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The culture business caught in place: spatial trajectories of Dutch cultural industries, 1899-2005

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3. Latent expertise and the renewed international competitiveness of the Amsterdam publishing industry⁹

3.1. Introduction

Like their counterparts in high-end service industries and high-technology sectors, producers in cultural industries, such as the publishing industry, tend to concentrate within geographical clusters (Porter, 2000; Scott, 2000; Bathelt, 2002; Power, 2003; Kloosterman, 2004). There, dense specialized networks of related producers and ‘thick webs’ of supporting institutions (Amin and Thrift, 1995) allow them to take advantage of agglomeration effects such as a wide availability of relevant expertise, and localized knowledge spillovers (Storper, 1997; Scott, 2000). These in turn enable flexible specialization, the constant adjustment and improvement of products from a specialized basis (Piore and Sabel, 1984). Efficient exchanges of knowledge, especially of new, non-standardized knowledge which is often tacit, are greatly enhanced by the intensity of face-to-face contacts (Storper and Venables, 2004; Bathelt *et al.*, 2004). Such contacts are generally easier to organize and more likely to occur serendipitously within clusters than elsewhere. Clustered producers can take full advantage of the potential efficiency of co-located producer transactions and learning effects, when interfirm commonalities and networks are sufficient and supported by specialized institutions (Simmie, 2004; Uzzi, 1997). Well-oiled clusters of related economic activities encourage further concentration as they often attract talent and entrepreneurs from outside and provide incentives for spin-offs of existing firms and for new start-ups. In such ways self-reinforcing processes, or increasing returns to scale, reproduce or even strengthen a specialized local production system, or cluster.

The shared practices, producer networks and institutions that form the backbone of clusters evolve over time, as do the concentrations of firms themselves. A striking characteristic of clusters is that they develop in a path-dependent manner. Conventional accounts of cluster development hold that fortuitous early successes in a regional industry become magnified through

⁹ An earlier version of this chapter was submitted to *Industrial and Corporate Change*, and while not accepted for publication, resubmission in revised form to the same journal was advised by the journal editor.

processes of increasing returns, leading to ever greater cluster size and competitiveness. The resulting, extended period of sustained self-reinforcing growth only ends when new technologies, or severe market shifts or disruptions, undermine the value of the region's accumulated expertise and specialized infrastructure (Glasmeier, 1991; Rantisi, 2004).

The development of regional specializations in particular industries can often be traced back to an initial starting point when contingencies, such as the accidental good fortune of some exceptionally favorable historical circumstances or the presence of a very talented entrepreneur or inventor, set competitiveness-enhancing processes in train that lead to the regional embedding of a specialized industry. Only after such a fortunate and unpredictable beginning do the advantages of scale develop and do local producers start to interact and adapt to each other, setting in motion a path-dependent development of increasing specialization and interdependence (Arthur, 1994; Mahoney, 2000). This is true for clusters of technology-intensive industries such as computer software production (Saxenian, 1994) and the biotechnology industry (Casper, 2007), as well as for cultural industries such as film production (Scott, 2005), audiovisual media (Van der Groep, 2010), architectural design (Kloosterman and Stegmeijer, 2005) and the fashion industry (Rantisi, 2004; Wenting, 2008). The fortuitous appearance or entrance of talented entrepreneurs or inventors in a region can thus seemingly signal a breaking point in a region's economic trajectory, and herald the initiation of a new path of regional economic development (Martin and Sunley, 2006).

Referring to historical contingencies and feats of entrepreneurship as initial triggers of cluster processes leaves the emergence of clusters explicitly untheorized. This leaves the question of where clusters are likely to emerge, and the causal relations between cluster emergence and prior regional conditions, undetermined. A wholesale surrender to causal indeterminacy has troubled many students of clusters. Identifying sources of cluster emergence is therefore seen as one of the central theoretical challenges of cluster and agglomeration analysis (McCann and Folta, 2008). Peter Hall (1998) has suggested that initial activities in a new economic specialization may be stimulated by the prior existence of a well-developed related industry in a region. Evolutionary economic geographers have started to examine the spillover of routines within a region between different industries that share commonalities, showing beneficial effects of 'related variety'

for regional economies (Frenken and Boschma, 2007). This framework has been used to show how an established regional industry may function as a breeding ground for new industries that rely partly on the same skills (Boschma and Wenting, 2007). Cattani (2006) has also shown that historical antecedents, a type of regional ‘pre-adaptation’ or ‘exaptation’ (c.f. Dew, 2007) to specific later forms of production, can play a significant role in the emergence of a particular type of cluster in a region. Referring to generalizable instead of industry-specific conditions, Bresnahan *et al.* (2001) have argued that common-sense economic inputs, such as large and long-term investments in higher education and firm capabilities, are essential for regions hoping to initiate cluster mechanisms of self-reinforcing growth.

This chapter examines the role that long-established firms, institutions and practices in the Amsterdam publishing industry played in the emergence of a dynamic new publishing niche in this city from the 1930s onwards. In the seventeenth and eighteenth centuries Dutch publishers, especially those from Amsterdam, held a central position in European book markets. Their international presence faded notably after the 1780s and did not recover for a century and a half. During the 1930s, however, an influx of refugee publishers from Nazi Germany helped to set up new ventures aimed at an emerging international market for academic publications. Soon after the Second World War, this niche experienced rapid growth that propelled Amsterdam-based firms such as Elsevier and North Holland Publishing Company to the pinnacles of the global market for scientific journals. The exiled newcomers undoubtedly played a significant role in spurring the development of an internationally competitive academic publishing niche in Amsterdam, but they arrived in a well-established Dutch publishing scene which had experienced such success before, albeit a long time in the past. Did these new arrivals establish the conditions for internationally-competitive ventures separately and independently of the existing publishing industry they encountered in Amsterdam, or was their knowledge and expertise quickly incorporated into existing publishing infrastructures and practices and productively used by Amsterdam-based firms and entrepreneurs?

Existing studies analyzing the historical antecedents of specialized clusters (Boschma and Wenting, 2007; Cattani, 2006; Rantisi, 2004) have mostly focused on the temporal succession of, and spillovers between, related but *essentially*

distinct economic specializations. An exception is Bathelt's analysis of the re-emergence of Leipzig's media industry (2002). With a retrospective analysis of the origins of the key firms and institutions involved in the dynamic post-*Wende* media industry in Leipzig, Bathelt aimed to examine the links between the present media cluster there and the old publishing industry that flourished in that city before the Second World War, only to come to the conclusion that these two temporally remote clusters were largely unrelated. I will use a similar method to argue that, by contrast, the internationally-competitive postwar academic publishing industry in Amsterdam was intimately related to the infrastructures, assets and practices in the pre-existing publishing industry in that city, some of which can be traced back to the legacies of Amsterdam's early-modern publishing prowess. This implies that from the 1930s onwards, a productive reactivation of latent knowledge resources in Amsterdam's publishing industry took place (Crouch and Farrell, 2004; Martin and Sunley, 2006).

