

ration in conditions of co-presence but *system integration* exists in social structure extended through time and space (Lockwood, 1964; Giddens, 1984). However social structure is only realizable in the passing moment of time – through social interaction when human agents actively reproduce society – thus exercising their capacity for change through translation.

Any form of social organization is reproduced in this way – by human agents through their *translation* of the institutionalized content of society – as reproduced by other human agents at other points in time and space. We orientate our actions to the actions of others past and present in order to achieve social integration, yet we retain our capacity to make a difference and in so doing we further extend social institutions in time and space. This is achieved not passively but actively. With global communications and global culture, social institutions have become increasingly globalized and the individual increasingly translates the day-to-day in terms of the global. The anthropologist, Jonathan Friedman, refers to this broadly as “transformations of being-in-the-world and global process” (1990, pp. 323–327). Institutionalization becomes globalization, in effect.

I have argued elsewhere that as society has moved from the traditional to the modern the forms of social organization have become increasingly subject to a frame of meaning that has moved from the particularistic to the universalistic (Spybey, 1984). The points of orientation for social organization have changed and this has been reflected in the way in which human agents reproduce the form. Through access to electronic communications of many kinds, the channels of communication have become a global communication system. Through a new international division of labour involving geographically extended production lines, economy has become global economy and the trans-national corporation, the archetypal form of economic organization. However, these are referred to as *trans-national* corporations precisely because they have the facility to transcend geo-political entities which remain organized as nation-states in a global nation-state system. Connected with this are the concepts of world order (involving a global military order and balance of power) and environmentalism (involving concern for the future of the planet and species). This is the contemporary nature of the connection between the individual human agent and social institutions in a rolling process of translation, the reproduction of society.

When Organization Travels: On Intercultural Translation

Richard Rottenburg

Prologue

When I was travelling up the Nile from Kosti to Juba in 1976, a journey which then took fourteen days, for me it was a journey to the heart of Africa. I would never have hit on the idea of becoming in the slightest interested in the organization of the shipping company. What did impress me on the boat was the captain's mysterious ability to travel at night without headlights or radar, guided only by the light of the stars. For the rest, I was concerned with the world views of the people of southern Sudan, and I looked for these in the hinterland, as far away as possible from the transport arteries of a country that was far off the beaten track itself.

If someone were to announce these days that he or she was travelling to Africa with this kind of motivation, they would lose credibility and I would be sceptical too. Nevertheless, thanks to this attitude, I ended up with the Lemwareng (as the Moro-Nuba of Southern Kordofan call themselves) in 1979, where I lived for three years, learning things that have since become more important to me than any other experience.

In the meantime, civil war is again raging in southern Sudan, so that the almost forty years of the post-colonial epoch have known only twelve years of peace (1971–1983).¹ Whatever individual explanations we may offer, in the end we must conclude that the Sudanese have become fatally entangled in the economic and socio-political order which they have built up since colonial times. At the core of this order stands bureaucracy and the model of formal organization.

My first ethnographic works on the Lemwareng (with a few exceptions that are irrelevant here) were formulated on the basis of a concept of culture that might be summed up as a post-modern celebration of a carnevalesque arena of diversity. I attempted to stylize the Lemwareng as virtuosos of accretion (Rottenburg, 1989; 1991). Now, in view of the present situation

¹ See Africa Watch (1991); Amnesty International (1993); Moszynski (1993); Deng (1994); Ryle (1994); Gruiters and Tresoldi (1994).

in the Sudan, no other interpretation could appear more cynical. I therefore cannot stop asking myself what went wrong with the patchwork.

If my understanding of the present debates in and around anthropology is not completely mistaken, an additional remark is required here. Although the worldviews of small, face-to-face societies living at some distance from the "big events" of this world are no more "noble" or "authentic" than those of regions where social exchange is more dramatic, they can at times simply have a more captivating effect on those concerned with cultural critique. And this is unlikely to change in the future either, despite certain demands of political correctness. A person who only questions his or her own world view in places where the relevant processes of globalization and cultural syncretism are taking place, will in the end get just as distorted a picture as a person who seeks his/her inspiration only with the people of the eternal past, out in the remote hinterland. Just as we construct an exotic Arcadia if we overlook the interrelations with global processes, we also make a false assessment of global processes if we do not move to the sidelines occasionally.

Perhaps since Malinowski this move to the remote sidelines and alterity enabled anthropologists to adopt what Lévi-Strauss coined as the *regard éloigné* to practice cultural critique. As far as I can see, this will continue to be the main business of anthropology for some time to come – albeit with some sensitive changes and additions. One of these changes is attempted here. In this essay I want to try out one possible route of recapturing the *regard éloigné* by linking it to the present debate on constructing alterity in post-colonial anthropology: I shall look into processes of cultural translation and accretion, i. e. into processes where otherness is not part of the anthropological discourse but already part of the actors' discourse. Furthermore, I shall concentrate on a field usually ignored by anthropology: the translation of modern organization as the citadel of western cultures.

Mimetic Organizational Isomorphism

It is possible to roughly predict the administrative structures of peripheral nations without any detailed knowledge of the respective society or culture. For example, a certain difference might be noted between two African countries, specifically between their bureaucratic systems and the administrative styles cultivated within them. One would not be going far astray if one initially linked this difference to the former colonial powers – as in the case of the *linguae francae*.

The import of western artifacts, ideas and models has, of course, not come to an end with the liberation from colonial rule. Even Tanzania's

post-colonial Ujamaa system, which has often been called an authentic expression of African tradition, was not only influenced by European socialism, it was actually engineered under the guidance of a western management consultancy (Max, 1991, p. 84). However, the fact that the model of formal organization has spread all over the world also leads us to a second, apparently equally self-evident observation: the structures modelled on those of the western, usually the ex-colonial powers, function totally differently in practice.

Take the example of a middle-class citizen of Dar Es Salaam whose water supply has been cut off by accident – or in an attempt to extort a bribe – and who would like to have it re-connected. Not having received any reply from the responsible authority several weeks after reporting the fault, there will be no doubt in his mind about the difference between the model and practice alluded to here. Another example: the same city's biggest hospital has been in arrears with its water bills for several months. Since it is considered immoral to cut off the water supply, the responsible ministry disconnects the hospital's telephone instead. Whichever way you look at it, it is obvious that there are some unpleasantly practical and tangible issues involved here. This assessment is confirmed by entrepreneurs in most African countries who, for instance, need electricity to operate their expensive machines at an economic level. Yet many African state power-generating companies only supply electricity sporadically and are not even able to say in advance when the next power cut will be (a good ethnographic example is found in Streck, 1995). Not only Coca-Cola and beer breweries have their own water and electricity supply, every large company tries to be as independent as possible from the services provided by the state.

It is a frequently made observation that peripheral nations are far more similar in their administrative and organizational patterns to the industrialized nations of the west than any comparison of the economic, political and the socio-cultural structures would lead one to expect. Peripheral cultures are generally considered more isomorphic than those of the more powerful centres. For the purposes of this essay, "isomorphic" primarily means that the forms of organization resemble each other in a way and to an extent that cannot be deduced from the mechanisms of market competition and related efforts to raise efficiency. The exemplary forms are the types of organization that are presumably used in the "First World" in comparable situations (Hirschman, 1967).

DiMaggio and Powell submitted the first explicit observations on the phenomenon of organizational isomorphism. Concentrating exclusively on the western world – where, as it is usually assumed, the bureaucratic rationalization of society as an aspect of differentiation has been more intensive and extensive than elsewhere – they demonstrate that today models of formal organization are spreading without necessarily raising efficiency.

In their analysis, DiMaggio and Powell (1983) distinguish between three mechanisms by which organizations increasingly grow to resemble each other. If, for example, the state introduces or changes certain regulations (e. g. labour laws, environmental protection stipulations, subsidy policies, etc.), the organizations affected will have to adapt. In this case *coercive isomorphism* is taking place. This category also includes adjustments to expectations from society at large which, at least to begin with, are not always laid down by the law (like for example the notion of what may be decided democratically and what may be ordered by the boss, the admission or exclusion of females from certain jobs, or the admission of homosexuals to the army).

For this reason, the distinction between this mechanism and *normative isomorphism*, which according to DiMaggio and Powell results from the professionalization of the *organization field*, seems rather artificial. The actors are socialized within certain notional worlds in their professions and subsequently spread these ideas in their organizations. Both coercive and normative isomorphism mean that the environment that is relevant for an organization defines certain expectations which the organization cannot disappoint if it is to survive in the long term. Reduced to this common denominator, however, there is nothing particularly original about the idea of organizational isomorphism.

However, the authors have also observed a so-called *mimetic isomorphism* which is more interesting for my purpose. What is meant here is that organizations operating in a field full of ambiguity and nothing but unreliable, incalculable factors, take their orientation from a model which is successful from their perspective. The two American sociologists also speak of *modelling* to describe this imitation of an apparently successful player.

With this essay I propose analysing the transformation processes in the sphere of the formal organization of African society under the paradigm of mimetic isomorphism. I shall not go into more detail on the aspects of coercive isomorphism in the form of the standards prescribed by global macro-actors like the World Bank and the International Monetary Fund, as well as smaller lenders and other political actors. I only mention them here because they are an important piece of background against which the processes described might appear more plausible. As an explanation, however, they do not suffice. Similarly, and for the same reasons, I do not study normative isomorphism in greater detail either. This type of isomorphism already ensues, for example, from the western training of managers, to mention only the most obvious aspect. What predominantly interests me is mimetic isomorphism, an orientation towards images from the First World, which are presented by all parties as contextually independent, infallible models.

In my argument I expand upon the paradigm as presented by DiMaggio and Powell in two ways: first, I try it out outside of the western world, and second, I relate it to the model of formal organization itself, and not to a selected aspect of organizing. The two authors had touched upon this possibility, but then lost sight of it as a result of their comforting choice of Japan as their non-western example. In their portrayal, the imperial Japan of the late 19th century appears to be a perfect example of their mimetic isomorphism. Japanese experts travelled to the western world to select the best models of social modernization based on formal organization – such as the military, police, courts, banks, schools, etc. – and to combine them in the best possible way for Japan (DiMaggio and Powell, 1983). However, the same process looks quite different from the African point of view.

This difference needs to be considered in any generalizing statement on mimetic isomorphism. Otherwise the impression is gained that the Japanese import of western models, like any other transfer of new and foreign ideas and artefacts, is simply an intentional and rational attempt at picking up a few clever tips from identified models. In this line of reasoning, the main issue remains unresolved: how does an image become a model that others imitate and translate into action in the first place. Unless it falls from the sky, an image becomes a model by being imitated, i. e. it is created by its imitators. An analysis of mimetic isomorphism can therefore hardly start from a given model. It must rather pursue the question of how the model is constructed in the course of its imitation.

When the organizations of a field increasingly resemble a model, in the end resembling each other, this makes them appear more modern and rational. In the course of this process they initially and above all alter their outer appearance, their standing, irrespective of what is otherwise sought or achieved. The main and prior goal here is increasing acceptance and legitimacy. Raising efficiency is something derived, even if it is considered to be the ultimate goal. This way of looking at organizational isomorphism means, however, that the *surface* or the *façade* is being rehabilitated following its modernistic denunciation. *Saving face*, an attitude which modernists like to ascribe to “irrational” individuals and “pre-modern” societies, re-appears as something important and, in a sense, reasonable. Honour and shame are now discovered – of all places – where cool economic rationality was expected.

The issue is more complex, though, since the ideal face of modernity indeed corresponds to function. Imitating *modernistic organizational faces* accordingly means imitating the supremacy of functionalistic organizational forms. The switch from, on the one hand, explaining organizational isomorphism by straightforwardly referring to the economic success of models to, on the other hand, explaining it with reference to a discourse of legitimacy, meaning and aesthetics may thus appear minute, if not insignificant. In the

end, one might critically remark, the result is the same anyway. However, the difference, even if minute and only referring to the process and its motives and not to the result, is fundamental, as I shall try to demonstrate. Under the paradigm of mimetic isomorphism, formal organization is presented as a model which, like other models and images, is constructed and spreads through imitation.

