

centre for analysis  
of risk and regulation

## When Limited Liability was (still) an Issue – Conflicting Mobilizations in Nineteenth Century England

Professor Marie-Laure Djelic  
ESSEC

*Date:* 1 February 2011  
*Time:* 1:00pm – 2:30pm  
*Venue:* KSW G108

## Abstract

The corporation is a constitutive element of modern capitalism. In its contemporary form, the corporation comes with a striking legal feature – ownership is associated with limited liability. Today, we tend to take for granted both the principle of limited liability and its association with the corporate form. This was not always the case, though. In the 19<sup>th</sup> century still, the principle of limited liability generated heated discussions and was a locus of intense ‘contentious politics’. In this paper, we focus on the social movement dynamics that crystallized around the principle of limited liability in 19<sup>th</sup> century England. Interestingly, the debates that were raging then and there did not only have an economic focus. They also had significant social, political and even ethical dimensions. In the end, this episode of contentious politics proved highly consequential. It ultimately found its resolution in the formal institutionalization of limited liability as a constitutive legal feature of incorporation. This was a striking turning point in the history of capitalism, with profound implications for our contemporary understanding of responsibility in economic life.

## About the speaker

Marie-Laure Djelic is Professor in the Management Department at ESSEC, where she teaches Organization Theory, Business History and Comparative Capitalism. In 2002-2003, she was holding the Kerstin Hesselgren Professorship at Uppsala University, in Sweden and she has been Visiting Professor at Stanford, Uppsala and SCORE (Sweden). Her research interests range from the role of professions and social networks in the transnational diffusion of rules and practices to the historical transformation of capitalism and national institutions. She is the author of *Exporting the American Model* (Oxford University Press 1998), which obtained the 2000 Max Weber Award for the Best Book in Organizational Sociology from the American Sociological Association. She recently edited *Transnational Communities: Shaping Global Governance*, with Sigrid Quack (Cambridge University Press 2010).