Particular attention will be paid to the factors that enabled Amsterdam's publishers to process and incorporate the expert knowledge inputs provided by the German *Exil* publishers in the 1930s. The ability to evaluate, assimilate and commercially apply new external knowledge is termed absorptive capacity (Cohen and Levinthal, 1990). On the level of clusters, this capacity may depend on the availability of slack resources (Castañer and Campos, 2002), the presence of international linkages or 'global pipelines' (Bathelt *et al.*, 2004), the relatedness between the introduced knowledge and the existing knowledge base (Giuliani, 2005), and the variety and distribution of antecedent regional knowledge (Schot, 1998; Giuliani, 2005). The presence and role of such factors in this instance of external knowledge absorption will be evaluated.

The analysis presented below goes beyond the accepted path-dependence narrative, which is apparent in many studies on the emergence of particular clusters (e.g. Glasmeier, 1991; Saxenian, 1994; Scott, 2005; Caspar, 2007) and theoretical discussions (e.g. Maskell and Malmberg, 2007). In figure 3.1, partly inspired Martin and Sunley's (2006) critical discussion of regional path dependence, I have outlined what I see as the recurring and essential features of these analyses. Through an analytical preoccupation with supply-side organization rather than market-structure development, this 'standard' model of clusters' path-dependent development, can account for a single 'life cycle' of cluster competitiveness

(Zucchella, 2006), but not for (especially regular) long-term fluctuations in global prominence. This chapter will present an account of the decline and revival of cluster competitiveness that focuses on systemic market developments rather than regional rigidities resulting from producer overembeddedness and myopia (Grabher, 2005; Maskell and Malmberg, 2007). It also shows how localized industry-specific assets, latent knowledge and practices can persevere under-utilized over extended periods of time.¹⁰

Figure 3.1. Standard conceptualization of cluster life cycle.

| <i>Cluster phase</i> | <i>Birth</i> | <i>Growth and maturity</i> | <i>Decline</i> |
|----------------------------|---|--|---|
| Path stage | Entry | Reproduction | Ending or critical juncture |
| Dominant mechanisms | Agency and other contingencies | Increasing returns, co-adaptation and specialization | Exogenous shocks reveal negative lock-in |
| Underlying causes | Exceptional entrepreneurship and historical ‘accidents’ | Agglomeration advantages, knowledge spillovers, spin-off dynamics, institutional build-up, localized reputation and attraction | Rigidities of overembeddedness and myopia prevent producers’ adaptation to new circumstances or modes of production |

¹⁰ The term ‘latent’ is used in this chapter to refer to unrealized (but present) potential. It is not used in the sense of ‘latent organizations’ (Ebbers and Wijnberg, 2009) which are characterized by informal or implicit ‘contracts’ between actors, as opposed to formal organizations and networks based on explicit contracts.

3.2. Rise and fall of the international success of the Dutch publishing industry, 1600-1800

In the seventeenth century, the Dutch Republic became the most important producer of books in Europe. It was the publishing center of the international Republic of Letters and its books dominated the book fairs of Frankfurt and Leipzig (Van Vliet, 2007). According to one estimate, around half of the books produced in Europe towards the close of the seventeenth century were printed in the Dutch Republic. Cities such as Leiden, The Hague and Rotterdam had lively publishing industries. But Amsterdam's publishers dominated the scene, accounting for approximately 60 percent of total book exports from the Republic and one third of European book production (Hoftijzer, 2001; Cruz, 2007). Amsterdam housed famous publishers such as Hondius, Blaeu and Elzevir, as well as famous letter-casters, internationally-renowned authors and philosophers, special distribution agents for books, and a very high concentration of booksellers (Hubregtse, 1984; Bots, 2003; Dijstelberge, 2003). The city was a center of literacy and learning, as well as one of innovations connected to the book trade. It was, for example, one of the cradles of journalism in Europe (Hubregtse, 1984; Bos, 2003). The grand achievements of Amsterdam's publishing industry lasted until the late eighteenth century. After that, however, the position of Dutch publishers on international markets quickly deteriorated.

The expertise to produce quality books, and the skills and tastes required to assess and appreciate them, take time to acquire. As forms of knowledge embodied in people and networks, they represent for producers a sunk investment that cannot easily be recouped, and for consumers often a type of addiction (Caves, 2000: 175). Path-dependent co-evolution of different industry elements had entrenched Amsterdam's publishing industry. The large number and variety of booksellers representing a strong demand side, the many expert letter casters providing specialist inputs, the large successful publishing houses, and the expertise of the craftsmen working in them, did not and could not emerge separately. For example, Dutch publishers became not only famous for the extent of their markets, but also for the high quality of the books and maps they produced (Beijer, 1952; Lankhorst, 2003a; Van Vliet, 2007). This increased their popularity, which increased their sales, which increased the opportunities for further task differentiation within the

Amsterdam cluster, which eventually increased the level of specialization and thereby the quality of the products even further. Reputations acquired through quality or innovativeness may endure long after a cluster or firm has ceased to be productive or has even ceased to exist. The trademark Elsevirs, small pocket-sized books, were still widely known abroad during the nineteenth century, despite the fact that the Dutch publishing house to which the name refers had been out of business since 1712 (Elsevier, 2005).

Amsterdam's international publishing prominence rested mostly on the export of learned Latin works (drawn from an international Republic of Letters), bibles and geographical maps. These were the type of printed works that were in greatest demand among the literate publics of Europe at that time, and they were works that were of pan-European relevance. Dutch publishers were hit hard when in the eighteenth century a strong trend towards vernacularization and nationalization of literature in Europe took hold (Van Vliet, 2007). The novel, popularized during the age of Romanticism, drew more on culturally-specific resources than the humanistic literatures of the Scientific Revolution and the Enlightenment. Where the latter often carried universal appeal, or at least appealed to values shared to some extent across several borders in Western Europe (in the same way that religious tracts often did), novels expressed more restricted cultural meanings and identities. This proved a serious obstacle for Dutch publishers, whose own cultural and language area was relatively small. When vernacular languages became dominant even in scholarly works, where once Latin had long acted as the *lingua franca*, Dutch publishers suffered as much as Dutch science did (Johannes, 2001).

Until a decade before the French Revolution, the Dutch Republic still supplied absolutistic France with the banned works of *philosophes* and other illegal publications (Lankhorst, 2003b). During the nineteenth century, however, almost nothing was left of the exports of Amsterdam's once glorious publishing industry. The export of books from the Netherlands had become so rare that a senior employee of a nineteenth-century English publishing house is reported to have exclaimed: 'Curious! A Dutch book! I have never seen a Dutch book' (Dongelmans, 2001). Only the publishing house Luchtmans (later known as Brill) from Leiden, and very few others from what was now the Kingdom of the Netherlands, continued to export scholarly works in specialist academic fields,

such as classical studies, in which Dutch universities retained some renown (Bouwman *et al.*, 2008). The country's language area and cultural sphere of influence was too restricted to allow a flourishing of its own sophisticated literary or scholarly scene. Instead of exporting publications, Dutch booksellers and publishers began importing on a large scale. Although the international position of Amsterdam's publishing industry had changed dramatically, the quickly rising imports attest in some ways to the industry's earlier successes.