Now that this door has been opened, astonishment at what comes to light should not tempt us to close it again. At any rate, it is not enough to carry on regardless, still applying the familiar patterns of sociological explanation. Presumably, purposeful and reflexive imitation is quite a common phenomenon. Actors who do not fully understand their positions will naturally take orientation from someone else who is near at hand and creates a secure and successful impression. But in the end, it is always a matter of a more fundamental form of appropriation of the new and the unknown, a preliminary step, so to speak. For how else is the decision made on which image is to become the model if not by imitation? Or does anybody really believe that the present worldwide craze of "privatization" is based on a verifiable superiority of the model? The choice and designing of a model can only be the consequence and not the precondition of imitations and translations. It is not only because of the circularity of the argument that it is impossible to reduce the isomorphism of organizations to the purposive imitation of ostensibly given models. DiMaggio and Powell (1983) themselves hint at this when they speak of a "universality of mimetic processes." However, they break off here by reducing mimesis to a strategy for the avoidance of uncertainty.

By selecting a public sector enterprise from West Africa instead of from Japan, I had a better opportunity to see that mimesis is sometimes fundamentally different from a well-thought-out orientation towards an example or model. The modelling of the Lake Transport Company which I shall use as a case in point does not lead to a reduction of uncertainty, but to an increase, and business success fails to materialize too. The actors continue mimetic isomorphism as though totally unmoved by this.

Czarniawska and Joerges speak in a comparable context of a "magic attraction" and agree with Sahlin-Andersson when she describes Sweden's large-scale projects as the "totem" of a certain fashionable wave of organizational design. In other words, they assume that the actors experience the images as being equipped with power, and that this is why they exert such an attraction on them. In this essay, however, I cannot make this peculiar attraction the direct subject of my study. Rather, I have to start with a preceding question: how is mimetic isomorphism related to the politico-cultural translation of globally circulating ideas and artifacts into local political arenas?

In the next section (The Story of the Lake Transport Company) I present a preliminary version of my case. In doing so I shall follow the state of the art in organizational studies relating to what used to be called the "Third World." Following a discussion of an exemplary text by Larissa Lomnitz in the third section (Established Explanations), I advocate making formal organization structures an object of anthropological observation, thus removing them from the sphere of an ostensibly unquestioned rationality. In the fourth section (A Fresh Vocabulary) I then critically extend the crucial point made by John Meyer (that organizational survival is the result of skilful institutionalization in the sense of embeddedness) and the point made by DiMaggio and Powell (that mimetic isomorphism is the clever imitation of a given model). I justify these extensions above all with the assistance of Callon and Latour's *translation model* (who borrowed it from Michel Serres), their concept of *obligatory passage point* and with the reference to the heterogeneity of culture. From the viewpoint thus established, organizational mimetic isomorphism proves to be a process of politico-cultural construction of an obligatory passage point and a macro-actor. In section five I use this interpretative pattern to retell the story of the Lake Transport Company. In the final section (Façades/Practices) I attempt an outlook on how to conceive organizational change by drawing a sharper distinction between legitimacy discourses and practice.

The Story of the Lake Transport Company

When I came to the West African Lake Transport Company in the summer of 1992, there was one dominant subject of conversation within the company.² Everyone was saying that not enough freight business was being attracted to cover costs. Of course, the attributions of blame heard in the course of these discussions varied greatly according to the speaker's perspective and context. I shall only mention the most important ones here. Some people said the marketing department was responsible, because they were not aggressive enough in their dealings with customers. Others maintained it was the transport department, who were unreliable and thus drove customers away. Then the management was to blame for everything, because they cared more about lining their own pockets than for working for the company. Another complaint was that the lower income members of staff stole so much that the company was bleeding to death. The easiest

² I spent six weeks within the company, where I collected the material presented here by way of participating observation, interviews and the study of files. I spent two further weeks in the country in order to get a better idea of the relevant economic sector and the company's political and economic environment.

way to achieve a consensus was of course to blame the decline in business on the government, who supposedly gave preferential treatment to road transport through their tax and infrastructure policy, so that inland waterway transport was bound to fail. Another popular theme was that the Levantine businessmen who dominated road transport gave bribes to the mainly public-sector customers.

A second *leitmotiv* came up again and again in many conversations on these issues. A few years ago, there was apparently a bitter conflict between the workforce and the management. I heard reports from all sides about an ominous *nucleus* of staff, who were supposedly still active. Some mentioned a death in this context, which they described as a mysterious result of the conflicts at the company. The general tenor was that I could not understand the present debates and conflicts because I was not familiar with this story. So I attempted to find out about it as best I could.

In 1966, the biggest river in the West African country was dammed close to its sea estuary, forming a lake four hundred kilometres long. While the main purpose of this gigantic project was to generate hydroelectric power, it became necessary to provide ferry links between the east-west roads that had been cut by the new lake. This also created an opportunity to transport bulk goods (such as fertilizers, cement, fuel, cotton seeds, etc.) between the north and south of the country by ship, especially since neither stable roads nor railway lines were available.

In 1970, the River Authority responsible for the hydroelectric power station and the development of the lake area formed the Lake Transport Company in collaboration with a private European firm. The European partner withdrew by 1976, because various state regulations apparently made profitable business operations impossible. Three years after the European managers had left, the ships were out of service and the firm's survival was hanging by a thread. In 1979, the parent company felt obliged to initiate the dissolution of the company and the dismissal of all the staff.

The government sought foreign assistance, and at the last moment found a source of credit, a western bank that was not involved in the dam project, so that it saw this as an opportunity to demonstrate its presence in the organization field of development agencies. A so-called rehabilitation programme was launched in 1980 to repair the old ships, buy new pusher tugs and lighters, and completely reorganize the company with the help of European experts. The plan also involved a merger with the previously independent lake ferry service and the parent company's department of navigational safety.

The combination of the business crisis, the merger and the externally directed restructuring led to a series of events at Lake Transport that further deepened the mutual distrust of the people concerned.

A particularly precarious aspect was the fact that a new formal hierarchy was set up with the help of the foreign advisers. This meant that the established informal coalitions lost their importance, at least for a while. For example, career prospects cultivated over years became obsolete overnight. The most delicate situations cropped up wherever someone new was brought in from outside and put in charge of a long-serving employee. The new managing director came from the parent company, which also had the last word on the Board of Directors. At that time there were four managerial positions on the second level of management, and none of them were filled with long-serving employees. The only old candidate ended up one level lower, because the new applicant had political connections, as the story goes.

As a result of these interferences in the social framework of the company, competition between staff belonging to the three original firms soon lost its significance. It was eclipsed by antagonism between old and new. In order to discredit the new people, who bore the most responsibility together with their "collaborationists," who were also soon on the scene, the old staff even went so far as to sabotage equipment. Rags were stuffed into motors and electric cables severed in inaccessible places; major jobs remained undone for weeks and months until the new man was on holiday – then the job was done in record time.

In addition, a grievance that had been irritating everyone since the company was formed in 1970 but which most people had almost grown accustomed to, resurfaced as a result of the hiring of outsiders to top management positions. The management of Lake Transport resided in the parent company's ostentatious building in the distant capital. Even the part of the administration that was located at the southern end of the lake had its offices not at the harbour, but in the nearest town about ten kilometres away. Hence, the management and higher employees were even geographically separated from the commercial and shipping staff. In the harbour and on the river, this topography was a source of additional ill-humour in addition to the merger and reorganization.

The staff accused management of indifference, blamed them for the continuing crisis and seemed to be increasingly determined to take things into their own hands. The solidarity that grew in this context transformed the polarization between old and new into a confrontation between "us" and "them." To use the dominant legitimacy idiom of the complex society, the *patron-client relations* had come apart at the seams and needed to be renegotiated.

In late 1984 and early 1985, the mood seems to have hit rock bottom. There had been a long-standing agreement between Lake Transport and the hospital in the town at the southern end of the lake, according to which the hospital gave free out-patient and in-patient treatment to all Lake

Transport staff and their family members and subsequently sent the bills to the firm. Because Lake Transport stopped paying these bills sometime in 1984, the hospital no longer felt bound by the arrangement and started demanding cash in advance from employees. Then the firm stopped paying its employer's share of a pension fund for the employees. The result in early 1985 was that Lake Transport had to pay a heavy fine, which was an additional burden on the still ailing balance sheet.

The next scandal involved the embezzlement of company resources by higher employees – at least this was the version told by a few people who felt cheated. The company treasurer, to whom the ships' captains handed over the cash receipts from tickets and cargo, is supposed to have disappeared with a large sum of money. Yet for practical reasons alone, the story cannot have been that simple, because cash is regularly deposited at the bank precisely to avoid large sums accumulating. For this reason, a different version is considered more plausible by the Board of Directors: a coalition between the people who handle the cash receipts – in particular ticket sellers, inspectors, captains and finance department staff – must have been conspiring to embezzle company revenue over a long period. Because the new structures being set up in the finance department would sooner or later have led to the discovery of the fraud, the only option left in early 1985 was to have one member of the coalition run off as a front man and take the blame for the total loss. According to this version, the people who in retrospect were interpreting the case as further proof of management corruption, were not loyal, simple members of staff, but themselves members of the suspected coalition acting out their plan.

Against the background of the financial and technical difficulties at Lake Transport, the complications caused by the merger and the interpretation of the above-mentioned crises and scandals as a consequence of management corruption and incompetence, the workforce staged an occupation of the company and locked out the management. This took place in May 1985 under the leadership of the company revolutionary committee. The government feared that the rehabilitation and expansion project that had already been launched might be interrupted if the western lenders were to learn too much about the revolt. So they did their best to ensure that "orderly conditions" returned as soon as possible.

The occupation of the company was ended by the government. They took the workforce's complaints about management corruption literally and promised a new and competent management. The political actors pretended on the surface to know nothing about the existence of clientele coalitions or how they worked; they also denied knowledge of their indisputable legitimacy. Subsequently one manager returned to the parent company, another one handed in his notice, and a third, a former military man from the navy, was transferred to a special post.

However, before the committee of inquiry was able to announce its solution, the tragedy took place about which I had been informed so cryptically. The fourth manager, the General Service Manager, died in a car crash on his way from the southern harbour to the capital; one of his children also died, and the rest of his family were taken to hospital with serious injuries. Today, there are many versions circulating in the company to explain this sad occurrence; all of them assume that it cannot have been a coincidence. Among managers, one frequently hears that the workers had driven the colleague to his death by magic or psychological terror. Those who sympathize with the occupiers point to God, who had dispensed retributive justice.

Of the four managers of the company, the man who died had been at Lake Transport the longest, and he knew conditions at the company better than anyone. The claim made by the former occupiers that he had been responsible for some shady dealings himself is not seriously doubted by anyone. In addition to the above-mentioned disappearance of a large sum of money, there was apparently a story about the misuse of some trucks for which he was responsible. The man's clientele within the company must have felt betrayed when the rumour went about that he had exposed irregularities at the committee of inquiry, in order to divert attention from his own role. Some of the former occupiers today admit that they threatened the General Service Manager in the ensuing weeks. Their wives reviled and jostled his wife, who like the others worked as a trader at the market, and his children were victimized at school.

However, what appears as treachery in the legitimacy idiom of clientelism, appears as the proper statement of a witness in the idiom of formal organization. The report of the manager who later had the fatal accident apparently revealed the "true" purpose of the attempted revolutionary renewal of the company structure: it was to save established coalitions from being destroyed by the restructuring of the company and to put the blame for any cases of corruption that were revealed during this operation on a few old patrons.

According to the logic of the formal structure, a "new beginning" was possible at the end of 1985, and evidently everyone acted as though it had always been their aim to create "clean conditions." As a first step, a new Managing Director arrived in January 1986, and one of the most important criteria for his selection by the parent company and the country's political leadership was evidently that he should have the diplomatic skills required to win back the workforce and encourage them to identify with the company. Under his direction, the four vacant posts, as well as two newly created posts on the second level of management, were filled during 1986 – again with managers from outside the company.

