Encyclopedia of Political Theory

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constitutive level. As second-order difference fundamentally displaces the identity of the subject, many political theorists hold that individual and collective subjects can secure themselves only to the degree that their relation to this enigmatic difference is effaced or repressed, so that subjects can be constituted through relations to identifiable others such as friends, enemies, and so forth. Power, in this sense, creates subjectivity through a constitutive exclusion of excessive difference and the hegemonic act of securing an identity, while resistance appears in the way this exclusion is never final and the certainty of the subject's identity is always again called into question. Alternatively, some political theorists use their ontological explorations of difference to theorize new forms of pluralism that go beyond the kind of friend/enemy relations that are common in political thought and practice, or, more generally, to theorize new forms of ethical and social being. Recent theories of "radical democracy" are almost all indebted to the turn to ontology in political theory, and the disagreements among various strands of radical democratic theory are frequently ontological in nature. According to these theories, like many others that play a part in the ontological turn, the domain of politics extends beyond the narrow confines of institutional practices or the restrictions imposed by the separation of public and private realms. They hold politics to be a contestation that reaches into the way modern subjects are constituted and represented, and democratic politics to be a mechanism to expose the relations of power involved in these constructions and to challenge the social and political truths that organize them. Mainstream political thought and practice, they maintain, are devoid of crucial issues about the constructed nature of identity, power, and truth because they refuse to engage in the ontological inquiries that would allow these issues to come to light. Conversely, they argue, it is by confronting these issues that the space of politics is opened up.

Nathan Widder

Further Readings

Organization Theory

Organization theory examines bureaucratic entities such as firms, schools, states, hospitals, political parties, and nonprofit groups. These social collectives share explicit goals, and hierarchies and employ written documents to manage work. Researchers in this area are motivated by the ubiquity and importance of bureaucracies in contemporary society. The formal organization is used to coordinate complex tasks in a wide variety of settings, such as manufacturing, education, politics, and medicine.

Organization theory addresses questions about the logical status of organizations, the relationship of individuals to organizations, the organization’s legal and social environment, and the dynamics of entire industries. Scholars interested in the logical status of organization are concerned with the nature of organizations. These scholars ask whether organizations are in any sense different from the mass of individuals who constitute them. Those interested in the relationship between organizations and individuals focus on how the bureaucratic environment affects the activities and well-being of individuals. Others ask how the actions of firms are determined by other firms, the state, and the public. Organization theory informs political theory by showing how organizations
accomplish their goals and relate to individuals and the state.

**The Logical Status of Organizations**

Contemporary organization theory starts with the work of sociologist and economic historian Max Weber. Weber's writings provided a basic definition of the organization that has acted as a benchmark for subsequent work. Weber defined an organization as a group of people who participated in a formal hierarchy with clearly defined roles. Within the organization, work was managed by professional supervisors who relied on expert training and written documentation. Weber's commentary provided additional insights into the nature of organizations. Organizations are a particularly modern phenomenon because their existence relied on widespread literacy, a modern cash economy to pay workers, and the delegation of duties according to ability instead of inherited status. The modern bureaucracy stood in stark distinction with earlier forms of social life, such as kinship groups, which relied on inherited occupational statuses, informal social ties, and coordination of work through nonwritten personal contacts.

Later scholars asked whether there was any reason to ascribe organizations with a special logical status. Did organizations possess properties that were not easily reducible to those possessed by individuals? Weber's commentary on organizations suggested that from the perspective of the individual, organizations appeared to be timeless entities. For example, citizens perceive the state to be a permanent entity that has existed before them and will likely exist into the indefinite future. Thus, the organization is a stable arena for action that merits special attention.

Scholars in the twentieth century provided different answers. In the 1950s, behavioral scientists Herbert Simon and James March focused on the routines enacted by individuals within the organization. From this perspective, the organization is defined by its goals and the individuals who perform routine tasks that accomplish those goals. Thus, the organization is highly analogous to a computer that is defined by the hardware and the programs it implements.