3.3. The decline of German publishing hegemony and the arrival of Exil publishers

Around 1900 the trend towards nationalization had reversed in some areas of knowledge communication and publishing. Since the latter half of the nineteenth century science, natural science in particular, gradually internationalized, a process exemplified by the institution of the Nobel Prize (Hemels *et al.*, 1999). During the first decades of the twentieth century the pursuit of science, as well as science publishing, was still largely organized around nationally-oriented learned societies, especially in the Anglophone world. However, international epistemic communities were clearly gathering momentum. And in the emerging international academic hierarchy, the country that indisputably held the top rank was Germany. German was increasingly recognized as the main language of world science. And in Germany commercial publishers such as Springer Verlag in Berlin and Akademische Verlag (Aka) in Leipzig made handsome profits on the German and the international market.

All this changed when the Nazis came to power. Their rule proved very inconducive to free thought and international knowledge flows. They scattered many of the knowledge networks that centered on Germany by persecuting some of these networks' central nodes, many of whom were Jewish or socialist scholars or publishers. In doing so, they occasioned a shift in the focal locus of world science from Germany to the Anglo-American world, as many important German scientists eventually ended up in the United States. Nazi rule also had another effect. Using their connections with foreign publishing houses, some *Exil* publishers, and some scholars in their wake, fled in the 1930s to countries surrounding Germany, such as Switzerland and the Netherlands. In particular, they went to those cities in these

countries where they already had contacts and where they might find the proper resources to continue, albeit in altered forms, their trade. In the case of the Netherlands, this meant that they went to Leiden, The Hague, and above all to Amsterdam. Several of these publishers started to collaborate with Dutch publishers and specialized academic booksellers, engaging in symbiotic relationships, or set up their own publishing houses to produce what came to be known as *Exil Literatur*, German language works that could no longer be published in Germany itself. The publishing companies Verlag Allert de Lange and Querido Verlag in Amsterdam, founded by Dutch publishers in cooperation with exiled German publishers (Walter Landauer and Fritz Landshoff respectively), became prime exponents of the *Exil* movement.

The world of science had been set afloat and English had markedly replaced German as the definitive language of world science. A new publishing regime to accommodate these changes had not yet developed however. British and American publishers were (with some exceptions) slow to pick up the gauntlet due to their traditions of not-for-profit society publishing. German publishers were restricted in their activities by the Allied occupiers. Dutch publishers, on the other hand, were well-positioned to take advantage of this temporary vacuum, in part due to their geographical position, their international orientation and their propensity for multilingualism (Van Leeuwen, 1980; Fredriksson, 2001; Van der Weel, 2003). Publishers in Amsterdam in particular could build on their knowledge of the academic publishing activities that had been set up in the city during the years before the war by *Exil* publishing houses such as Querido and Franz Leo & Co (Edelman, 2006). Furthermore, they had the good fortune that the Royal Netherlands Academy of Science (KNAW) and two universities were located in Amsterdam, whereas The Hague, the country's second publishing city, lacked an academic infrastructure. This provided the opportune and open context in which some entrepreneurial publishers in Amsterdam such as Elsevier, North Holland Publishing Company, Swets & Zeitlinger and Excerpta Medica, could enter into a new path of development. They would all become major players in an emerging market for international academic journals.

3.4. Emergent cluster effects turn Amsterdam into academic publishing hub

After this early emergence of international academic publishing activities in Amsterdam around the Second World War, local dynamism and competitiveness-enhancing cluster mechanisms took effect. The simultaneous presence of several firms in Amsterdam engaging in this new type of publishing niche enabled localized learning effects that greatly benefited all involved. These knowledge exchanges resulted from close informal ties, which in turn were stimulated by regular face-to-face interactions. Such contacts engender trust and depend themselves on geographic proximity (Storper and Venables, 2004). Local knowledge spillovers led to a steep collective learning curve. The main editors working for the different publishers knew and learned from each other. Most editors-in-chief of the early journals were prominent Dutch professors and members of the *KNAW* (which had strong ties with North Holland Publishing Company as well as Excerpta) in Amsterdam. Others had been part of the overlapping networks of the *Exil* publishers. More importantly, the publishers maintained direct ties of friendship and cooperation amongst themselves. Daan Frank of North Holland developed a close friendship with Piet Bergmans, Elsevier's scientific publishing director. He also cooperated actively with Bart van Tongeren from Excerpta on a publishing program in bioscience in the early sixties. From Excerpta he adopted new typesetting and information processing techniques, and learned from Elsevier how to launch new journals in a systematic way. Elsevier and North Holland benefited from each other's interests in high typographic quality, from each other's contacts in the United States and their experiences in attempting to set up ties there. Some of North Holland's early successes provided Elsevier with invaluable information on how to make new journals immediately profitable by paying exceptional attention to article quality and language use in the first issue (Van Leeuwen, 1980; Vermeulen en De Wit, 2000; Fredriksson, 2001).

Horizontal and vertical specialization, another important tenet of cluster dynamism (Porter, 2000), took place between Amsterdam's academic publishers, leading to complementarities and interdependencies, as well as greater efficiency and expertise. Specialization was partly a result of informal ties. The friendship between Frank and Bergmans, for example, assured that they focused on different

academic disciplines so that their efforts would not overlap (Fredriksson, 2001). This coordinated horizontal specialization can be seen as a form of social division of labor resulting from quasi-horizontal integration (Asheim, 2002). Excerpta Medica increasingly left journal publishing to Elsevier and North Holland to concentrate on automating its medical abstracting services. This service both depended upon journals, and increased journals' accessibility, thus complementing the activities of the publishers. Several printers close to Amsterdam began to specialize in complicated scientific typesetting (Klautz, 1987; Fredriksson, 2001). Swets & Zeitlinger from Amsterdam relinquished its publishing activities to focus on subscription services, becoming eventually the largest subscription agent in the world. It was able to do so because Elsevier outsourced the sales of its journals to Swets & Zeitlinger and Martinus Nijhoff from The Hague, both international booksellers that also acted as academic publishers themselves. By virtue of its proximity to the other Amsterdam publishers and the *KNAW*, Swets & Zeitlinger quickly expanded its sales network.¹¹

Within clusters, intense competition and rivalry are as much a boon to learning and competitiveness as are collaboration and coordination (Porter 1990, 2000; Wolfe and Gertler, 2004). Both competition and explicit collaboration between academic publishers in Amsterdam shortly after the Second World War strengthened this emerging niche. Elsevier and Excerpta worked together on publishing programs. They also competed, and Elsevier even tried to acquire Excerpta around 1950, prompting the latter to seek financial help and expertise from another Amsterdam-based publisher (Frentrop, 2007). Twenty years later, having already worked together as independent firms in many ways, Elsevier, Excerpta and North Holland merged during the early seventies. Synergies between the complementary publishing programs and Excerpta's innovative abstracting and computer systems were easily achieved (Fredriksson, 2001; Blanken and Vinken, 2001). Elsevier, North Holland, Excerpta and Swets & Zeitlinger also competed and cooperated, sharing knowledge and resources, with other Amsterdam-based commercial publishers that produced academic journals and books for international audiences, such as the *Exil* publisher Dr. W. Junk (Sokoloff, 2002), CB Centen and

¹¹ In academic publishing consumers (readers) often become suppliers (authors) of journals. The sales network of Swets & Zeitlinger and the supply network of the other publishers thus grew in tandem.

