownership of SOEs reformed into hybrid SOEs at all and not just complete the privatization. One obvious answer is that hybrid SOEs, after having been streamlined into operating more like privately owned enterprises through the influence of private investors and market monitoring, might become profitable, which could become an important revenue stream for the governments owning parts of them. There was however, also an underlying logic to the process of privatization that indicated that private ownership would lead to more efficient outcomes not only for the enterprise in question but also for society at large. As many of the reports from the data set are at pains to state, there are many other ways

64. Lie, “Context and Contingency: Explaining State Ownership in Norway,” 920.

65. Innset, *Markeds vendingen—Nyliberalismens historie i Norge*.



for a state to regulate businesses than through direct ownership. The logic behind privatization was thus somewhat contradicted when states carried out partial privatizations and maintained majority ownership or a controlling minority share, with the explicit aim of reaching some social or political goals, which it was assumed would not have been achieved had the enterprises been fully privatized. It is this tension-ridden landscape that is straddled by the HQ justification, and to some degree both the public documents consulted for this article and the interviewees share the paradoxical combination of on the one hand believing strongly in depoliticization and the separation of business and politics, while, on the other, also arguing that state ownership serves national, political goals, which are achieved through the HQ of hybrid SOEs being located within national borders.

Finally, one interviewee, when asked about possible benefits of HQ location commented directly on the HQ justification itself, as it is formulated in the public documents in the data set. According to him, an important function not of HQ, but of the HQ *justification*, is “to send a message” to potential private investors regarding what type of owner the state intends to be in the future. This is an important point, since the perceived inefficiencies of the state as owner were an important justification of processes of partial privatization, in which private co-owners were enlisted to achieve market monitoring and replace the logics of politics with the logics of business. As long as the state remained a controlling owner, however, private investors could be wary of risking their capital in enterprises dominated by owners deemed to be irrational in a business sense. The official formulation of HQ retainment as the *sole* political goal of state ownership can thus be seen to have served a purpose of neutralizing any fears in private capital markets that the state as owner would attempt to do anything political with the companies, apart from vetoing any possible suggestions of moving HQ.

Regarding the degree of asymmetry between the two parts of the data set, it seems reasonable to infer that benefits 5, 6, and 7 are types of benefits from HQ location that cannot easily be codified into documents but that stakeholders nonetheless believe, or at least hope, exist. It might also be the case that the stakeholders, as insiders, interpret the ideas expressed in the public documents more widely than what a strictly bureaucratic, outsider interpretation allows for. While this asymmetry between the documents and the interviewees is interesting enough, there is arguably a much larger asymmetry between the elite consensus that is expressed in both parts of the data set and public debate regarding Norwegian SOEs. Knowledge about the finer details of Norwegian SOE governance, including the categorization of different SOEs and thereby also the HQ justification for hybrid SOEs falling into category 2, is not widespread outside of policy circles. Media reports thus tend to focus more directly on the fact that the Norwegian government is a majority or controlling minority owner of hybrid SOEs, so should be seen to have power and responsibility in relation to all or most of these companies’ activities, not only the location of their HQ. This more traditional approach to SOEs has been evident in public discourse regarding everything from financial crises (DnB) to factory closures (Hydro), but perhaps especially with regards to the so-called green transition. The 2021 election of a new center-left government led to widespread calls for a more active state in the realm of industry, something that was an important campaign promise for the government led by the social democratic Arbeiderpartiet. However, unsurprisingly perhaps for those who have read this article but more surprising for the public at large, the government has not attempted to use its power as majority owner of one of the world’s largest energy

companies, Equinor, in its endeavors to create its green industrial policy. Instead, “the strong state” has so far been attempted resurrected through various schemes of what the economist Daniela Gabor has named “derisking” for private capital<sup>66</sup>—including in battery production<sup>67</sup> and wind farms. While stakeholders appear still to be content with HQ retainment as the only direct, political goal of hybrid SOE ownership, this justification has arguably not been communicated especially well to the public. While HQ retainment as one of many justifications for state ownership has been alluded to in parliamentary debates as late back as the 1950s,<sup>68</sup> the turn toward this as the sole justification for considerable state ownership can be interpreted as part of a broader trend of depoliticization after the period known as the market turn or simply neoliberalism.<sup>69</sup> Recent developments in global political economy, after the global financial crisis, but especially after the COVID-19 pandemic, and in light of the much-discussed green transition, might mean that the HQ-focused, depoliticized Norwegian model of hybrid SOE governance, is nearing its expiry date.