Under the new management, and with the help of the expatriate experts – who were still there to rehabilitate the fleet, build up workshop facilities,

train technicians and restructure the company – Lake Transport was able to survive up to the days of my visit in 1992. However, as I have already mentioned, the company was performing poorly and the permanent problem was the small amount of cargo it could attract. The new and expensive facilities were continuously underused and could therefore not be run profitably. The whole investment by the foreign development bank thus became questionable and the entire organizational set-up doubtful.

To sum up: the informal arrangements of everyday practice that had evolved since the formation of the company in 1970 aimed above all at coming to terms with the model of formal organization. Asymmetrical relations created by the formal hierarchy were defined according to the valid ethos as *patron-client relations*. The reverse side of this appropriation consisted in using tactical positions of the formal hierarchy as the hardest currency in patron-client exchange. The company crises, the first in 1979 and the second in 1985, but also the notoriously poor performance of the company were at least partially consequences of this form of appropriation.

Told in this manner, the story of the Lake Transport seems to confirm the established explanations of the malfunctioning of formal organizations in the former Third World.

Established Explanations

Formal Systems and Informal Networks

The contradiction between the broad distribution and popularity of a particular organization model on the one hand, and its manifest ineffectiveness in many parts of the world on the other, is the point of departure for Larissa Lomnitz's article "Informal Exchange Networks in Formal Systems" (1988). In this chapter I shall use her excellent text to briefly summarize what can be considered the state of the art.

Lomnitz, a Mexican anthropologist, sketches a sequence of events that is set in motion in many non-western societies by the fact that (firstly) the objectives and structures of formal organization run counter to historical and socio-cultural realities in these societies. This (secondly) makes the organizations themselves ineffective, which induces people (thirdly) to satisfy their needs by helping themselves in ways that are illegal according to the rules of the system. This, of course, makes the formal organization even more inefficient and further boosts the importance of informal exchange. She concludes: "The degree of formality and the inability of the formal system to satisfy societal needs give rise to informal solutions" (1988, p. 54).

This line of reasoning is open to question. What "societal needs" are cannot be stated in advance of the analysis as an Archimedean point and

cannot therefore be used to explain actions either. It also seems unfounded to equate the distinction between formal and informal ways of doing something with the difference between "rational" and "socio-culturally embedded."

Lomnitz is endeavouring to move the debate on informal networks out of the periphery of complex societies (Eisenstadt, 1961) into their centre. She would like to prove that it is not a matter of separate spheres, but different dimensions which are not only to be found in the countryside or the urban slums, but also within the administrative machinery of the modern sector in complex societies. Her examples come from Chile, Mexico and Georgia.

However, while the Mexican anthropologist is concerned with informal networks in formal systems, I suggest turning the question around and asking: what are the conditions governing the emergence of formal organization systems in the context of informal networks? And then more particularly: what role do new ideas and artefacts play in this process? Ideas and artefacts floating around in a global discourse that are picked up by certain actors to be translated into their local context. Is formal organization one of these ideas and artefacts? But first I shall look into the established pattern of explaining informal relations.

Bureaucracy and Gift Exchange

Following the framework of institutional analysis (in the tradition of Marcel Mauss and Karl Polanyi), Lomnitz looks mainly at exchange relations. Her paradigmatic transactions take place between partners who consider their dealings to be based on mutuality, i. e. to be legitimated by the norm of generalized reciprocity or by an "ideology of kinship and friendship," as she puts it. On this basis people engage in what in anthropological parlance is called gift exchange. In accordance with the classical tripartite model she moves on to redistributive exchange and market exchange.

Like most of her predecessors she overlooks one crucial aspect of reciprocity. When people believe their dealings to be based on generalized reciprocity and relate this to an ideology of kinship, it does not mean that the partners of these dealings actually are equals exchanging equal values. It is rather the other way round: in societies that praise generalized reciprocity, people have an indisputable right to be different and to be treated differently. This basic right is established mainly outside and prior to the exchange and relates to aspects like gender, seniority, descent, and social status. Bureaucracy and market society are challenging this right to be different.

For Lomnitz the point of departure is the exchange of *favores* between members of the middle classes in Chile and Mexico. These favours always

consist in the donor bringing his or her influence with the formal system into play to illegally set aside a scarce resource. The recipient may not respond immediately with a *quid pro quo*, and certainly not with money. Such behaviour would destroy the symbolic content of gift exchange. This content consists in the mutual trust in the reliability of the respective partner to bindingly profess his or her allegiance to the system of mutual assistance, not for the sake of a short-term advantage, the assessment of which might change radically from one moment to the next, but on the basis of an ethic of reciprocity in the sense of a holy duty. In essence, it is a matter of the *confianza* (trust) one is most likely to expect from close family relatives.

If a person does not have the right connections to get hold of a desired object that is inaccessible by legal means, he or she can use a friend as an intermediary who enjoys a relationship of trust with the distributor of the resource. The entire society is crisscrossed in this way with networks established through relations between individuals which are made to resemble kinship relations. Gift exchange thus fills in the gaps of modern society, like grass that spreads between flagstones.

The donor of a gift, however, is involved in a conflict of loyalties, since the setting aside of resources for a friend means breaking the rules of the formal system, as in the case of the director of a telephone company who has a phone installed for a friend who would otherwise have been on the waiting list for two years. The practice of allocating telephone lines, like any other practice, requires a *representational mode*, a theoretical construct defining how things should be in a specific field.³ This model has two different tasks in the present case.

On the one hand, it is supposed to make the practice of allocating telephones look like the implementation of a plan that is rationally oriented towards the principle of efficiency. On the other hand, it is supposed to make practice look fair and legitimate in the eyes of as many people as possible. From the point of view of the telephone company, which has been commissioned by the society to supply people with telecommunications, the representational model consists, among other things, of the waiting list with its fixed set of special regulations (e. g. priority for fire-fighters, policemen, doctors, etc.). But many people consider another representational model of practice to be equally important. It points to family and group solidarity, *noblesse oblige* and chivalry. These are justification patterns for practice which are quite differently, but for this reason no less closely geared to the public interest and therefore appear legitimate and meaningful precisely for this reason.

³ Holy and Stuchlik (1983) distinguish between action (the real activity), action model (which states how something can be achieved in a specific situation in everyday routine) and representational model (as the most abstract notional level).

Hence, the problem lies in how the actors handle the tension between bureaucratic allocation and their obligations towards friends and relations, how – to use Weberian terminology – they mediate between *formal and material rationality* (Weber, 1973, p. 437). We learn that in South America it is usually a skilful balancing act between what I should like to call two *legitimacy discourses*.

On the one hand, a legitimacy discourse is built up that makes practice appear reasonable and moral, as long as the ethos of *confianza* is confirmed in countless exchange events. However, people will, if need be, act contrary to this ethos if it appears opportune to do so in a certain situation. Yet the actors will continue to profess allegiance to the ideal despite this – or precisely for this reason. They will often justify their deviating behaviour by saying that they had no choice under the circumstances and will endeavour to put things right later. In other words, this representational model does not begin to crumble or become obsolete as a result of being repeatedly exposed as unrealistic by the *action model* (the recipe for situation-related routine action) and concrete practice.

On the other hand, a legitimacy discourse is built up according to the same pattern which makes practice appear reasonable and ethically correct if the principles of efficiency and the bureaucratic demand for symmetry (treating all cases equally) are respected. Virtually any particular action that appears rational and legitimate in the light of one discourse can be delegitimated by relating it to the other one, and vice versa. Consequently, successful situational manoeuvring means alternating from one discourse to the other at the right moment. For the purpose of analysis, therefore, it is important to have detailed knowledge of the relationship between practice and the two diverging legitimacy discourses, as well as the switching by actors between discourses. The above-mentioned and several other examples are interpreted by Lomnitz as though ethos and rationality were diametrical opposites. I argue, by contrast, that both discourses contain ethical and rational dimensions and both can equally be used tactically by the actors.

Nonetheless, societies, social contexts and development phases evidently differ in the way the individual discourses are expressed, in the possible transitions between and accretions of the discourses, and in the links with practice. Some of Lomnitz's examples show that growing social distance between actors has an effect in this sense. Many exchanges of assistance that were previously explained using the rules of reciprocity, mutate in this way to become exchanges that are justified by the market rules according to which a service is available for money. At the same time, an increase in social distance can also lead to the emergence of patron-client relations containing a special kind of reciprocity that Lomnitz calls "asymmetric" (in Polanyi's well-known terminology: redistributive exchange).

Bureaucracy and Patronage

Whenever a member of an informal network is promoted within the formal system, it becomes difficult for the exchange partners to reciprocate the contributions of this member in the same currency and with the same amounts. Furthermore, the promoted person is more likely to be interested in loyalty, which he or she can best build up by leaving his/her exchange partners in the "shadow of indebtedness" (Gouldner). A patron-client relationship starts to develop in this way. One side, the patron, offers access to sought-after positions or contracts, political protection or help in times of need. The other, the clientele, reciprocates with personal loyalty, especially in political and ideological matters, with small services and information from areas that are no longer accessible to the patron because of his/her elevated position, but on which he/she is particularly dependent.

An apt example is the university graduates of a certain year who graduated from the same department or studied together a long way from home, say in Leipzig or Manchester. In the "developing countries," where this kind of elite is still small, the members of such an "old boys' club" (it really is nearly always boys, after all) are more likely to pervade a considerable part of the civil service and the big state enterprises than elsewhere and can normally use their network to assert themselves successfully. The awareness of being dependent on such connections alone is enough to make a person stick to the rules. As soon as a member of the group succeeds in attaining a higher position, for example that of a director at the tax office, he, or more rarely she becomes the patron of a network of former fellow students, which in turn increases the power of the network.

The Mexican anthropologist emphasizes the subversive character of such arrangements. It can be argued, however, that such arrangements do not necessarily undermine or change formal organizations and their hierarchies into something else but rather tame and reduced them to a humane measure. Networks make it impossible for individuals or alliances to exploit the hierarchy at will for their own advantage. The effect of this kind of appropriation can be seen as a special form of "democratic" control of the bureaucratic machinery. Seen from the opposite point of view, it is the bureaucratic machinery that creates the conditions in which patronage can flourish. Patronage and networks would otherwise be redundant or at least would be something else.

With a reference to Ronald Dore (1984), who writes about informal relations in the Japanese economy, Lomnitz expands her argument in a direction which the reader had probably already been expecting. Everywhere, not only in the so-called Third World, formal relations between certain role-bearers are only one dimension of an extensive bundle of human relations between people. In every society, behind the decisions of administrations, organizations and enterprises, there often lie reasons that are

hardly ever mentioned officially, even though everybody knows about them (Lomnitz, 1988, p. 49). These reasons are connected with cultural issues such as loyalty, keeping face, conscience, ambition, jealousy, envy, machismo and, not least, fashion, and seem foreign to the legitimacy discourse of formal organizations.

The road on which the two discourses can meet and also be officially linked is very narrow, however, at least in the western market economy. Essentially, it is a matter of the passion for the cool selection of the best means to pursue certain interests which are considered to be in accordance with the common good.⁴ There is no other representational justification for organizational decisions available but this form of "passionate" objectivity (*Sachlichkeit*). Whatever the reasons for making a decision may have been, what will subsequently be announced will always be something like: "... because it has been proved that the means chosen are demonstrably the best for the given purpose." Any other outward representation would reveal the coincidences and uncertainties of decision-making. This would in turn undermine the legitimacy of the procedure and allow the players to see how thin the ice is on which they are walking.⁵

The question is, therefore, why, in the case of Japan, do we hear so much about the supposedly outstanding effectiveness of informal relations compared to the bureaucratic model? And why, on the other hand, are informal relations predominantly seen as strategies of subversion when they occur in South America, Asia and Africa?