JH de Bussy. Elsevier, for instance, took over the biochemical journal *Enzymologia* from Dr. W. Junk and turned it into *Biochimica et Biophysica Acta*, its first and most prized scientific research journal (Daling, 2006). It also collaborated extensively with the Amsterdam-based academic booksellers Dekker & Nordemann and Scheltema & Holkema (Klautz, 1987; Van Leeuwen, 1980; Fredriksson, 2001). The input of German exiles in Amsterdam's pre-existing publishing industry had created a critical mass of firms engaged in international academic publishing in close proximity to one another. These subsequently engaged in intensive productivity-enhancing interactions.

Through the cluster mechanisms described above, Amsterdam-based companies became efficient very quickly at exploiting the internationally burgeoning budgets of higher education and science during the first decades after the Second World War. Elsevier's turnover and number of employees multiplied at least tenfold during the 1960s (Fredriksson, 2001). The Amsterdam academic publishing scene also became a magnet during the late 1950s and 1960s. Publisher Boom from Meppel moved its academic division to Amsterdam (Boom, 1991). New academic publishers such as John Benjamins and Rodopi set up in the city. Other publishers, such as Meulenhoff, decided to try their hand at academic publishing as well. The Amsterdam-based pool of specialized labor and entrepreneurs thus continued to grow. Valuable expertise in journal publishing accumulated within this cluster years before the introduction of the Journal Citation Reports (JCRs), based on of the Science and Social Science Citation Indexes (SCI and SSCI), institutionalized the importance of journals' reputations in the late 1970s. The JCRs vastly increased network effects operating in the academic journals market, solidifying the position of established journals and decreasing the chances for new publishers entering the market (Guédon, 2001; Cornet and Vollaard, 2000). Academic publishing became an incumbents' market and Amsterdam publishers were, by now, powerful incumbents.

The dynamism described above contributed to catapulting firms such as Swets & Zeitlinger and especially Elsevier to commanding heights. Swets & Zeitlinger, renamed as Swets, is currently the world's second largest subscriptions services company. And Elsevier Science, still headquartered in Amsterdam, is global market leader in academic publishing. At the turn of the 21st century, Elsevier Science was the world's largest publisher of academic journals with a

market share of eight percent (Van der Wurff, 2002) and controlled approximately twenty percent of rated academic journals, attaining ‘the dimensions of a behemoth’ (Guédon, 2001).

3.5. Links between the new academic publishing ventures and the pre-existing Dutch publishing industry

The crucial role that *Exil* publishers played in setting up the internationally-oriented academic publishing industry in the Netherlands, and in sparking off the dynamic cluster mechanisms in Amsterdam that aided its conquest of global markets, is clear from the account above. However, the activities of these migrant experts and entrepreneurs form only part of the explanation for the subsequent international successes of the Dutch academic publishing that emerged as a consequence of their arrival. For the *Exil* publishers arrived in a country that already had a long-established publishing industry. To what extent did the *Exil* publishers interact with, and depend upon, their native Dutch counterparts in setting up and expanding their innovative ventures? Did the capacities of the pre-existing Dutch publishing industry act as fertile soil and catalyst, and perhaps as a *sine qua non* condition, for their initiatives and successes? If so, what characteristics defined the Dutch publishing environment in which they nestled, enabling it to accommodate and absorb their inputs so productively? To answer these questions, this section follows Bathelt’s (2002) strategy of analyzing the links of the main actors in the emerging academic publishing cluster to their publishing ‘predecessors’ in Amsterdam. What will be examined are thus the links to, and embedding in, the pre-*Exil* Dutch publishing industry of the key firms, entrepreneurs, institutions and networks involved in the early phases of the development and expansion of Dutch academic publishing ventures. The findings in this section are based on a study of printed and online official firm histories, (auto)biographies of entrepreneurs, and secondary historical literature.

3.5.1. The firms and their origins

Elsevier, which would become the largest academic publisher in the world towards the end of the twentieth century, already existed as a general-purpose publisher in Amsterdam before embarking upon academic publishing. This publishing firm had

been founded in 1880 in Rotterdam by the entrepreneurial publisher Jacobus Robbers who borrowed the name Elsevier from a long-collapsed legendary Golden Age publishing powerhouse. Robbers relocated his firm to the Netherlands' publishing center Amsterdam only a few years later, in 1887. It published, among others things, the Dutch-language general encyclopedia *Winkler Prins*, and in 1931, before refugee publishers started to arrive in the Netherlands, attempted its first forays into academic publishing (Elsevier, 2005; Daling, 2006).

The second most successful academic publishing firm in Amsterdam, North Holland Publishing Company, was a daughter firm of Drukkerij Holland which in turn was owned by the Amsterdam-based daily press publisher De Standaard. It was founded in 1931 as the international publishing outlet of the Royal Netherlands Academy of Sciences, which had started an internationally-oriented English-language journal, its 'Proceedings' as early as 1897. After the Second World War, the publishing house set up its own list of journals and eventually became independent of the Academy (Van Leeuwen, 1980; Sokoloff, 2002).

Excerpta Medica, with its innovative abstracting system, was established in 1946 by five parties. First, it involved the Amsterdam-based publishing house J.M. Meulenhoff which was the daughter company of the bookseller Meulenhoff that focused on import and export and had been established in 1895. Secondly, it involved Amsterdam-based book publisher *De Arbeiders Pres* (the Laborer's Press) and its associate Fred von Eugen who had previously worked for Querido Verlag until 1938. Von Eugen knew Querido director Erich Landsberger, a medical publisher who had fled Germany in the 1930s and also co-established Excerpta. The fourth and fifth party, Janos Freud and anatomy professor Woerdeman, came up with the idea for founding Excerpta and persuaded the other collaborators. Freud was a German émigré while Woerdeman was secretary of the *KNAW* (Van Leeuwen, 1980; Funke, 1995; Blanken and Vinken, 2001; Sokoloff, 2002).

Swets & Zeitlinger started off as an academic bookstore in Amsterdam in 1901, owned by two entrepreneur (one Dutch, one German), who had met in Oxford where they had worked together for several years at the Parker bookshop. By the 1920s, the company had evolved into both an academic publisher and an international library supplier with strong ties in England. In 1927, the company founded a subscription service division and quickly built up an extensive

international network of library clients.¹² Another academic bookstore in Amsterdam that played a central role was Dekker & Nordemann, set up in Amsterdam in 1928. One of the two founders, Maurits Dekker, had worked earlier at the academic bookstore and publishing house CB Centen in Amsterdam, and the two companies became closely tied. In the 1934 Dekker & Nordemann formed cooperative ties with prominent German academic publishing companies and German émigré publisher Eric Proskauer. They shortly published German scientific works in English under the imprint Nordemann Publishing Company, but quickly found it hard to manage publishing and bookselling divisions simultaneously. They then collaborated with Elsevier and introduced Elsevier to their German contacts, spurring Elsevier to seriously take up international academic publishing. Together with the president of Elsevier's academic division, Ted Klautz, Dekker, Nordemann and Proskauer subsequently tried to set up an Elsevier subsidiary in New York. The war intervened and Dekker and Proskauer subsequently founded the independent firm Interscience Publishing there (Edelman, 2009).