In contrast, economists such as Ronald Coase and Oliver Williamson focused on contractual obligations to distinguish those within the firm from those not in the firm. The organization was defined as those people bound to owners through contracts that limited access to the labor market. Both economists emphasized that contracts between employers and workers created social boundaries between the firm and other market participants. In a similar vein, management researcher J. D. Thompson argued that there was a "core" of workers who were needed to operate the technology that helped the organization accomplish its goals. Joan Woodward defined organizations by their relation to their core technology. Thus, the organization deserved special attention as a stable pattern of technology and social relations.

**The Individual and the Organization**

Organization theory has often emphasized an asymmetry between the individual and the bureaucracy. Organizations are often depicted as large and immutable social entities that can overwhelm individuals. Indeed, legal scholars often observe that organizations are granted rights analogous to those for people. The law, especially in the United States, often gives organizations rights and privileges that are distinct from the people who work in the organization. It is routine for organizations to own assets, file legal complaints, and act on behalf of other people and organizations. They can be fined and punished by the state. The consequence of this legal doctrine is that organizations can possess a distinct advantage in conflict with individuals. Due to their ability to acquire substantial resources and act consistently without the need for unchanging personnel, organizations can sustain conflict in ways that can be matched by few individuals. It is also the case that the law creates circumstances where individual workers may not be held accountable for their actions.

Organization theory also asks how individuals behave within bureaucratic settings. Workplace psychology takes the organization as an additional factor affecting individual decision making and personal well-being. For example, in studies of mental health, organizations play an important role because they are a potential stressor. However, much organization theory takes the view that the bureaucratic environment is a distinct context for
human action. The hierarchy of authority, the organization's goals, and its routines are influences that present incentives and constraints that deserve special attention. The organization is viewed as the place where individuals are rewarded for their actions in the market.

Much writing focused on the emotional and social dimensions of life inside organizations. Some early writers argued that individuals developed close personal attachments to organizations. Administrators developed a strong identification with the organization itself, even to the detriment of their other personal relationships. Phillip Selznick described how administrators were torn between their formal obligations and their loyalties to the "locals" the organization served.

By the mid-twentieth century, much theory viewed the organization as a choice-making environment. Neoclassical economics relied on models of organizations that viewed individuals as making optimal choices from clearly defined options. Scholars of the Carnegie School emphasized that organizations operated in complex environments where information was scarce and there was great ambiguity about goals. Instead of making optimal choices, organizational participants were forced to settle for satisfactory choices. This was called bounded rationality theory.

Carnegie School writings have found popularity among political scientists who find that policy decisions happen when unexpected political events force state agencies to address issues with whatever policy ideas are available. These models cast the individual actors as passive agents who exploit opportunities generated by the organization. In contrast, a neoclassical economist would view government decisions as the product of an administrator's attempt to maximize some goal (e.g., votes or budgets) with a clearly defined set of strategies. The difference stems from the need to model different phenomena. Political scientists are interested more in group decision making where many actors opportunistically respond to a variety of ill-defined problems, whereas economists focus on fairly well structured decisions.

The Organization and Its Environment

Jeffrey Pfeffer and James Thompson drew organization theory in new directions in the 1960s and 1970s when they observed that firms depend on outsiders for survival. Firms require money, workers, and legitimacy if they are to continue operating. Organizations are political entities that must accomplish a task and respond to social pressures. Resource dependency theory states that behavior is a response to resource streams. This observation led to the "open systems" perspective in organization theory, which de-emphasized the distinction between behavior inside organizations and what happens outside the organization. Theorists working in the open systems tradition closely examine how investors, state regulators, consumers, professional groups, and voters all impact the structure and behavior of organizations. In contrast, closed systems theory designates styles of research that emphasize the internal workings of organizations, such as workplace psychology and bounded rationality theory.

Open systems theory soon resulted in a profound change in organization theory. Starting with the work of John Meyer and Brian Rowan in the late 1970s, organization researchers in sociology, education, and political science posited that organizations were strongly influenced by their political environment. If organizations needed to show that they were legitimate, then it was possible for persons outside the organization to wield tremendous influence. Administrators had to do whatever social elites demanded, or they risked the possibility that the organization would fail. Outsiders who disapproved of the organizations could withhold funds, approval, or certification.