Theoretically, both tendencies must exist everywhere, since each society contains the two corresponding legitimacy discourses. However, this does not clear the problem out of the way, as a simple observation by Victor Ayeni (1987) shows. Like other countries, Nigeria has a government agency for the control of the state bureaucracy, to which citizens can turn if they feel their rights have been infringed by the state. However, the Nigerian Public Complaints Commission has developed into a monolithic bureaucracy itself and systematically undermines the official reason for its own existence. In the corresponding agency in Canada, a handful of employees process several thousand cases a year, whereas in Nigeria 1,800 employees are needed to deal with a third to a quarter of this number. Ayeni concludes with the laconic remark: "This is certainly ridiculous" (Ayeni, 1987, pp. 314-317).⁶

⁴ On the question of passion for the cool rationality of formal organizations, cf. Hirschmann (1977) and Albrow (1992).

⁵ The fact that in post-modern conditions it can perhaps be decisive to communicate precisely the uncertainties of decision-making is an issue I can ignore here without loss for my argument.

⁶ In 1988 the *International Political Science Review* had a special issue on bureaucracy where further instructive examples can be found, see especially Olowu (1988) and Rohr (1988).

Within the paradigm offered by Lomnitz, one cannot go further than the cultural-relativistic and cultural-deterministic statement that some cultures spawn informal relations that support the rational, formal system, and others, by contrast, bring forth informal relations that work in the opposite direction. While the issue at the beginning of her text was that "culturally determined loyalties to kin and local groups" (Lomnitz, 1988, p. 42) run counter to bureaucratic rationality and cause inefficiency, at the end we find ourselves confronted with the opposite conclusion where Japan is concerned. There, it seems, primary relations strengthen organizations built on formal rationality.

Lomnitz understands the formal system of society as something rational in itself and legitimate simply for this reason, without reference to political and cultural processes. By assuming that when the formal system fails, the actors tactically resort to informal relation patterns from the sphere of the reciprocity ethic she creates the impression that only this frame of reference is politically and culturally constructed. As a result, she logically only endeavours to explain this part of the story, while omitting the rest from analysis, along with natural and technological aspects. She takes it for granted that the flagstones do not need to be explained, only the grass in-between. Although probably contrary to her good intentions, the end result is that the western world emerges as the normal case, while all other civilizations are apparently just trundling along in a deficient mode.⁷

Coming back to my case, we cannot understand it by relying on the state of the art. The story of Lake Transport, but also the material supplied by Lomnitz, suggest a different interpretation. Hierarchies are padded out with patron-client relations not because something or other is not working properly, but because asymmetries in the social exchange only appear to be acceptable under the guise of protection and loyalty between people. And if the reciprocity ethos among people who perceive themselves as belonging to the same "community of brothers" still holds sway in situations where, from a western perspective, transactions ought to be carried out according to quite different rules, then this primarily points to certain social obligations being regarded as *holy* – as Lomnitz herself says. They cannot be neglected without considerable negative consequences.

The reciprocity ethos is only a representational model, though. There is always enough scope in practice for people to see to their own advantage. Perhaps the most important way to seek gain is by disputing the definition of a given situation: is it a case for reciprocal, redistributive or market exchange? Cases where all parties to an exchange agree on the same defini-

⁷ Dalton (1959) presented a different analysis of the various combinations between formal and informal systems in western society.

tion of their transactions are rather exceptional. The important thing here is the politics of interpretation.

Above all, however, Lomnitz leaves out one aspect that is continuously present in her material, as it is in my case study. She ignores the fact that the formal structures are built up intentionally by people. And certainly, the actors involved do not only intend to open a *discourse of equal rights and opportunities*, and to establish an effective service to the public interest. They are probably just as interested in improving their own individual lives via the positions and action opportunities of the formal system. In concrete terms, this often means strengthening their role in the informal network via a role in the formal system. For this they need and want the formal system. It is not so much a matter of two separate worlds as of two types of discourse which are continually intersecting and traversing each other: one cannot exist without the other and vice versa.

In an outstandingly well-researched analysis on the appropriation of rural development projects in the Sudan, Kurt Beck (1990) goes beyond the usual dichotomy of formal and informal relations. He emphasizes how during the process which he calls "tribal appropriation" not only the appropriated object, but also the actors are re-constructed. From this perspective, the tribe does not appear as a stable context into which something new is brought, but as a flexible construct. This construct only takes shape during the appropriation process, and this shape can easily be changed under different circumstances. Equally, the rural development project does not appear as a rational organizational instrument to achieve certain goals. It only takes shape and becomes real during and by the process of appropriation which unavoidably means transformation.

In the remaining part of this text, I should like to attempt a more detailed narrative of the relationship between the discourse of equal rights and opportunities and the discourse of the right to be different, of their various intersections and their relevance for practice. For this purpose, in the next chapter I shall first introduce a different vocabulary.

A Fresh Vocabulary

Formal Organization and Modernity

Within the overall theme of this book, the topic of this essay is the intercultural journey of the notion and practice which, despite some difficulties of definition, can be called "formal organization." In other words, I am not investigating the spread of special ways of organizing, nor the spread of ideas that can be important for organizational actions; rather, I am investigating the spread of the idea of formal organization itself.

Formal organizations are deliberately not conceived as autonomous, monolithic corporate groups or systems that are self-explanatory or can be understood through their objectives. Without wishing to dispute any value of such a viewpoint – especially, since it is unavoidable within the limits of judicial discourse – I follow those who prefer to speak of *fragile, complex constructs* which are loosely composed of more or less institutionalized action and interpretation patterns, some of which contradict each other (Czarniawska-Joerges, 1992).

Considering the purpose of this essay, it seems useful to add the liberal ideology as an additional aspect to the definition of formal organization. This ideology is related to the emergence of the bourgeois society at the end of the 18th century and as such is expressed in three characteristics of formal organization: (1) unrestricted freedom of the members to enter and leave, (2) unrestricted freedom to shape structures and processes depending on the respective situational opportunity, and (3) unrestricted, free choice of purpose. Seen in this light, the topos of *formal rationalization* constitutes the core of formal organization.

Ernest Gellner (1983), in his study on nationalism and modernity, drew attention to the fact that social rationalization is based on a linking of two principles: the principle of efficiency (cool selection of the best available means for given, isolated purposes) and the principle of symmetry (treat identical cases in an identical way, maintain regularity and coherence, create and set down in writing a well-determined set of rules for action, create optimum transparency and predictability). To this I would like to add in Weberian manner that the essence of this order is a special definition of reality made possible by the principle of keeping files. Accordingly, only phenomena that correspond to filed rules and regulations are valid, real and can be used in court. In turn, each change of relevance can only be implemented in the form of files and of new, written and codified rules. Such an order is above all designed to eliminate uncertainties and specific criticism.

To a certain extent, the emphasis on formal rationalization and freedom of decision stands in contrast to the above-mentioned emphasis on the societal embeddedness of formal organization. In the one case, the aspect of institutionalization is emphasized, in the other, through freedom of decision, deinstitutionalization. It proves useful, however, to incorporate this ambiguity into the definition. On the one hand, formal organizations must be made up of institutional building blocks if people are to be expected to hold them together in the long term. On the other hand, they are designed by the actors for manipulating these building blocks and inventing new ones – otherwise they would probably not come into being in the first place. From this viewpoint, formal organizations are equally characterized

by the need for institutionalization and the possibility and intention of deinstitutionalization. They thus belong to the core repertoire of modernity.

In the next step, I shall heuristically contrast cultures in order to make visible a second important socio-structural and cultural precondition of modern formal organization.

In anthropology, *social organization* refers to the complex interconnections between *institutions* which provide social practice with a certain amount of orientation. Institutions are conceived as a kind of sediment of previous transactions and as materializations of ideas which have become indisputable and “natural”; they are taken for granted and sometimes become unnoticed. Institutions in anthropology are primarily production and ownership structures, rules of descent, succession and inheritance, family and marriage patterns, systems of age classes and neighbourhood patterns. Social organization, which has perhaps preoccupied social anthropology the most intensively and the longest, has no formally organized central agency and no formally organized enforcement staff (Fortes and Evans-Pritchard, 1940; Middleton and Tait, 1958; Sigrist, 1967).

The institutions of so-called segmentary (or “acephalous” or “stateless”) societies always simultaneously incorporate economic, legal, political, socio-structural, moral, aesthetic, religious and mythical aspects and are therefore “embedded,” to take up Karl Polanyi’s central metaphor (1944, p. 75). While a simple dichotomy of embedded/disembedded economic forms is certainly misleading, a dissimilarity does, after all, exist here. But what exactly is this difference which reveals the fundamental precondition of formal organization in modern society?

We can continue to credit Weberian modernization theory with drawing attention to this point. We can do so even if we distance ourselves from the notion of a historical one-way street to modernity because we prefer not to have historical inevitabilities. Max Weber’s central argument itself is designed around the differentiation mentioned here. According to his ideal-type construction, the pursuit of profit in the so-called tribal society is limited to trade with strangers. The basic economic principle of utility maximization appears here in its purest, most differentiated form. External morality (Weber: *Außenmoral*) applies, and the end justifies the means.⁸ The outside world thus defined is confronted by the clear-cut inner world where economic action is subordinated to the regulations of the ethic of brotherliness. Precisely this division of the social world into two is abolished in principle in the market society.

Here, in the market society, disembedding and the thematic purging of one logic from the logics of the other societal spheres respectively, relates

⁸ Elwert (1987) discusses this phenomenon from a different perspective and explains the increase in venality as a consequence of the spread of market economy.

to a universal, and thus also *internal* differentiation.⁹ We are thus talking about the *universalization* of differentiated logics that have in principle been disentangled. However, this leads in turn to their mutual *permeation* – and this is the important thing here. The fact that a rational capitalist also charges his brother interest is offset by the fact that he charges a stranger the same rate of interest as his brother. After Benjamin Nelson (1949) captured this pattern in the slogan “from tribal brotherhood to universal otherhood,” Richard Münchūch – (1984) succeeded particularly well in highlighting the difference between embedding and “permeation” (he follows Parsons in speaking of interpenetration; Rottenburg, 1994).

Accordingly, the embeddedness of economic action amounts to the ideological subordination of its aims and interests to the premises of community action. By contrast, the permeation of economic action with the logics of the other spheres should be understood as a forever temporary compromise between contrary logics involved in an insoluble conflict. Seen from this standpoint, the special social and ideological space in which modern formal organization can emerge is the zone of permeation, i. e. the ever-provisional, controversial and loose coupling of divergent types of discourse. This is the second precondition of formal organization and the cardinal difference mentioned above. Seen against the now given background, formal organization becomes visible as a characteristic project of modernity relating to the meta-narratives of progress and emancipation.

The feudal societies and other non-modern, comparably undifferentiated societies, where some rights and opportunities differ according to birth and social position, have primarily generated legitimacy discourses emphasizing above all *the ascribed right to be different* (*Sonderrechte*). Status differences and asymmetric relations are predominantly attributed to principles that lie *outside* of transactions and are looked upon by the people concerned as part of a sacred, never-changing order (gender, age and descent are the most important categories here). The legitimacy discourse of the market society, which primarily promulgates *equal rights* (*Rechtsgleichheit*), represents precisely the opposite (Ignatieff, 1984). This society attaches importance to offering all citizens the same opportunities, and the only status differences it recognizes as legitimate are those that prove to be good for business. Hence, performance becomes the status criterion par excellence; as a result, everyone *de jure* has an equal chance of attaining status.

However, this contrast must not be understood in the sense of Sir Henry Maine's famous dictum “from status to contract,” i. e. as a law of evolution. Since Meyer Fortes we can assume that both legitimacy discourses play a part in every society. The decisive factor is therefore: “What is (...) their

relative elaboration and differentiation, their relative weight and scope in different sectors of social life” (Fortes, 1969, p. 220). And most importantly, it must be noted that the contrast refers to legitimacy discourses and not to social practice, as I have now repeated several times.