The most important academic *Exil* publishing houses, Querido Verlag and Pantheon Akademische Verlagsanstalt (originally known as Franz Leo & Co) were cooperative ventures between refugees from Nazism and already established publishers in Amsterdam. Querido Verlag was one of the first *Exil* publishing houses in the Netherlands, set up by Emanuel Querido – who in 1915 founded an Amsterdam publishing house - in cooperation with Fritz Landshoff, a refugee publisher from Berlin whom Querido invited to become director of this new venture.¹³ It became one of the most prominent *Exil* publishing houses in Europe. Directly after the war, it was temporarily re-established and was the first to publish the definitive version of Max Horkheimer and Theodor Adorno's *Dialektik der Aufklärung* (Dialectic of Enlightenment). Pantheon was financed and run by *Exil* publisher Kálmán Kollar and Theresia Veen, the owner of the prominent Amsterdam trade publishing house L.J. Veen. Veen knew Kollar as her farther had worked with him in Vienna for Franz Leo & Co. She invited Kollar to Amsterdam (Edelman, 2006).

¹² See Swets Company History at www.swets.com (consulted December 21st, 2009).

¹³ See Querido website, <http://www.querido.nl/web/Over-Querido.htm> (consulted December 22st, 2009).

3.5.2. *Talented entrepreneurs*

The role of important Dutch publishing entrepreneurs, such as Maurits Dekker, Theresia Veen and Fred von Eugen, and their connections to the pre-existing Amsterdam publishing industry, has already been outlined above. But the three key actors who set up the most successful academic publishing programs in Amsterdam, have not yet been adequately introduced. These were not the owners, but the very successful and entrepreneurial directors of the academic publishing divisions of Elsevier and North Holland.

Elsevier's academic publishing division was run by two men who are considered the main engines behind its early growth, Jan Pieter (Ted) Klautz and Piet Bergmans (Van Leeuwen, 1980; Andriessse, 2008). Born in Deventer, Klautz moved to Amsterdam to work as a journalist before joining Elsevier in the 1920s. He was the one who took the initiative to focus on academic publishing and internationalize Elsevier's operations. Through the main national publishers' association, the *KNUB*, he came in contact with academic booksellers Scheltema & Holkema. Through them he was introduced to Maurits Dekker and then initiated their early collaborations. After Dekker introduced him to several German publishers and editors he set up Elsevier's first academic publishing ventures. He sought out the printer Meyer who subsequently specialized in special letter types for scientific formulas (Klautz, 1987; Fredriksson, 2001). In 1946 Klautz hired Piet Bergmans to manage the science publications and Bergmans systematized Elsevier's strategy, leading to great successes in the following decade. Bergmans was already well-acquainted with the workings of periodicals markets as the son of a prominent periodical publisher and bookseller in Tilburg, in the south of the Netherlands. Because he wanted to engage in international publishing he left his family firm and moved to Amsterdam (Van Leeuwen, 1980; Fredriksson, 2001).

Like Klautz and Bergmans, Daan Frank, the director of North Holland, already had strong ties to the existing Dutch publishing industry before setting up academic publishing ventures. But unlike them, and like Van Veen, he also had significant ties to German-language academic publishers before the rise of the Nazis. Frank started his career in his father's bookshop in Amsterdam and had been subsequently trained in publishing houses in France, the UK and Germany, including the academic publisher Aka Leipzig (Fredriksson, 2001; Bolman, 2006). Frank would go on to set up the second-most impressive academic publishing list

in the country (after Elsevier). He proved innovative at making international academic journal quickly profitable, and Elsevier copied his methods (Van Leeuwen, 1980; Fredriksson, 2001). While North Holland was originally tied to the *KNAW*, Frank made the company so successful that he bought it in the 1960s, several years before a merger with Elsevier.

The histories of the key firms and entrepreneurs described above show that they were firmly embedded in the pre-existing Dutch publishing and had often been so for decades before the arrival of *Exil* publishers. In several cases, such as with Frank, Swets and Veen, the Amsterdam publishers already maintained extensive international publishing networks before the 1930s and had traveled to train abroad. In many more cases, it was the Dutch publishers who sought out and invited German colleagues, editors and writers to find a safe haven in Amsterdam, and who initiated the collaborations upon which most *Exil* ventures were based. For new or adventurous established publishing firms in Amsterdam it was easy to find talented individuals to set up academic divisions. Not only were Amsterdam publishers often well-connected internationally, Amsterdam itself already possessed a considerable stock of talented entrepreneurs active within different fields of publishing. The city also attracted ambitious publishing professionals from all over the Netherlands.

3.5.3. *Institutions*

Several institutions related to publishing in Amsterdam played an important role in the newly-evolving academic publishing activities there by contributing to network formation, knowledge diffusion and marketing. One of these was the Graphic Export Center, set up in Amsterdam soon after the Second World War. Daan Frank was in charge of its publishing branch. Among other things, this Center provided a platform for publishers throughout the Netherlands who had their eyes on international markets to meet and exchange views, and promoted Dutch publishing and printing firms in the United States especially. Dutchman Hendrik Edelman, former publishing professional and chronicler of academic *Exil* publishers, saw the activities of this institution as one of three major reasons why many American publishers and academic institutions outsourced their publications to the Netherlands, the others being the availability of relatively cheap labor, and the strong tradition of typesetting (Andriessse, 2008: 172).

The Graphic Export Center, with the explicit aim of launching export initiatives, was new but other important institutions, that tied Dutch publishers together and to Amsterdam, had much deeper roots. The most important national institution connected to the publishing industry, the Association for the Promotion of the Interests of the Book Trade or *VBBB* (later mercifully renamed the Royal Association for the Book Trade, or *KVB*), is the oldest existing professional book trade organization in the world (KVB 2005). It was founded in Amsterdam in 1815 as the successor, but then on a national basis, of the Amsterdam booksellers' guild that had been abolished three years earlier by the French administration (Hubregtse, 1984). This guild had been set up in the seventeenth century. Like the *KNUB* mentioned earlier, the *VBBB* stimulated network formation. It did so not only between publishers, but between publishers and booksellers as well. Elsevier collaborated and competed explicitly not only with other Amsterdam-based publishers but also with Martinus Nijhoff from The Hague, and Kluwer from Dordrecht. North Holland worked closely together and later competed with Reidel, another firm based in Dordrecht, and engaged in contacts with Brill from Leiden (Klautz, 1987; Van Leeuwen, 1980; Fredriksson, 2001). Such contacts between Amsterdam publishers and publishers in other parts of the country were made through these institutions.

These institutions provided the conduits through which collaboration and stimulating competition occurred also on the national level, adding more dynamism to the emerging academic publishing cluster, and made it easier for Amsterdam-based firms to recruit talented publishing professionals such as Piet Bergmans from other parts of the country (c.f. Kloosterman, 2008). The *VVVB*'s successor, the *KVB*, also set up teaching programs for both active and aspiring publishers in Amsterdam. This was after the Frederik Müller Academy, the first academy for publishers in the world, was founded in Amsterdam during the 1960s. It was named in honor of a famous nineteenth-century antiquarian and book auctioneer from the city, the son of an academic publisher and bookseller with a wide network throughout the country and abroad. His activities and approach to publishing were still considered an educational and positive example for Amsterdam publishers a century later.