The link between social environments and organizations inspired a wide variety of research. Some scholars believe that organizations were very sensitive to their environment. Administrators working in a complex and vague environment needed to show to investors and other supporters that they were legitimate. This argument suggested that behavior reflects social values. For example, firms may want to show that they treat workers in fair ways. A concern with showing fairness may lead administrators to appoint ombudpersons or create policies that facilitate worker complaints. Education provides another insightful example. Schools provide written curricula so that outsiders may see what they are teaching. The school does this to show it adheres to cultural standards about what is appropriate in schools.
The sensitivity to social environments has encouraged these scholars to focus on conformity. If the public has well-established ideas about what is appropriate for organizations, firms and other organizations within a sector will adopt the same procedures to satisfy these cultural imperatives. Though organization theorists have recognized the importance of social conformity, there is disagreement about the consequences. One strand of scholarship asserts that these pressures for conformity are very strong. Models of legitimate organizational behavior become taken for granted by workers and managers. Deviations from these models lead to harsh sanctions. A college, for example, that refuses to teach courses that are considered "normal," such as literature or chemistry, may not obtain accreditation, may be viewed as illegitimate by scholars, and potential students may avoid the institution. These pressures would make survival difficult for this hypothetical college.

In contrast, other organization theorists describe a more complex relationship between organizations and their environment. Working from the ideas described by John Meyer and Brian Rowan, scholars question the linkage between organization and environment. It is often argued that organizations show only minimal compliance with social expectations and legal regulations. Administrators expend much effort on shielding workers from an intrusive public. The organization's public image is designed to assure outsiders that work is legitimate so that workers can have discretion over their jobs. This process is called decoupling.

Much of this research is inspired by schools, which claim to enforce teaching standards but allow teachers much liberty in how they conduct their classroom. According to this view, school teachers prize the autonomy of their classroom and resist attempts at external control and standardization of teaching. School practices such as lesson plans and classroom visits are designed to assure outsiders that the institution is doing what is considered proper. Once outsiders have shifted their attention elsewhere, teachers may continue to conduct their work as they see fit.

The recent emphasis on organizational environments coincided with the rise of population-level organization theory. Michael Hannan and John Freeman introduced the idea that the population of organizations was an important unit of analysis. In much the same way that biologists study populations of living things, Hannan and Freeman thought that it was worthwhile to study populations of organizations, such as automobile manufacturers, newspapers, unions, or churches. The key theoretical insight was that the creation and disbanding of organizations could be modeled analogously to the birth and death of organisms. Competition over resources affects the ability of organizations to enter and survive in their environment. This strand of research has been called organizational ecology. Later renditions of ecological theory have avoided biological analogies and focus more specifically on competitive processes. Much empirical research discusses how crowding within market niches affects exit and entry into markets. Current research uses the language of demography to describe population processes and how specific organizations establish their identities within these populations.

A third approach to organizations and environments focuses on networks. Scholars in this tradition attach great importance to the relationships between firms. Early work focused on the social relationships between managers. Inspired by Marxist social theory, some organization researchers believed that managers acted together as a sort of ruling class. These scholars then examined how firms were related by analyzing corporate boards of directors. Two firms were related if there was at least one executive who was on both boards of directors. Analysis of these data showed that leading American firms did belong to dense interfirm networks, but it was difficult to link a firm's position in this social structure to particular outcomes, such as market share or profitability.

Later uses of network theory employed a purely structural perspective. Scholars were less interested in investigating class politics and more interested in describing an organization's network. For example, management scholar Ronald S. Burt has argued that networks may have "structural holes" that represent economic opportunities. Burt's argument is that the absence of ties between two groups of organizations represents an absence of trade. An entrepreneurial firm could then act as a "bridge" between blocks of firms that were previously disconnected. Sociologist Harrison White is well known for applying network analysis to the study of organizations. He argued that a firm's identity...
depends on networks. An organization develops its identity based on the other firms and individuals who interact with the organization. This theory is different from the traditional view of organizational identity, where managers develop the firm’s identity in an attempt to target an audience. Other scholars use network theory to describe worker relations within organizations, the relative position of firms within an industry, and the use of social ties as resources.