## Conclusion

Making HQ retainment the sole justification of continued state ownership in Norwegian SOE hybrids constituted a break with a past in which SOEs had served clear political purposes, for instance, control with natural resources, regional development, security interests, and much more. It could be argued that such social and political goals are nonetheless “imprinted”<sup>70</sup> into SOEs and remain within this organizational form, and, as we have seen, many of the goals became embedded into the new justification by way of the assumption that these goals would be positive externalities or spillover effects from HQ location in and of itself. I have made a typology of these perceived benefits to the nation with four main benefits arising from the public documents included in the data set and three more arising from interviews with key stakeholders. The interviews typically go further in assuming ripple effects or positive externalities that are in line with industrial policies, and they tend to also go further in implying that there is a national interest being served purely by HQ of large MNEs that are hybrid SOEs being located within Norwegian borders. The notion that HQ location affects the strategy of hybrid SOEs in ways that are beneficial to the nation exists also in public documents, however, and this is one of many indications that a newfound belief in the power of HQ location was not the only motivation behind the HQ justification. The justification can be interpreted as a signal of depoliticization to private investors, but there are also clear indications that the HQ justification incorporated some national, political goals that Norwegian policymakers still wanted to achieve through the ownership of SOE hybrids. Faced with growing calls for a more active state, it remains to be seen whether perceived benefits from HQ retainment can survive as the

66. Gabor, “The (European) Derisking State.”

67. Nordbotten, “An Unfulfilled Promise of Industrial Adventure. Analyzing Freyr’s Emergence and Attempt at Establishing Battery Industry in Norway 2017–2023.”

68. Christensen, “Den politiske debatten om statens eierskap i Norsk Hydro 1955–1963.”

69. Innset, “State-Owned Enterprises after the Market Turn: Hybridisation and the Historical Development of Nested Paradoxes in the Case of Norway.”

70. Marquis and Tilcsik, “Imprinting: Toward a Multilevel Theory.”

only mechanism through which the power and potential of large SOE hybrids are to be harnessed, for the good of the Norwegian national economy and the future of the planet.

OLA INNSET is a postdoctoral scholar at the Centre for Business History and the Department of Law and Governance, BI Norwegian Business School, Nydalsveien 37, 0484 Oslo, Norway. E-mail: [Ola.innset@bi.no](mailto:Ola.innset@bi.no)

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## Appendix 1: Public Documents in data set

- Det kongelige nærings- og handelsdepartement, Meld. St. 22 (2001–2002): Et mindre og bedre statlig eierskap
- Det kongelige nærings- og fiskeridepartementet, Meld. St. 13 (2006–2007): Et aktivt og langsiktig eierskap

Det kongelige nærings- og fiskeridepartementet, Meld. St. 13 (2010–2011): Aktivt eierskap

Det kongelige nærings- og fiskeridepartementet, Meld. St. 27 (2013–2014): Et mangfoldig og verdiskapende eierskap

Det kongelige nærings- og fiskeridepartementet, Meld. St. 8 (2019–2020): Statens direkte eierskap i selskaper. Bærekraftig verdiskapning

Norges offentlige utredninger, “NOU 2004:7 Statens forretningsmessige eierskap. Organisering og forvaltning av eierskapet”

## Appendix 2: Brief biographies of the interviewees

Interviewee #1: Eivind Reiten (b. 1953) was CEO of Hydro from 2001 to 2009; board chairman of StatoilHydro in 2007, Telenor from 2000 to 2001, and Kongsberg Gruppen since 2017; minister for oil and energy 1989–1990, and minister for fisheries 1985–1986 for *Senterpartiet*.

Interviewed in Oslo on June 12, 2021.

Interviewee #2: Harald Norvik (b. 1946) was CEO of Statoil from 1988 to 1999, board chairman for Statoil from 2007 to 2012, and board member for DnB from 1997 to 2006. He was deputy minister for Arbeiderpartiet from 1979 to 1981 and special assistant to prime minister Oddvar Nordli from 1976 to 1978.

Interviewed in Oslo on August 16, 2021.

Interviewee #3: Inge Hansen (b. 1946) was board chairman for Statoil from 2000 to 2004 and Aker from 2004 to 2006 and vice chairman of the board for Hydro from 2012 to 2016.

Interviewed in Oslo on August 26, 2021.

Interviewee #4: Per Kristian Foss (b. 1950) was member of parliament for Høyre from 1981 to 2013, minister of finance from 2001 to 2005, and Norway’s auditor general from 2014 to 2021.

Interviewed in Oslo on March 3, 2022.

Interviewee #5: Roar Flåthen (b. 1950) was president of LO (the national labor union syndicate) from 2007 to 2013, vice president of LO from 2001 to 2007, deputy member of parliament for Arbeiderpartiet from 1985 to 1989, and board member of Kongsberg Gruppen from 2007 to 2016.

Interviewed in Kongsberg on March 10, 2022.

Interviewee #6: Torbjørn Røe Isaksen (b. 1978) was member of parliament for Høyre from 2009 to 2017, minister of education from 2013 to 2018, and minister of trade from 2018 to 2021.

Interviewed in Oslo on March 14, 2022

Interviewee #7: Reier Sjøberg (b. 1953) was director general in the ministry of trade from 1993 to 2007 and secretary general from 2007 to 2018, heading its ownership division from 2001 to 2018.

Interviewed in Oslo on April 15, 2022

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