The overview above makes clear that the early emergence and survival of the firms established by *Exil* publishers in the Netherlands, and especially

Amsterdam, depended largely on the publishers, expertise and capital already present there before the arrival of the German refugees. The emergence of the dynamic internationally-competitive academic Dutch publishing scene therefore did not occur outside the constellation of publishing infrastructures, practices and networks available to *Exil* publishers in the Netherlands. Because other *Exil* publishers not only fled to the Netherlands, but also to countries such as Switzerland and Denmark where they met with less success (Baltzer, 2007), a strong case can even be made that the Dutch publishing environment was peculiarly well-suited to foster their dynamic internationalism. An overview of Dutch actors and institutions involved in this success story does not by itself provide a clear view of the particularities of the Dutch publishing-related production complex that in this case managed to efficiently incorporate a strong influx of knowledge and rise to the global forefront in the newly-emergent global market for academic publications. Our attention must therefore now turn to the structure of the Dutch publishing industry, the organizational modes of Dutch publishers and their publishing practices that enabled the pre-existing Dutch publishing industry to act as a catalyst for launching international academic publishing ventures.

3.6. Innovation catalysts and the roots of absorptive capacity in pre-existing Dutch publishing industry

For the arrival of refugee experts from Germany to trigger processes that would lead to a strong concentration of international science publishing in the Netherlands, a special set of local conditions had to be in place. This point becomes clear when counter-examples illustrate that the arrival of *Exil* experts did not always have such marked effects. During the 1930s not only *Exil* publishers, but also refugee filmmakers arrived in the Netherlands in significant numbers. Contrary to their compatriots in the publishing industry, these exiles did not find the Netherlands very convenient for their trade and, after some failed attempts to integrate into the fledgling Dutch film production industry, all moved on elsewhere, often to Hollywood (Horak and Bishop, 1996). This may be partially due to film production investment costs that strongly benefit larger countries, but it is also a testament to the inadequacy of the Dutch filmmaking infrastructures at

that time. That the specific character of the Dutch publishing industry mattered, is perhaps more poignantly illustrated by another counter-example involving refugee publishers. Some of these fled to Denmark and Switzerland, countries that would play a far lesser role than the Netherlands in the emerging academic publishing market. Daan Frank in an interview explained this difference by referring to a ‘traditional familiarity of Dutch publishers with foreign markets’ (Baltzer, 2007: 125). This central figure in the Amsterdam academic publishing industry believed that Dutch science publishing built on inherited qualities of the Dutch publishing industry. In the following, it will be examined how such inherited qualities contributed to the effective absorption and utilization of *Exil* inputs, with special attention paid to important dimensions of general absorptive capacity such as the localization and concentration of available professional resources, the compatibility of old and new routines and knowledge, the degree of pre-existing knowledge, and the presence of global pipelines.

3.6.1. Critical mass and the presence of slack resources

Although the rest of the Netherlands has also produced competitive academic publishers during the second half of the twentieth century, Amsterdam is without a doubt preeminent. Most existing longitudinal datasets available for studying the distribution of publishing firms in the Netherlands, such as firm census data collected by the Dutch central Bureau of Statistics or the annual membership lists of the Royal Association for the Book Trade used by Heebels and Boschma (2011) to analyze factors impacting firm survival rates in the Dutch publishing industry, proved inadequate for the purpose of determining the extent to which Dutch academic publishing activities concentrated in Amsterdam throughout the postwar period. This was due to the fact that these datasets do not distinguish academic publishers from literary and other publishers. For this purpose, therefore, a database has been constructed of Dutch publishing houses engaged in (internationally-oriented) academic publishing from a variety of sources.¹⁴

¹⁴ The following sources have been consulted in the construction of this database: a 1947 list of scientific journals published in the Netherlands that includes the name and location of the publisher drawn up for the Dutch Organization for Applied Research (TNO), membership records of the International Association of Scientific, Technical and Medical Publishers (STM), of the Netherlands periodicals proprietors association (NOTU) and its successor, the Group Publishers for Profession and Science of the Dutch Publishers

Information was collected on where these publishing houses were based, on when they entered and (when appropriate) when they exited the academic publishing market, and on their organizational status (independent publishing firm or imprint).

Out of the 73 Dutch academic publishing houses in this database, which focused on international publications at some time during the period 1947-2008, seventeen (23 percent) were based primarily in Amsterdam. Over this period many mergers and takeovers have taken place. At the end of this period, Amsterdam housed around one third (thirteen out of 36) of the remaining 32 independent publishing firms that still publish international academic material, including Elsevier Science. As throughout this period Amsterdam has never accounted for more than ten percent of the population in the polycentric, highly urbanized Netherlands, Dutch academic publishers are clearly centered disproportionately in Amsterdam.

This overrepresentation of Amsterdam is mirrored in the city's centuries-long dominance in the Dutch publishing industry more generally. Amsterdam was the Netherlands' main publishing center throughout the seventeenth and eighteenth century (Rasterhoff, 2010). In 1900 this was still the case. Publishing industry employment was more than twice as well represented in Amsterdam than in the total national non-agrarian labor market from 1900 to 1930, outstripping the Netherlands' other main cities not only in absolute but also in relative terms (see Chapter Two, figure 2.9). After the Second World War, Amsterdam's specialization in publishing becomes even more apparent and the overrepresentation rises to four times the national average during the 1990s. Throughout the entire twentieth century, publishing employment in the country's three other major cities is much closer to the national average.

This means that Amsterdam possessed by far the largest pool of publishing professionals and industry-specific resources in the Netherlands during the take-off stages of the internationally-oriented academic publishing ventures. The historical continuity of Amsterdam's central role in the Dutch publishing industry, suggests

Association (NUV-UVW), the *Handboek van de Nederlandse pers en publiciteit*, lists of scientific books published in the Netherlands at the 1970 book fairs of Leipzig, Warsaw and Cairo, Sherpa/Romeo records, Reed Elsevier's press release service (hotfrog.nl) and three websites providing lists of publishers (www.vakblad.eu, www.planetofbooks.com, and uitgeverij.startpagina.nl), as well as miscellaneous searches on the internet and in the existing literature (from December 2007 until May 2010).

that this concentration of publishing expertise and resources resulted through an unbroken legacy going back to the seventeenth century. The benefits of this concentration to Amsterdam's publishers are clearly evinced by a geographical analysis of the national book trade association's membership since 1930. At no time during the twentieth century was Amsterdam's dominance as national publishing centre so pronounced as during the first crucial postwar years. The capital accounted for approximately a quarter of the members of the Royal Association for the Book Trade in 1930, as well as in 1970 and 2000. However, in 1950 Amsterdam accounted for over forty percent of its members, mainly due to a significant absolute decline of non-Amsterdam members, many of whom had closed their offices between 1930 and 1950 (see also Heebels and Boschma, 2011).