In this section I have specified the cardinal difference between the modern, formal organization and other forms of organizing. To make this point I have recalled the difference between *embeddedness* and *permeation*. To consider organizations legitimate and rational as long as they appear institutionally embedded is something fundamentally different from regarding organizations sound and morally acceptable if they seem to accommodate conflicting logics from the various societal spheres by permeation. This difference mainly becomes manifest in the way in which modern, formal organizations legitimately pursue change up to the point of disembedding certain practices by referring to the ideas of progress and/or emancipation. The simultaneous existence of conflicting legitimacy discourses between which actors can switch strategically makes it necessary to add an excursus on the question of social and cultural heterogeneity.

Translation and Accretion

The illusion of being able to distinguish between “pure” and “compound” cultures, or at least find the “original” of an intellectual or material work, was dropped long ago in anthropology. Although even today some ethnographies still create the impression that they are describing local, self-contained worlds, even the authors of these works do not dispute that every culture comes about through diverse *syncretisms* and *syntheses*. It is generally accepted that we are dealing exclusively with imitations and literally *hybrid* social structures and world views, and that these hybridizations are continually developing further (Barnett, 1940; Kroeber, 1940). Kroeber's statement that “every culture is an accretion” has become part of common knowledge to the extent that it is quoted in Webster's Dictionary (1986) as an illustration of the term *accretion*. During the long dominance of functionalistic, structure-functionalistic and structuralistic models, with their penchant for societal integration and static orders, the question of how this process of accretion or hybridization actually works was not considered to be particularly interesting in anthropology.

It was not until the end of colonialism and the post-structuralistic turning point (perhaps marked by Lyotard, 1987), that discussion began on the post-modern, multicultural society, and the ethnographic lens was able to focus on what became known as patchwork or collages (Clifford, 1988). Not much later, however, the politically explosive nature of the relationship between cultural syncretism and societal synthesis has also come into the limelight – not least as a result of the violent conflict in the former Yugosla-

⁹ Luhmann (1970) speaks of a system with its own decision logic with reference to the capitalist economy, being a differentiated societal sphere.

via, the disintegrating Soviet Union, and the seemingly endless crisis in Africa which has entered a new period of incredible aggravation in the last ten years.

Allow me continue with cultural heterogeneity and the spread of ideas and artefacts in general. When new and foreign ideas and artefacts join together to form collages, the individual parts inevitably change the meaning they had in the previous context. The metaphor *translation* characterizes the process: in order to bring an idea into a local cosmos from any part of the outside world, one has to use a cultural code. This presumes the existence of a deep structure which seems to be concealed within the motley and inconsistent patchwork of culture, like grammar in language. Probably both statements are true: both the observation that cultures are patchworks of only loosely fitting and partly contradictory parts, and the assumption that there is something that has an ordering function, comparable to grammar in language.

However, and this is the decisive point here, it is not necessary to imagine this cultural grammar as a uniform and genotypical code that determines the phenotypical surface. There is much to support the assumption that each culture has several mutually contradicting codes which are made available to individual people like alternative repertoires for thought. Each code has a different explanation of how the world is ordered, how you can recognize it, what you can do in it and what meaning results from it all, if any. Because of the contradictory nature of the various codes, it is not possible to completely deduce the patchwork of the cultural phenomena from them. The codes themselves are not unalterable either. Because they are continuously incorporating new elements, they change in a way that is analogous to the translated elements, which are no longer what they used to be after they have been translated. As a result of these observations, we can only speak of a code – or rather the metacode – of a culture at all because the available choice of repertoires and their tangle of relations somehow differ from one culture to another.

Translation aims at the *appropriation* of an external thing, which is then given another function, an altered meaning and often a new shape in the new context. The constructivist “sociology of translation” as advocated by Michel Callon and Bruno Latour (1981; Latour, 1986) offers an image which can help us to understand appropriation and contextualization processes. While the classical anthropological diffusion model (Ratzel, 1896) assumes that ideas and artefacts move through social space and across borders under their own steam, it is more accurate to imagine this process as a kind of ball game. Only if the actors catch the ball and pass it on, i. e. if they collaborate, can the game continue. In the case of the movement of ideas and artefacts through time and space, each actor therefore takes the “thing” into his or her own hands and gives it the shape and direction that

best corresponds to his/her context and intentions. In this way, we move from the *trans-mission* of a thing that remains the same to the *trans-forma-tion* of the thing.

Transformation also means that people turn a thing that they initially experience as non-authentic into an authentic component of their local life. In this way, a *rational choice*, or *mimicry*, *imitation* or *simulation* can lead to the emergence of a *fashion* and this in turn to a *social institution*.¹⁰ People can then no longer imagine the world without what used to be a new thing; it has become a natural part of their repertoire. In the course of the process from initial appropriation to institutionalization, an “authentic way of handling the non-authentic” (Bausinger, 1990) may occur.

The Lemwareng (as the people with whom I lived in the early nineteen-eighties in the Sudan call themselves) hang the New Testament wrapped in a plastic bag under the apex of the straw roof of their houses to fend off unexpected visitors and evil forces. In the way in which they authentically handle the Holy Scripture and naturally integrate it into their cosmos, they attribute to it a different meaning from the one that the missionaries had in mind when they distributed the printed paper (Rottenburg, 1989; 1991). The point of this observation is vital to my thoughts on the transformation of the model of formal organization: like the New Testament, it too finds itself transported from one cultural context to another.

In the same way that the appropriated elements are transformed, the *context* also changes. It is permanently taking in new elements, so that conditions slowly alter. Under favourable conditions, which from a historical viewpoint is perhaps the “norm” – at least it is the most pleasant case for the people concerned – this process passes off virtually unnoticed. Under different conditions, there can be violent modernization or retraditionalization processes; and in some cases the latter can be a cover for the former.

In the sense of the accretion processes sketched here, every culture is a composite picture made up of disparate parts. The important point here is that these parts never perfectly grow together, but for ever remain somewhat contingent and inconsistent. Particularly since accretion is a process of morphogenesis that is never completed, a culture can be more accurately characterized by its inconsistencies and specific forms of transformation than by the relatively homogeneous and stable components of its structures. All this, however, does not mean that accretion is a completely haphazard

¹⁰ See Czarniawska and Joerges (in this volume) on the transition from fashion to institution. Using the example of clothing among the Lemwareng, I (Rottenburg, 1989) showed how the process runs from mimicry (dressing in order to not to be conspicuous) via status symbol (hoarding clothing to gain prestige) to institution (being ashamed of going about without clothing).

process where anything goes. Without returning to structural-functionalism one can well distinguish between more or less successful translations as I shall try to show later on.

Politico-Cultural Translation

Some processes of cultural translation are driven by curiosity and by the desire to try out, simulate and imitate things. Others are propelled by efforts by individual actors to increase their resources or numbers of supporters through new ideas. In many cases these two types of motivation cannot really be distinguished; it does not really matter here whether the passion for novelty, the hunger for truth or the greed for power came first. The point is that cultural translation is usually linked to political translation and power. The above-mentioned translation model introduced by Michel Callon and Bruno Latour aimed at conceptualizing this phenomenon with the emphasis on power.

They recommend the heuristic reversal of the line of argument that has been popular ever since Durkheim. According to their reversal, it is not like in Durkheim where society holds the people together; rather, it is people who hold the society together. As Hobbes originally proposed, all actors are thus declared *isomorphic*. The only way for anyone to become greater or more powerful is by transaction with other people. Greatness and power are thus initially always passed on upwards from below and are, as a consequence, not a fixed component of certain social positions. The main aim here is to avoid further obscuring and fortifying via sociological analysis the advantage and position of the so-called *macro-actors*, who largely determine the lives of the so-called *micro-actors*.

Unlike in Hobbes, in Callon and Latour's view, the transactions that lead to the emergence of a macro-actor do not consist primarily of contracts, but above all of *translations*. In this way, they are continuing Durkheim's argument that societization is impossible without a minimum of classificatory solidarity; at the same time they give it a radically performative touch. The latter, in turn, is reminiscent of Max Weber's charismatic power and very close to Bourdieu's (1984) proposal to link power and culture through the process of reality definitions and interpretations.

The suggestion here is to apply heuristically the type of argument as presented by Callon and Latour in the context of bureaucratic rule. In this way, we are able to show that macro-actors – including bureaucratically legitimated macro-actors – cease to exist when they lose their following. And they lose their following as soon as they are no longer able to translate and package the ideas and interests of those who make up their following. In short, macro-actors basically only exist – as long as they exist – in the minds of the micro-actors. Attention is thus steered away from the power

mechanisms of bureaucratic machineries to the invisible, but much more effective power of definitions of reality. This is not playing down the importance of the "iron cage." On the contrary, it makes it seem even more threatening, with everyone contributing to building their own cage.

Conversely, only in this way can the weak spots be found where the tools of deconstruction can be applied, making it possible to escape apparent inevitability after all. To find the weak spots means to offer different definitions of reality which provide different passage points for micro-actors to achieve their goals by avoiding the old passage points. Borrowing from military parlance, Callon (1986) speaks of an *obligatory passage point* if someone has convinced others that they cannot get what they want unless they pass through a narrow passage that can easily be controlled and utilized to generate power. The social sciences are just one of several voices that contribute to an ongoing competition about reality definitions and ensuing passage points.

The main assumption in this translation model is that the actors are isomorphic. To claim the true *isomorphism* of all actors in the capitalist-bourgeois society would be absurd. It should be understood as a heuristic device, because of course Callon and Latour are also aware that the world is pre-structured by macro-actors, or more precisely: always appears to the individual in this form. On the other hand, the assumption that all actors are principally isomorphic does come quite close to one aspect of segmentary societies in Africa.

In these, as in any other societies, there are de facto differences as regards wealth, prestige and influence. The right to be different is in fact unchallenged here. But at the same time some of the attributes of difference are extremely ephemeral. The instruments with which the actors try to build on asymmetries that seem advantageous to them are awfully weak and transient. No one succeeds in developing a durable power machinery to perpetuate existing dependencies.

Callon and Latour's "blackbox" metaphor can be aptly applied in segmentary societies: macro-actors immediately depend on opportunities and means of translating the viewpoints and interests of potential followers into something that is to their own advantage. They then try to bundle these ideas and lock them away in black boxes, so that at least for a while, everyone regards reality thus defined as perfectly natural. At best no one hits on the idea of questioning the state of affairs and opening these boxes to re-sort the contents in a way that might be more advantageous for them. The maximum advantage for these new actors who challenge the established reality definitions would be to open new passage points obligatory for everyone else.

In other words, the point here is that in segmentary societies, every group of followers has to constantly reconstitute itself politically without

the support of any device which would give this process a notion of objectivity. Among the Lemwareng during the rainy season, when everyone goes to the fields every day, this state of affairs is directly visible: all the men and women stand in front of their houses practically every morning and consider which invitation to collective work they should follow. Besides the reciprocity norm, factors influencing their decision include debts, calculated advantages, feelings of liking or dislike, but never inescapable dependencies laid down in contracts. As in other spheres of their society, there is no perpetual macro-actor involved here. It is hardly possible for anyone who has reached above-average wealth to multiply it through others, since there is no social machinery or technology available for this purpose.

On a different level, the spirit mediums of the Lemwareng also illustrate this distinction between differentiated societies – which have substantial durable devices to black-box reality definitions and petrify social relations – and other, less differentiated societies – which have fewer such devices. The always female mediums re-sort old, conventional and taken-for-granted notions; they bring in new, unfamiliar ideas from the outside world with the help of foreign spirits that possess them. However, they are only able to tie these up in the above-mentioned black boxes as long as they have the consent and help of their clientele. They have no additional devices at hand to seal the boxes and assemble them in such a way as to forge more durable obligatory passage points. If their new solutions and reality definitions are no longer convincing, the people can stay away and choose other passage points without coming to any harm. In the same way that the political leaders of the Lemwareng have no enforcement staff, the mediums too have no machinery – like a church, for instance – to perpetuate their spiritual leadership. On the Lebu mountain where the Lemwareng live, people lose allies and followers as quickly as wealth; everything is as transient as the mud houses. Obligatory passage points change more easily and frequently than in other societies.