**Links to Political Theory**

Organization theory raises a number of issues for political theory. One issue is the organization’s status in society. What rights and obligations do organizations have? Social scientists, unsurprisingly, have offered a wide range of opinions. The economist Milton Friedman once said that firms have no duties except to make profits for shareholders within the confines of the law. James Coleman offered an intermediate position. He noted that rights given to organizations may be justified, but there are also serious costs. All people may benefit from organizations that have legal rights because they promote risk taking and insulate owners from actions carried out by rogue workers. Coleman also noted that individuals may be at special disadvantages in disputes with organizations. Managers may use the firm’s resources to promote their own interests, at the expense of their obligations to customers. Critics of contemporary health care practice, for example, may point out that health maintenance organizations may have reduced health care costs, but often at the expense of high-risk patients who are arbitrarily denied coverage for innovative procedures. Critics have lodged that this might not happen as often if HMO (health maintenance organization) managers were directly liable for their decisions.

The policy implications are unclear. Some critics have argued that limited liability should be abolished or that the corporation’s legal status be reduced in other ways. The purpose of this reform is to make individual workers and managers more responsible for their actions. Other critics have responded that making shareholders directly liable for their actions, without the protection of the corporation, might reduce investment in firms and thus limit economic growth. These critics also appeal to fairness; a person who owns one share of stock should not be exposed to the same risk as the manager who is responsible for an action.

A second issue is the conflict between the formal and informal dimensions of the organization. A central theme in organizational research is that the formal written rules are an incomplete description. Organizations are saturated with values, networks, and informal practices. This raises a problem from the perspective of political theory. It is often thought that good behavior is based on abstract principles as embodied in written rules. This is the motivation behind the concept of “due process.” Decision making improves when individuals follow rules that were developed by legislators, managers, or other authorities. However, as sociologist Viviana Zelizer notes, this is incompatible with everyday life in organizations. Rules are often underdetermined and incomplete and cannot cover all situations. Rules may also be viewed as antiquated and irrelevant. In practice, workers and clients in firms develop their understandings of what is appropriate. For example, it is expected that the police not arrest every person who violates some aspect of the law. The police are expected to make judgments about which rules are important and which violations merit attention. These choices depend on the community’s values, the police officer’s relation to citizens and other officers, and informal practices developed within a police department.

Often, policy makers have sought to diminish the influence of the informal by increasing formal rules. However, this approach has limits. One limitation is that circumstances change. The event that motivated a new rule may not be relevant for future decision making. Another limitation is that many situations are difficult to describe, and it is best to shift decision making to those persons with great experience. In the best circumstance, workers within an organization may develop interpretations of rules that best help them accomplish their goals.

A third issue is that organizations may be responsible for increasing risk. A number of scholars have observed that organizations may have a large role in creating the conditions for disasters. Charles Perrow has argued that organizations are complex systems that concentrate hundreds or thousands of people into relatively small spaces. For this reason, organizations enable disasters. For
example, manufacturing firms often require that large numbers of people work in close proximity to each other, often in hazardous conditions. The deeper point that Perrow makes is that disasters are a normal aspect of organizations. Highly complex technological systems often have flaws that are difficult to detect and nearly impossible to predict.

Diane Vaughn makes an even more critical point about risk and organizations. Even when managers have a good sense of the risk involved, they often develop a culture within the organization that is highly tolerant of risks. Accidents become "normal," and deviance from safety procedures is accepted. In a highly influential analysis of the 1986 space shuttle disaster, Vaughn argues that engineers were well aware of the risks involved with the design and operation of the Challenger shuttle but had developed a tolerance for that risk. Case studies such as Vaughn's raise critical questions for political theory. How should the public evaluate the risk created by organizations? If workers develop a dangerous tolerance for risk, how should their actions be regulated? How can outsiders even properly evaluate risk when the knowledge for doing so is held by organizational insiders?