Table 3.1. Geographical distribution of publishing house establishments associated to the Royal Association for the Book Trade.

| | 1930 | | 1950 | | 1970 | | 2000 | |
|------------------------|------|------|------|------|------|------|------|------|
| | N | % | N | % | N | % | N | % |
| Amsterdam | 100 | 22.3 | 119 | 42.8 | 105 | 25.5 | 115 | 23.3 |
| The Hague | 51 | 11.4 | 42 | 15.1 | 42 | 10.2 | 25 | 5.1 |
| Utrecht | 24 | 5.4 | 19 | 6.8 | 24 | 5.8 | 25 | 5.1 |
| Rotterdam | 24 | 5.4 | 14 | 5 | 12 | 2.9 | 14 | 2.8 |
| Leiden | 11 | 2.5 | 12 | 4.3 | 14 | 3.4 | 12 | 2.4 |
| The Netherlands | 448 | 100 | 278 | 100 | 412 | 100 | 493 | 100 |

Source: KVB Lijstenboek 1930, 1950, 1970, 2000

The high concentrations of publishers and related firms in Amsterdam, as well as of the institutions related to publishing,¹⁵ proved invaluable during difficult circumstances. Elsevier and North Holland only survived the war by publishing more immediately profitable non-academic book series. They had recourse to these diversification options through serendipitous encounters with other types of authors, editors and booksellers in Amsterdam. Furthermore, the multitude of

¹⁵ More than one third (21 out of 53) and by far the most important of the official institutions connected to the book trade in the Netherlands are located in Amsterdam (KVB 2003).

printers in the capital made it easier for them to gain illegal access to paper, which was in very short supply (Klautz, 1987; Fredriksson, 2001). The existing publishing infrastructure in Amsterdam provided protection for firms engaging in fledgling academic publishing initiatives. Amsterdam publishers were more likely to survive the war and to come out of it with more financial resources to start new costly publishing programs than their other Dutch counterparts.

3.6.2. Relevant specific knowledge and routines

To specialize in publishing academic books and journals, publishers did not need to be embedded in a thriving local literary field, and Dutch publishers were not. The development of a domestic literary field lagged behind that in other, larger, European countries, partly due to the modest size of Dutch-speaking audiences (Johannes, 2001; Van Rees and Dorleijn, 2006). Publishing new, innovative literary works involves a great deal of risk, because the demand for such works is very uncertain. Consequently many such works fail and only relatively few succeed commercially. Due to this high failure rate, relatively small domestic markets cannot support many literary publishers. When Dutch publishing exports fell towards the end of the eighteenth century, the Dutch publishing industry was exceptionally large for European standards and it remained so into the nineteenth century (De Vries and Van der Woude, 1997: 317-318; Rasterhoff, 2010). To survive, therefore, many Dutch publishers had to find strategies to maximize profits in a Dutch reading market which was well-developed but obviously far smaller than the Europe-wide they previously competed on. Building on their established expertise and networks, many focused on publishing, assembling and commissioning works with sure market appeal, rather than nourishing and gambling on new, local artistic productions.

Dutch publishers specialized less in spotting artistic talent and stimulating innovative content production, and more in adapting and gathering proven content through their wide networks. The practice of a type of pick-and-mix publishing was thus very widespread which was well adapted to producing translations, reference works and edited volumes, and centered more on the editor and the publisher, than on the author (Kuitert, 2003). In the Netherlands, publishing was clearly seen as a trade, a business, and less as a hobby or an art form. This is illustrated by the unclear separation between publishing and bookselling functions

in the Netherlands, which is fairly exceptional internationally, but allows publishers to remain very aware of specialized clientele groups. Van Vliet (2007) has argued that one of the shortcomings of the late eighteenth Dutch publishers had been their failure to adapt to the emerging vertical specialization between bookselling and publishing that occurred elsewhere. In the German territories, for example, the functions of bookselling and publishing were increasingly becoming the domain of separate firms. Dutch firms, by contrast, more often retained both functions internally. It is striking that many of the Dutch firms that entered the emerging international academic publishing market around the Second World War were indeed such publisher-booksellers. Through their intimate knowledge of potential markets, such publishers were relatively likely to achieve commercial success by purposefully commissioning specialist encyclopedias, journals or edited volumes.

3.6.3. Knowledge variety within the Dutch publishing industry

Related to the strategies of intense market exploitation and continued vertical integration of bookselling and publishing, was a strong degree of horizontal specialization and niche-formation. Amsterdam possessed one of the highest per capita concentrations of bookstores in Europe in the eighteenth century and maintained this into the early decades of the twentieth century (Hubregtse, 1984). Earlier sections of this chapter have addressed the role of specialized academic bookstores and antiquarians in the Dutch publishing industry. Within this niche, further specialization according to academic field or source country was common. Schot (1998) has argued that the presence of a wide variety of niches within a local economy increases the chances of the early adoption of innovations, because it increases the range of possible uses for an innovation in that economy. By analogy, a strong degree of horizontal specialization increases an industry's absorptive capacity, its ability to adopt novel incoming knowledge. It is therefore no surprise that specialized academic booksellers such as Dekker & Nordemann, Scheltema & Holkema and Swets & Zeitlinger played such central roles in turning Amsterdam into a prominent academic publishing hub.

3.6.4. *Global pipelines and international orientation*

Related to the general orientation and organization of the Dutch publishing industry was also the explicit international orientation referred to above. Because Dutch publishers did not especially focus on nourishing local original content generation, they needed to import content from abroad, something at which they were very adept. In the nineteenth century, specialist importers emerged to supply the whole Dutch publishing industry efficiently with foreign material, and the Netherlands soon became the prime importer of English-language works outside the Anglophone world (Dongelmans, 2001; Van der Weel, 2000, 2006). This relatively strong dependence on foreign inputs meant that Dutch publishers were wary of international copyright agreements, and the Netherlands only ratified the Berne Convention (that made bound signatory country's to respecting each others copyright claims) in 1912, 25 years after it was first signed by nine Western countries. Up to that time, and since the seventeenth century, Dutch publishers were notorious for their piracy (Van Vliet, 2007). Also domestically, the institutional frameworks protecting author's rights to texts were, traditionally, comparatively weak.

Altogether, this particular focus on and approach to international networks was very conducive to the innovations of the 1930s. The traditionally weak position of authors *vis-à-vis* publishing firms in Dutch publishing industry structures and practices, fitted commercial academic publishing strategies wherein publishers and editors clearly occupied the leading roles (Daling, 2006). It also meant that Dutch publishers maintained ample 'global pipelines' and were relatively well-aware of successful content and publishing innovations in other countries. But they only used what suited their needs. When entire, commercially successful niches in German came under intense political pressure, it was only a matter of time before certain adventurous Dutch publishers would utilize their international network contacts to venture upon these markets.

3.7. The extended life of Amsterdam's publishing cluster

The Dutch publishing industry was neatly pre-adapted for utilizing the know-how that the influx of *Exil* publishers brought with them, due to both the assets *and* constraints it had possessed for centuries. Dutch publishers already operated with a

strong international orientation and were more specialized in assembling, reviewing and commissioning content, than in nurturing and responding to unpredictable displays of artistic creativity and genius. These skills were prerequisites for entering international markets for academic journals and edited volumes. They were also very close to the skills of the German academic publishers and editors that found in Amsterdam a fertile new base of operation. Their knowledge was thus easily absorbed by Dutch publishing professionals, who imitated, emulated, but also provided the necessary resources and support for the exiles' operations. The exiles did not find this new convenient base by accident. They were drawn there through pre-existing transnational networks long maintained by Dutch publishers who, despite their general inability to successfully export to foreign markets before the 1930s, were already firmly embedded in international publishing networks as prominent *importers* of foreign works.