The most refined black boxes ever invented to build obligatory passage points are perhaps bureaucracy and technology, which often go together and distinguish modern society. Bureaucracy with its system of keeping files excludes any idea or occurrence that cannot enter a file and thus become a true “case.” It works like this: to be successful, any attempt at re-defining reality has first to become a case. However, in most instances the translation into a case is unavoidably equivalent to the loss of the re-definition of reality. Hence bureaucratic black-boxing is virtually immune. Similarly technological systems encapsulate social relations which thus become opaque and appear unalterable, since their *raison d'être* looks as natural and objective as the machines themselves. At the same time, though, modern society encourages change and progress more than any other society.

Market culture does not accept any final truth, but only best-selling ideas and artefacts.

Anthropologically speaking, Callon and Latour are suggesting approaching bureaucratic power machineries as though they were acephalous, segmentary societies that only allow charismatic positions of power, if any.¹¹ Otherwise, according to their assumption, there is an acute danger of equating power with rationality, instead of analysing its social construction and thus revealing possibilities for its deconstruction and thereby opening up alternatives.

Summing up: in the above section, I elaborated on the specific ambiguity of the modern organization which pursues deinstitutionalization while it remains – or more poignantly: in order to remain – legitimate and institutionalized. The distinction between two types of legitimating discourses was the cardinal point here: a rhetoric of representing organizing activity as something truly embedded was contrasted with a rhetoric of representing organization as a permeation of conflicting logics.

Next, I said that any kind of organization is always also an attempt at bundling up a larger number of small activities into a collective, coordinated action. This process is evidently a mechanism of political translation. However, political translation presupposes cultural translation as an attempt to find definitions and interpretations of reality which make joint decision-making possible in the first place. My proposal therefore is to speak of *politico-cultural translation* at the end of which someone has established him- or herself as an obligatory passage point for others for a while, and at least in certain contexts is allowed to speak with one voice for everybody concerned.

Seen against this background, the eminent specificity of the modern, formal organization is the durability of its black boxes. As a result of this effectiveness, the few who manage to define, occupy and control the obligatory passage points that others have to use to achieve their own goals are remarkably powerful. Micro-actors have comparatively great difficulties in challenging the dominant reality definitions. At the same time, however, the preminent modernist discourse on equal rights encourages all attempts to challenge the status quo, to bring about change and progress. Coming to terms with this new and paradox situation is perhaps the main issue in the story on Lake Transport.

Having recourse to the translation model, this section has above all made it clear that organizational change is not invariably and necessarily the result of prior changes in the institutional surroundings – these being considered to be the macro-level – to which the organization then adjusts on the

¹¹ Callon and Latour themselves do not seem to see the analogy with the segmentary society.

micro-level. Rather, the process of change that is more interesting for my argument here – and for modern society in general which is, after all, composed largely of formal organizations – works the other way round. Everything revolves around the fact that new forms of organization are created (by politico-cultural translations) which can, and indeed are meant to, change social institutions, or at least alter their relevance and meaning. A distinction between the macro- and micro-level is not possible here since the emphasis is on processes that fuse both levels.

Looking at Lake Transport from the common and popular perspective sketched in the third section, one perceives on the one hand a formal system based on instrumental rationality which is beyond anthropological analysis. On the other hand, one discerns informal networks that develop within the formal system and cause considerable damage to this system. The informal networks are thus conceived to be socio-culturally moulded and can therefore be subjected to anthropological analysis. The almost inevitable question at the end of such observations is “how can one make the two systems fit together?” In Third World studies the tacit implication is often, “how can one eradicate the informal networks.”

By contrast, I believe that we must change the perspective. The decisive point is to look at how formal organization is built up from within the horizon of informal networks. We have to replace the metaphor of the yoke by the metaphor of self-entanglement. Using the vocabulary established in this section, I should now like to retell the story of Lake Transport as a story about the intercultural travel of the formal organization model.

The Story of the Lake Transport Company Retold

In a sense, the story of Lake Transport is a story of *failure*, since the re-embedding of the formal organization model does not really succeed, or at least results in something quite different from what anybody had desired. Failure is certainly not intended to mean that the model receives another meaning in the course of its transfer. That is inevitable, as the extreme example of the New Testament as a magic instrument of protection beneath the straw roofs of the Lemwareng was intended to show. Transmission always means trans-lation and trans-formation.

On the level I want to argue, success or failure can only relate to the course of the politico-cultural translation itself. If previously existing ways of smoothly switching between and productively combining divergent legitimating discourses of collective action are broken off as a result of the translation of a new model, then the translation is a failure. A failure is given when previous ways of negotiating solutions and collective actions, established institutions, and checks and balances are disturbed, while no new

forms are put in their place. In this negative case, political translation (as the construction of macro-actors who can make things happen) is at odds with cultural translation (as the construction of shared ideas and the specific ability to agree on common decisions and obligatory passage points).

An Outside Political Influence

We remember the simplified version of the plot: a company is about to pass away, an externally financed rehabilitation programme is started, the company is merged with two other companies and restructured; the crisis continues, the new management is locked out, government exchanges the management; seven years later the company is still unprofitable, and the foreign experts are still there doing their rehabilitation programme. I now start the new interpretation of the story by adding one aspect that comes in at the beginning.

The economic crisis in the West African country in the late seventies and early eighties led to a change of government.¹² In 1981, a National Defence Council came to power by a *coup d'état* and began restructuring the country along socialist lines. Militant workers' councils were formed in the factories and organizations, and the executive boards of strategic enterprises were temporarily replaced by bodies in which the lower-income groups had a guaranteed majority. There were sporadic, violent riots against representatives of the old elite; in the military these culminated in the spontaneous execution of some officers by the lower ranks.

The revolutionary, socialist zeal did not last long, however. In 1983, the new rulers acceded to the demands of the World Bank and the International Monetary Fund in order to gain their support. The socialist managing boards of the state-owned companies were dissolved again in 1983/84. Their “workers’ councils” were renamed “revolutionary committees” and integrated into the machinery of the state. Each department of a company elected four shop stewards from among its staff; in turn, these departmental representatives directly appointed four representatives for the entire company, and one of these became the chairman of the company revolutionary committee. At Lake Transport this practice actually continued, at least in theory, until 1992. Unlike trade unions, this revolutionary committee was supposed to represent the public interest, or to put it in the words of one of the people involved, they “helped the government.”

Seen in retrospect and from a bird's-eye view, one can say that the elite that ruled before 1981 had sawn off the branch they had been sitting on. They had failed in their task of steering the country's industrialization pro-

¹² Carola Lentz kindly helped me to avoid factual mistakes in this section.

cess. Above all, however, they had failed to establish the envisaged transformation of social relations as a legitimate and desirable objective in the semantic fields (Berger and Luckmann, 1966) of the people affected. To use the terminology of Callon and Latour, the elite no longer translated the will of their followers, and thus lost their legitimacy. This is why the fighters of 1981, who were recruited from the lower classes, especially from urban society and from youth, found it relatively easy to oust the old elite from their role of macro-actor and controller of the obligatory passage points.

Under the influence of both their origins and the expectations of their followers, the new rulers were sensitive to the sorry state of the public administration and the economy, as regards both efficiency and the degree to which it was embedded in political-social and cultural life. They felt it necessary, at least in the early stages, to stabilize their role by trying to link up the society's formal organization with the established institutions. A major issue in this context was the shaping and legitimation of asymmetrical relations, i. e. how to link earnings and status with performance. The central political symbol was, of course, an anti-corruption campaign.

On the company level as analysed here, this strategy resulted in two new levels of authority being imported: the revolutionary committees and the socialist managing boards (although the latter did not last long). Yet these were hardly any closer to the legitimacy discourse of the complex society (which favours the *principle of ascribed difference*) than other forms of formal organization (which favour the *principle of equal rights*). Patron-client relations and forms of solidarity justified by primary relations look just as counterproductive to a socialist formal organization of society as they do to the capitalist model. The socialist boards were therefore the first attempt at rooting out existing patronage relations – prior to the 1984 reconstruction of the Lake Transport Company under the supervision of an expatriate consulting firm.

We can conclude: between 1979 and 1986, the parent company and the state machinery undertook two attempts at giving direction to the process of translating the model of formal organization. Although these attempts were ideologically opposite, they were nonetheless very similar in their distance from the dominant legitimacy discourse. The introduction of socialist managing boards and revolutionary committees pursued mainly one objective: to allow the formal rationality of organization to unfold without hindrance. Similarly, the primary aim of the plan to restructure Lake Transport under the supervision of foreign experts was to prevent the spontaneous, uncontrolled appropriation of the model. The intention was that in the future, the practice should be determined by the formal structure, in order to secure the success of the company in this way. Transmission and not transformation was the target. As one might have expected, new conflicts arose and old ones escalated whenever these attempts at planned control,

which were one-sidedly oriented towards the efficiency principle, contradicted the notions and interests of the people concerned.

At the same time we have to understand that the model of formal organization was not and is not simply forced on the actors. Rather, the actors – all of them – actively take part in building up formal structures. The individuals and coalitions compete with each other for influence and resources. And they take up the discourse of equal rights and formal structure as an argument in this struggle.

The Inevitable Recovery of Patronage

With the backing of the parent company, the responsible Transport Ministry and the national revolutionary committee, in the years after 1986 the managing director persevered in pursuing a policy aimed at integrating all forces into the decision-making machinery of the company according to the rules of the formal structure. He also consciously tried to achieve a positive link between the formal structure on the one hand, and the semantic fields and in particular the legitimacy notions of the people concerned on the other. He was thus acting as a professional agent of modernity pursuing a rationalization programme in the (Foucauldian) sense of linking power and reason. Perhaps it was on this grounds that he liked to be referred to as “MD” for short, showing his affinity for the anglophone world of management.

As far as concrete action was concerned, he initiated round-table discussions between the revolutionary committee, the works council and the management. The aim was that elements tending to detract from the purpose of the company should be not excluded, but transformed into constructive commitment by encouraging participation. There were regular meetings between 1986 and 1991, at which important decisions were discussed. The 1990 revolutionary committee election was won for the first time by staff who considered the socialist orientation of the body to be a mistake left over from the past and who kept their distance from the former “nucleus” mentioned in the first version of the story.

Nevertheless, the managing director's efforts met with little success. While the rhetoric of commitment to the company was being cultivated at the round-table discussions, and the idea that performance should be the sole criterion of earnings was being praised as the only legitimate solution, day-to-day work had to continue. There the actors went on transforming hierarchy into patron-client relations – partly unintentionally and in some cases actually contrary to their intentions, as we shall see later – while doing their best to conceal this fact.

The example of a concrete management initiative can show where one of the initial difficulties lies when an attempt is made to divert an estab-

lished type of translation. The most obvious flouting of company rules of behaviour is when members divert resources. And the crudest variant of this is when money and other valuables like fuel and spare parts are actually stolen. The euphemistic term used for this in the company jargon of Lake Transport is "leakage." A monitoring team was founded in 1986 to reduce the number and scale of such losses, which had by no means declined after the 1985 revolt. The MD introduced a rotating chairmanship in an attempt to prevent this instrument of control from also becoming a tool of coalitions. The revolutionary committee and works council were involved in the monitoring team. The hope here was that this would prevent company members who felt unfairly treated from taking their complaints to political bodies outside the company. At the same time, this measure also formed part of the rationalization programme, i. e. the reason why the professionally trained MD had been hired at Lake Transport in the first place.

The monitoring team concentrated its spot checks on the Traffic Department, since this was where the most leakages took place. One day, however, the responsible manager felt affronted because the interventions in his field of responsibility were so frequent. Furthermore, the then chairman of the team was unable to fully hide his real intentions. He is said to have been less interested in company resources than in settling an old score with the manager concerned. Some of the team's powers were thus misused and subsequently withdrawn by the MD. However, the manager of the Traffic Department still failed to get the situation under control, and the fact that he soon handed in his notice gave rise to speculation about his true role. This in turn gave his old opponent some satisfaction.