A fourth issue raised by organizational theory concerns democratic control. As noted throughout this entry, there are many ways that organizations can evade public scrutiny. They can ritualistically satisfy public regulations, insiders can monopolize knowledge, and executives can attempt to co-opt the state. Voters, state regulators, and private accreditation groups may find it difficult to monitor organizations for these reasons.

Political scientists have usually focused on two mechanisms to counter these tendencies: periodic monitoring and problem response. In the first case, outsiders periodically audit or investigate an organization. This helps mitigate problems associated with resistant insiders or with organizational cultures that tolerate risky behavior. On the other hand, it is possible that organizations may use minimal candor and transparency to satisfy auditors. Managers of publicly traded firms may provide information in ways that hide a firm's financial difficulties, or elected officials may distort public statistics to enhance their image among voters. In the second case, regulators investigate bureaucracies only when clients complain. For example, a city may choose to lightly regulate its police department but increase monitoring when there are reports of police abuse. This may help address the problem of bureaucracies ritualistically obeying public regulations because regulators can save resources for the worst abuses and thoroughly investigate them. However, the problem remains that organizational insiders may hold knowledge that outsiders need to complete their monitoring. So far, political theory has not addressed in depth how the public may make organizations less resistant to public scrutiny.

Finally, organization theory has been brought to bear on the issue of how democracy, science, and other Western institutions have spread to the rest of the world. Under the rubric of world polity theory, numerous scholars have argued that states belong to a global political system dominated by the Western capitalist democracies. Much in the same way that individual firms signal their legitimacy by mimicking more established firms, states show they are legitimate by adopting democracy and other Western practices. Furthermore, there is now a global community of nongovernmental organizations that bring Western values and practices to every region of the globe.

The international transmission of democratic governance raises important questions for democratic theory. Is the adoption of democracy ritualistic or genuine? For example, how often do states adopt open elections only as a pretext for continuing an authoritarian government under a new guise? Does democracy encourage freedom within states? There is evidence for both views. It is the case that many repressive states claim to introduce elections, only to arrest people not in the ruling party. However, recent scholarship suggests that once a state adopts democratic practices, it is under pressures to faithfully implement them, though the process may be slow. It has been argued that democratic states join an international community that exerts normative pressures on state leaders.

Conclusion

Organization theory is the study of firms, schools, states, and other bureaucratic entities. Starting in the late nineteenth century, scholars looked at the firm as a rationally ordered system. Throughout the twentieth century, this view came to be seen as
incomplete. Organizational life is characterized by uncertainty, ambiguity, cultural values, and networks. Organizations are designed to accomplish certain tasks, but they also must respond to external social and legal pressures. This contemporary perspective raises important questions for political theory. Rather than being extensions of the public, organizations may have complicated relationships with the rest of society. The organization may grow to acquire its own rights, present new risks, and evade public accountability. Its goals may be amended or subverted by these social processes. For these reasons, organization theory will continue to provide insights for political theory.

_Fabio Rojas_

See also Bureaucracy; Institutionalism; Network; Structure

Further Readings


**ORIENTALISM**

Orientalism can refer to several distinct but related phenomena. Contemporary scholars typically use the term to refer to Edward Said's theory that Western ideas about "the Orient," often stereotyped or overgeneralized, are complicit with a broad history of Western colonial and neocolonial domination of the East. In this conception, Orientalism is both a general discursive formation related to material and historical relations of domination and a quality of specific texts, ideas, or actions. More specifically, however, Orientalism may refer to the scholarly discipline of the eighteenth and nineteenth centuries that encompassed the study of languages, literatures, religions, philosophies, histories, art, and laws of Asian societies, especially ancient ones. This scholarship also inspired broader intellectual and artistic circles in Europe and North America, and so Orientalism may also denote general enthusiasm for things “Oriental.” Finally, Orientalism was a school of thought among a group of British colonial administrators and scholars who argued that India should be ruled according to its own traditions and laws, thus opposing the “Anglicanism” of those who argued that India should be ruled according to British traditions and laws.