During the 1930s, Amsterdam was the primary 'place-to-be' within the Dutch publishing industry, just as it had been since the seventeenth century, and still is today. Even in the small, polycentric country of the Netherlands it mattered in which city a publisher was based. This is evinced most strongly by the fact that publishing houses such as Elsevier and Junk, book trade entrepreneurs such as Piet Bergmans, academic publishing divisions of publishers such as Boom, and even the headquarters of book trade institutions moved from other cities in the Netherlands to Amsterdam to continue their activities there. And of course, it is apparent from the fact that the most important *Exil* publishing activities in the Netherlands were set up here.

The Amsterdam publishing industry seemed to be perfectly suited for publishing academic works for a global market, due to qualities it had already possessed in the seventeenth and eighteenth centuries, and which were never really lost. That Amsterdam's publishers were virtually absent on global markets in this niche before the 1930s therefore was due more to the fact that transnational markets for academic publications were only newly emerging, and to the advantages of their German competitors, than to their own shortcomings. The history of the German publishing industry easily rivaled the Dutch in terms of eminence, and the Germans had the early advantage that their academics and their language were at the very center of world science.

When German advantages were lost, pre-existing transnational network ties had only to be slightly rearranged, and the direction of product flows reversed, for the Dutch publishing industry to start functioning as the new global hub. Everything else, the experts in compiling and editing content, as well as those in translation and typesetting, and booksellers specialized in academic niches, were already in place. So were the trade-related institutions that could support their activities. Amsterdam therefore performed this function better than major publishing centers in the Anglophone world, despite the fact that the United States and the English language were now central to science. The city formed the best ‘fallback’ option as world center of academic publishing, due to all the qualities its publishing industry had retained since it had last had that role, more than 150 years earlier. In the decades after the Second World War, the Amsterdam publishing industry returned to its old prominence and function in international markets, in a way reminiscent of how some cities (particularly national capital) in a post-industrial economy are refocusing on their old functions of concentrating trade, knowledge, cultural life and power (Le Goff, 1997; Kloosterman, 2009).

The history of the Amsterdam publishing industry and book trade does not conform to the standard view of cluster development. The Amsterdam publishing cluster did not simply go through only a single cycle of growth, fruition and decline. It is clear that Amsterdam publishers were path-dependently locked into specific modes of organization and publishing practices that had their roots in Amsterdam’s early-modern publishing heyday. These modes and practices lost their value in terms of international competitiveness, when throughout Europe a vernacularization of literatures took hold and a constant stream of new literary novels, rather than established theological, scholarly and classical works, became the main staple of book markets. The Dutch publishing industry did not and could not adapt fully to this new trend. The development of its literary field was inhibited by the modest reach and influence of the Dutch language. Consequently, Dutch publishers hardly exported to international markets for 150 years and Dutch content production lagged seriously behind that in other European countries. While the locked-in Dutch publishing industry in this sense became an ‘innovative backwater’ (Martin and Sunley, 2006) on the European publishing scene, the inherited organizational modes, practices and international networks were refined until the 1930s to optimally exploit the modest Dutch domestic market. The Dutch

publishing industry was thus able to survive and thrive economically, even in international comparative terms, on the basis of its own particular legacies and traditions, without accessing foreign markets and without an own well-developed literary production system. Instead they relied significantly on their expert ability to continuously reassemble existing content, and to access and convert foreign content for the Dutch market. This same, inherited, expertise proved excellently suited to servicing international markets for academic publications in the twentieth century.

Figure 3.2. The extended path of the Amsterdam publishing industry.

| <i>Phase of cluster competitiveness</i> | <i>Birth</i> | <i>Growth and maturity</i> | <i>Decline</i> | <i>Retention</i> | <i>Revival</i> |
|---|--|--|--|---|--|
| Path stage | Entry | Reproduction | Critical juncture | Branching, Reproduction | De-locking |
| Dominant mechanisms | Agency and contingencies | Increasing returns, co-adaptation and specialization | Market contraction and refocusing | Rescaling, adaptation and diversification | Market expansion, absorption, agency, increasing returns |
| Underlying causes | Immigrant experts, favorable historical circumstances and economic positioning | Agglomeration advantages, knowledge spillovers, spin-off dynamics, institutional build-up, localized reputation and attraction, network growth | Vernacularization and nationalization of literatures | Focus on expanding domestic market, new use of international network and orientation, retuning of existing institutions, existing resources used for new institutional build-up | Foreign expertise (attracted), opportunity recognition due to international orientation, mobilization of global pipelines and existing local capital, expertise and institutions |
| Period | 1580-1610 | 1610-1750 | 1750-1780 | 1780-1930 | 1930-1970 |

3.8. Conclusions and discussion

This case holds four striking implications for our understanding of regional industrial specialization. The first is that locked-in routines can survive within a region and even regain their extra-regional competitive value long after they have appeared to become obsolete. Especially in cases of long-lived industries, this implies that a (temporary) loss of extra-regional competitiveness does not necessarily invalidate a regional trajectory of specialization. Potentially competitive characteristics can long remain underutilized from an extra-regional perspective. Amsterdam publishers retained and elaborated the expertise, which brought them international success prior to 1750 and after the Second World War, during the intervening period for use within the Dutch domestic market. It was thus not inactive, but latent in the sense that its full potential was not effectively mobilized on international markets, until the re-emergence of international ‘epistemic communities’ of scientists (Haas, 1992) negated the disadvantages related to a small language-area.

Secondly, this case shows that regions embedded in international industry networks can perform different roles and functions in those networks at different points in time, and vice versa. The Dutch publishing industry remained firmly tied to international publishing and book trade networks that were used extensively for their exports in the seventeenth and eighteenth centuries. For the next 150 years, the same or similar international ties were used to import foreign content. From the 1930s, Amsterdam publishers would again use their embeddedness in international networks for exports. Whether Dutch publishers could utilize these networks only for imports, or also for exports, depended largely on the shifting nature and focus of transnational published product markets and the centrality of foreign rivals therein. This multifunctionality of extra-regional networks, which may serve both export- and import-led growth, can contribute to the long-term localized survival of latently competitive industry qualities.

Thirdly, the way that the foreign expertise of the *Exil* publishers was actively attracted and rapidly assimilated by Amsterdam publishers, on the basis of pre-existing networks and routines, illustrates that the ‘de-locking’ (Martin and Sunley, 2006) of a regional industry’s path does not necessarily result from unplanned contingencies, or imply a radical break with the past. Their break-out

from the confines of the Dutch domestic market focus was reflexively guided by Amsterdam publishers themselves, who selectively and purposefully appropriated external knowledge that fitted their knowledge base.

Lastly, these findings suggest that extra-regional competitiveness does not depend only on a specialized region's capacities and linkages, or its 'buzz' and 'global pipelines' (Bathelt *et al.*, 2004), but also on the international structure of the industry and its market. Extensive international ties *per se* do not make a cluster more or less internationally competitive. The Amsterdam publishing industry had always retained the capacity to absorb foreign inputs. Only when a regime change in the international publishing constellation was underway, and a truly transnational market emerged for academic publications, could Amsterdam's publishers utilize such inputs to start exporting again, and the city regain its function as an international publishing hub. Structural characteristics of transnational markets and international professional networks can thus be an important determining factor of a specialized region's international competitiveness.