In the following years, the problem smouldered on, escalating periodically. In 1992, during my stay at Lake Transport, the losses had become so great that even the well-meaning members of the Board of Directors could no longer remain silent. New negotiations were started to revive the meanwhile defunct "monitoring team." In the meantime, however, there were conflicting ideas on the make-up of the team, who should have the authority to activate it, and who should become its chairman. The end result was a clumsy gesture of punitive power: precisely what the MD with his modern ideas had sought to avoid.

From the viewpoint of a simple employee, it seemed in the end that anyone who was high enough in the hierarchy could carry out any controls he or she wanted. It was insinuated that a self-styled controller will always ensure that he finds the rule-breakers anywhere but in his own sphere of responsibility. Some maintained that the whole idea was to divert attention away from the leakages in certain people's own territory and to direct suspicion towards other coalitions. This meant that the attempt at rationalization by identifying all forces with the object of the company had not only

simply failed; it had also provided further proof that completely different principles persisted and were still effective.

The failure initially has to do with the following translation: while the discourse of formal organization is based on the assumption that performance is monitored by the hierarchy and, conversely, hierarchy is legitimated by performance, these two dimensions fall apart in practice at Lake Transport. Whenever there is talk of control or monitoring, the managers automatically think of surveilling the use of resources by the lower ranks. Their conception of monitoring is that of a manager casually walking through the firm and catching perhaps a ticket-seller cheating, some forklift drivers playing cards in the shade of a tree, or a mechanic asleep under a truck.

Within the top levels of management, on the other hand, it would seem extremely out of place if anyone should try to systematically instruct colleagues on the same level or directly below him and then monitor their performance. Politeness and respect for the honour of a person on the same or a similar level make it impossible to treat him or her like an immature or suspicious person. Similarly, the alternative of using monitoring instruments in such a way that the person applying the instrument is monitored at the same time while he tries to control others, is not taken up for the same reason.

It is the function of hierarchy to separate different levels in the division of labour and to only link them at precisely defined points, in order to make it possible to work undisturbed on tasks. At Lake Transport, this function is exploited as far as possible, so that in the end, the points linking the levels become invisible or appear arbitrary, thus increasing uncertainty instead of reducing it.

What this practice boils down to is that no member of staff can be monitored in the sense of the official goal by his or her immediate superior, even though the latter might be directly responsible for that employee's actions. This also means that the superior is unable to prove his (it is always men) own performance either, especially if his main job is to supervise precisely this member of staff. In such a situation, the best way to win colleagues for a task is to engage in either symmetrical reciprocity relations or patron-client relations, depending on social distance. By acting in this manner, the managers of Lake Transport are suspected of undermining, whether they intend to or not, the claim to legitimacy of their own high position, as well as that of the formal structure as such, based as they are on the principle of equal rights and opportunities. And it makes it all the more difficult to convince anyone in the company that earnings and status improvements should really be a reward for excellent performance. This is the first cause of the peculiar combination of hierarchy and patronage at Lake Transport.

A second cause of this process is perhaps more intentional – or at least shows a different direction of intention. When the new heads of department started work, the hopes that had been expressed by all sides in the rhetoric that had accompanied the new beginning were not fulfilled. Rather, like their predecessors after the merger of the three companies in 1984, they were greeted with massive distrust. All kinds of obstacles were placed in the path of the “intruders,” and attempts were made to discredit them by way of skilfully launched rumours. This animosity forced the new players to look for allies wherever they could find them, and especially lower down in the hierarchy. For it must have seemed to them that there was no other way of making a success of their work at Lake Transport. Conversely, the potential clients had achieved precisely what they wanted: they had evaded the hierarchy and instead opened a discourse in which they held the better cards.

In such circumstances, however, the same vicious circle inevitably develops as before: by having to fall back on informal collaborators, a manager is himself contributing to the development of further clientele relations. Their biggest effect then consists not in the eradication of clientelism – which in some cases perhaps really was the true intention – but rather in distrust being further nurtured and becoming habitualized. In the final analysis, the motives for the establishment of patron-client relations are of little importance for practice. After a certain period of time, it is impossible anyway to tell whether the motive was “good intentions” to strengthen the hierarchy, or perhaps to undermine it, which is, after all, a good intention from a different perspective. All that remains is that the people involved can interpret virtually any event as evidence of the effect of coalitions undermining the interests of the company. There seems to be no easy way out of this self-perpetuating interpretation pattern.

Up to now, we have concerned ourselves with the observation that all attempts at establishing a formal hierarchy and thus legitimating asymmetrical relations with the criteria of the discourse of equal rights and opportunities, usually led to a strengthening of elements of the discourse of ascribed difference – i. e. patron-client relations – although this remained hidden. In the above examples, the initiative for the establishment of formal structures came from the top. In some cases the recourse to patron-client relations also came from the top. In all cases the intentions pursued by the actors did not make any difference. Whatever one does, it can and will be interpreted as proof of dubious machinations intended to undermine the formal structure.

The initiative for the establishment of formal structures, in fact, comes just as much from simple employees. And this aspect is even more important for the argument on self-entanglement in formal structures. Within the interpretation attempted here I now come to the third cause of the transformation of formal organizations.

Political Translations

People who felt disadvantaged reacted to the prevailing distrust at Lake Transport in two ways. These presumably exist in various forms in every company in the world, but seem to develop particularly well in this West African state enterprise. The first technique is having all aspects of personnel policy laid down in a catalogue of regulations, so that all the responsible manager needs to do in a specific situation is to look it up. In this context, making exceptional payments for outstanding performance is a particularly sensitive issue.

In early 1988, the story got around that the company had bought new furniture for one of its employees. Some of his colleagues found this piece of news scandalous and forced the management to call a special meeting. Many months of toing and froing followed, all of which – in scrupulous application of the bureaucratic rules – was documented in files (which I was able to study). Finally it was declared that this had been a rumour started by people who had felt disadvantaged since the events of 1985.

Precisely because the story is most probably based on fabrication, it demonstrates particularly clearly the mechanism of self-fulfilling prophecy that is effective here. The criticism levelled is that if anyone deserves to receive furniture, then it should be the person with the longest service. Otherwise a company agreement must be concluded first, in which the works council, the revolutionary committee and management agree on the criteria by which furniture may be handed out. Since none of the regulations defined according to this logic were followed in the present case, it could safely be concluded that this was yet another case of a swindle.

This line of argument on the part of the critics represents a remarkable renunciation of patron-client etiquette otherwise held in such high esteem and often practiced by them. The customary privilege of the patron to bind a client even more closely to his or her favour by higher *remuneration* is categorized here as favouritism. Since this category does not make much sense in the vocabulary of patronage, we must conclude that a change of discourse has taken place.¹³ On the other hand, according to the rules of the discourse of formal organization, it is legitimate and desirable to honour a player for exceptional performance. Company management does not require symmetry as an end in itself, but only to the extent that it raises or

¹³ An additional explanation might be necessary at this point. In every society and in particular in every formal organization, people frequently pursue other aims than the ones to which they will openly admit. I am not describing this as a peculiarity of Lake Transport or calling it reprehensible. Rather, it seems to be a fundamental prerequisite of freedom and autonomy. In symbolic interactionism, the possibility of acting a part has been seen to depend on role distancing, without which an individual cannot develop his or her unique identity.

at least stabilizes efficiency. Yet it is precisely this context that the staff want to ignore when they demand not fair managers but, strictly speaking, bureaucrats who do nothing but passionately follow the symmetry demands of rational bureaucracy.

In other words, neither of the representational models justifies the exclusion of performance bonuses. Only the particular link between the two models, the type of syncretism selected, leads to a situation in which nothing more can function in this direction. If excellent performance is to be rewarded, this has to be done secretly within the discourse of ascribed difference, where its effect will again be a source of distrust. Which brings us back to the beginning of the furniture story, where a deviation from the rule – if necessary an invented one – serves as proof of the machinations of coalitions that are ruining the company.

It cannot be excluded that the employees who protested against the alleged furniture purchase in the first place simply wanted to embarrass another coalition which, from their viewpoint, was more successful. Nor can we know the true background to the gifts of furniture, which did indeed take place, at least in other cases. However, none of these speculations are really relevant to my argument. The point I am trying to make is that such intentions are not necessary to lead to the present result. Irrespective of the intentions of the actors concerned, the suspicion arises, according to the principle of self-fulfilling prophecy, that the arguments of formal rationality are being used to play false.

The second above-mentioned technique used by simple employees to cope with the prevailing atmosphere of distrust consists in roping in official bodies from outside the company. The usually written complaints to the local revolutionary committees, or sometimes straight to the Secretary of State for Revolutionary Committees at the "Castle" (as the seat of the Party headquarters and government are called even in the party-line press), always follow the same pattern. It is claimed that the action of a certain manager was self-privileging and arbitrary, not legitimated by any fair criterion such as performance, loyalty or length of service. The outside revolutionary committees seldom reject complaints with the advice that an attempt first be made to settle the matter internally using the available arbitration mechanisms. Rather, the management is usually called upon to make a written statement or to come for a meeting at the Castle.

Here is an example. In June 1989, the director of a north-eastern harbour reported to the local police the theft of certain articles from the spare parts store. He accused a technician who had just returned to the firm's main workshop at the southern harbour. The man was questioned by the police, who then handed the case over to the courts. A few weeks later, the Castle, evidently at the request of the person who had been accused, suggested to the MD that the charges be dropped and the case settled internally

in an amicable fashion. The Castle perhaps alleged that it was probably a case of internal intrigue that was unworthy of the courts. This time, however, the company withstood the pressure. It made a tactical statement to the effect that it did not wish to interrupt the proceedings at this late stage; otherwise the impression might be created that Lake Transport did not trust the legal institutions. More than six months later, the court found the accused not guilty.

As might be expected, this was not the end of the case. The formerly accused man felt that the wind had turned in his favour and now claimed in another letter to the Castle that he had been the victim of intrigue from the outset and that a certain colleague had even tried to bribe the court to get him out of the way. He also claimed a certain sum of money on the grounds that he had had additional expenses as a result of having to travel to and from the court. The company in turn tried to prove that some of the alleged expenses were fictitious. For example, the dates on the submitted hotel bills did not fit the dates of the court hearings. As a result, the man was again accused of acting with fraudulent intent. And so the story goes on and on until a new one is found. The fact that the courts were brought in shows how intractable the situation is. The actors do not expect reliable support from any side. They feel hopelessly entangled in a jungle of shady dealings.

Contrary to the declared intention of wanting to create conditions based on equal rights, the simple employees' appeals to political institutions reduce the efficiency and legitimacy of formal structures. As in the previous example, where the actors were ostensibly fighting for bureaucratic principles, here too, the intention does not seem important; i. e. whether a cunningly disguised appeal is made to the discourse of equal rights, while the true, covert aims being pursued are firmly within the realm of the discourse of ascribed difference. This kind of politics can never be completely excluded. Even if someone acts with serious intent within the official discourse, no one will believe him and he will bring nothing but suspicion on himself.

Patron Managers and Client Employees

In this case study, translation consists mainly in incorporating the formal structure related to the principle of equal rights into negotiation processes related to the principle of ascribed difference, processes that did not declare themselves as such. The selected examples involve tactical shifts between hierarchy and patronage.

One reason for the inevitability with which patron-client relations develop at Lake Transport is that the formal structure lacks legitimacy in the eyes of the actors. One of the main causes of this legitimacy deficit is the

justification of status and earnings primarily by performance, as derived from the logic of the formal structure.

For them, a person's status is for the most part an ascribed dimension belonging to the discourse of community, and may not be directly subordinated to the cool deliberations of economic efficiency. Although it also seems to be possible and desirable to improve status by performance in the local legitimacy discourse, higher status is mostly achieved by redistributive generosity. For this reason, the actors translate the company hierarchy into personal reciprocity obligations and appropriate it in this way.

On the other hand, this transformation process also has an instrumental dimension which is perhaps more important. In public, all actors endorse only the representational model of the formal structure because they would suffer disadvantages if they did not. Conversely, they also expect advantages from this behaviour. Above all, however, falling back on the arguments of the formal structure is often the only way they can respond to the ploys of the other players. This practice develops a special dynamism of its own which generates distrust as a self-fulfilling prophecy.

If the new figure of the patron-manager created by politico-cultural translation adhered mainly to personal loyalties, and allowed himself to be publicly controlled by the clientele according to this yardstick, we would be dealing with a slightly altered patron. His action would be primarily sanctioned by the legitimacy discourse of the complex society centered around the principle of ascribed difference, which would continuously be slightly altered in the course of public negotiation processes – probably in the direction of the legitimacy discourse centered around the principle of equality.

However, the patron-manager whom we have got to know here hides his role as a patron. He officially relates his action to the rules of formal organization. In this way, he can improve his position by pursuing the aims of a patron with the means of a manager and vice versa. For example, he can sporadically apply the performance principle to the clientele as a criterion of earnings. In this way, the patron can violate his obligation to protect and care for his clientele with impunity, and successfully transform generalized reciprocity into negative reciprocity – at least this will be the effective insinuation.

A literally hybrid asymmetry of this kind can only be successfully asserted if the people affected by such tactics themselves actively participate in the game. In public, clients act only as employees and do not throw any arguments from the representational model of patronage into the debate. Having chosen such a position, it seems ill-advised to publicly demand that the patron fulfils his obligation to care for his clientele, or to praise one's own loyalty as a client. Anyone doing so would only discredit himself.

Instead, clients – like patron-managers – can use arguments from the context of formal structure to defend and improve their chances. Whenever the patron-manager stresses the performance principle in the sense of the formal organization, the client-employee can counter by referring to the principle of symmetry and coherence. According to this principle, all cases must be treated equally. For this reason there can theoretically be no performance sanctions without a set of bureaucratic regulations. As the examples have shown, this set of bureaucratic regulations is interpreted above all as a weapon in the struggle of the individual actors and coalitions for interests rooted in the principle of ascribed difference.

Up to this point, the analysis presented here corresponds to Callon and Latour's bilateral translation model. On the one hand, the actors translate the foreign, "uncivilized" idea – according to which earnings must be exclusively related to performance, and status is detached from redistributive generosity – into their institutional context. On the other hand, through this translation they transform – altogether intentionally – the existing allocation rules of earnings and status, which they derive from the historically more strongly established system of patronage. The emergence of a form of patronage that can sporadically and highly effectively fall back on a formal structure is something fundamentally different from a form of patronage that cannot.

Behind the backs of the actors, these translation processes lead to an undermining of communication in the company, which in turn leads to an erosion of trust. In the end, even serious attempts to keep to the rules of the formal structure are not recognized, but even appear suspicious. Conversely, attempts to secretly continue to orientate actions towards the system of patronage and clientelism also repeatedly fail. In short, the conditions for translating the will and ideas of individual, small actors and bundling them together to form a common project prove to be problematic at Lake Transport.

I have proposed seeking the reason for this in the following: the intercultural translation of some new and foreign elements into a well established, taken-for-granted, and hence familiar context can impede the local, political translation and bundling of micro-actors to form a macro-actor. This in turn seems to be connected to the fact that formal organization itself is a model of translation of many small, particular ideas into a common, larger idea and action. If this model is transferred into a different institutional context, then we are dealing with a special case of institutional translation, *the translation of a political translation model*. Under the historical and socio-structural circumstances given in the case of the West African organization, this initially leads to an obstruction of all forms of political translation.

The socio-structural principle at work in the background here is embeddedness. The only transactions that appear legitimate and desirable are those

that forge a link with comprehensive sociality, thereby confirming a kind of invisible bond that holds the actors together.¹⁴ Such a dominance of communitarianism makes companies that base their legitimacy on the rationalistic model of formal organization appear in an unfavourable light – the model is, after all, specifically designed to de-institutionalize. On the other hand, communitarianism favours coalitions that are legitimated by an ethos of reciprocity and face-to-face obligations.

Not until the economic, communal and political logics have become mutually permeated is formal organization legitimated as a model of political translation. Yet it would seem that it is difficult to initiate this permeation via the introduction of formal organization if the latter in turn can only emerge as a consequence of this permeation. Nevertheless, everyone is busily working on precisely this, because “we have to do business as business is done.” It seems that no-one can fully evade this trend and find a better way out.

Interjection

The story of Lake Transport indicated that not every accretion of new and old ideas and artefacts must necessarily be a success or at least not an immediate success. A different issue arose as a result. Could it be that occasionally the power generated by the formal organization model blocks the local politico-cultural translation processes and thus prevents the emergence of legitimate macro-actors? Is this the area where we have to look for answers to the question raised in the prologue: i. e. what went wrong with the patchwork? This question does not fit smoothly into the present debate on creating otherness through anthropological writing. But then, having no answer, what is so attractive about the assumption that translations are always successful, that the local and the translocal naturally enrich each other by hybridization and that therefore alienation is no longer an issue? I believe, we are dealing here with a “control point” (Mary Douglas) that directs attention and suppresses questions which would disturb absolute pre-suppositions and cherished master ideas.

Façades/Practices

However, the topic of this essay is more modest. I have discussed the translation of the modern notion of formal organization into an African context in order to learn something about this notion in general: by looking at it

from afar. This anthropological technique helps us to grasp nuances which are otherwise easily overlooked. It is now time to turn the view back to the citadels of western cultures as they are at home.

Formal Structure as Ceremonial Façade

My whole argument was based on the assumption that all social practice is traced back by the actors to patterns which give it meaning and legitimacy. However, because the available orientation patterns of a culture represent opposing semantic fields and institutional orders, and therefore contradict each other, each actor is given various opportunities – there is always a considerable amount of scope. This scope is substantially increased by a second, perhaps even more consequential phenomenon: the possibility to pick up and translate into the local discourse new ideas and artifacts not existent in local time/space but circulating in a global discourse. In turn, it follows that the significance of the orientation patterns lies not only in restricting action opportunities, but also in being used by the actors post hoc to attribute new ways of doing things with legitimacy and meaning.

To use the language of neo-institutionalism common in organizational studies, it is said after Karl E. Weick (1969) that the two levels are “loosely coupled.” On the first level there are the concrete actions, on the second the recipes for action, ideologies, symbols and myths which give people’s actions transrational meaning and the necessary recognition. In the case of formal organization, however, several selected orientation patterns are laid down in a condensed, intentional way in the *formal structures*: the hierarchy and the overall system of rules which are supposed to steer the work routine, i. e. the action level or practice.

John Meyer and Brian Rowan (1977) attempt a more precise definition of the state of “loose coupling.” To emphasize that practice is not determined – in the narrow sense of the word – by formal structures, although these structures are more than an empty sham or a swindle, the two authors introduce the metaphor “ceremonial façade”. Although Meyer and Rowan only intended this term to cover the formal structures of so-called “institutionalized organizations” (meaning, for example, hospitals and schools as opposed to companies), it is widely agreed today that a more general phenomenon has been identified here. Although companies serving the maximization of capital are different in significant respects, even in their case it would seem helpful not to lose sight of the loose coupling of the two levels.

The use of the word *façade* to describe the outer appearance of a collective actor takes up a metaphor from architecture. The face of a building directed towards the street as a public space is meant for the eye of the observer, it is said that the façade is “a gift for the street.” It reveals little about how the building looks like inside. A building’s façade can be

¹⁴ Dettmar (1995) shows how in Nigeria the rhetoric of communitarianism is the only legitimate medium to present private entrepreneurship to the public.

changed several times, and, vice versa, the same type of façade can be used for many different buildings in different periods. The façade is just as important as the building itself, albeit with reference to a different purpose, namely the design of public spaces and the images of actors. The façade achieves its effect by the ceremonial expression of ingeniously selected cosmological ideas and values. Both, the façade and the building, must also be securely fixed together, technically speaking; they will collapse if they separate. The one cannot exist without the other.

If the type of façade is not entirely derived from the technical makeup of the building but rather ceremonially displays the aesthetic expectations of (at least some) observers, then even in architecture one can borrow Meyer and Rowan's terminology and aptly speak of "ceremonial façades." They stand in the middle, between functional and aesthetic requirements, and are not fully integrated into either. The point of calling a façade "ceremonial" is to emphasize that in contrast to the everyday language of modernity one does not want to talk about shrewd camouflage, nor about the mask as the opposite to the inner self, nor about the scenes that supposedly conceal "real" life which only takes place behind the scenes. Analyzing ceremonial façades is to look at appearances, surfaces and scenes in their own right, as phenomena loosely coupled to social processes and the identity of the actors. Like post-modernist architecture, which tries to overcome the modernist denunciation of the façade, post-modernist social science sees itself above all as post-structuralist, i. e. more concerned with appearances, surfaces and images in their own right, not just as depictions of something else.

In other words, according to Meyer and Rowan – at least implicitly, since they do not elaborate this point – the analogy between building and organization is the following: concerning the outside appearance, the aesthetic requirements from the field of architecture correspond to the shared ideas about how a sound organization should look like, how it should formally be structured. Here the cosmology and the institutions of the society come into play as a frame of reference. Although one cannot fully deduce the formal structure from the institutions, it must correspond sufficiently with them in order, in this way, to receive its vital legitimacy. Formal organizational structure is thus classified as a legitimating façade.

Concerning the inside, the technical makeup of the building corresponds to the practice of an organization. Practice means functional requirements, efficiency, survival and simply keeping things going. In the same way that a façade does not reveal much about the inside of a house, we cannot read everything about practice from the formal structure of an organization – i. e. from the abstract regulations on action routines and the command hierarchy that is supposed to be functionally related to these regulations and to practice. However, like any other metaphor the façade metaphor

contains a distortion: while organizational practice is a rather messy process, the technical makeup of a building is usually uncompromisingly structured.

After one has accepted this way of distinguishing between façade and building and the analogy to organization façade and practice, the interesting question is how these two aspects or levels relate to each other. I can start again with architecture.

Some modernist buildings consciously and radically do without all forms of ornament. The "FFF ideology" ("form follows function") emphasizes sober functionality and claims to have overcome the façade as a supposedly pre-modern and superfluous phenomenon. Yet the distinction between function and symbolic meaning cannot be overcome arbitrarily. The outer appearance of a modernistic building ends up as a façade anyway, despite all its self-claims to pure functionalism. It is simply a rationalistic façade which, like any other façade, relates to the ideology of the observer and the intended reputation. It does not result directly from the functions of the building. Like any façade it is there primarily to furnish legitimacy and identity and not functional efficiency. Functional efficiency can be achieved with many different appearances. This quintessence of the façade is clearly expressed by the mirror façade. The observer's look is returned, so that his or her assumptions about the world are hardly called into question by the experience. A fascinating development of the mirror façade is to be found in Japanese projects of "interactive architecture," where house façades are huge video screens showing what is going on in the flow of urban life. But how can we use this image for organizations? How to envisage the relation between practice and organizational façade?

Ceremonial Façades and Practice

Through the metaphor of the ceremonial façade, neo-institutionalism has succeeded in bringing back into the analysis of formal organizations Max Weber's second major topic after the rationalization of the world: the legitimacy of social forms. Modern organizations – like the modernistic façades of the architects – do not exist and survive simply and exclusively because they are functional and effective. They must also be anchored in the institutions; they must be legitimate. By definition this involves being embedded into a semantic field which only indirectly has anything to do with purposive rationality and efficiency. However, these two dimensions of organization are evidently not mutually independent. It is helpful to separate them analytically, since they point to different discourses. But in the final analysis, the interesting questions refer to the various crossings and combinations between these discourses. This is the point I am trying to make here.

John Meyer and Brian Rowan (1977) concentrate on western society. They neither explain nor question the fact that this society is thoroughly rationalized and differentiated; they take it for granted. In their pioneering essay they speak of the institutions of this type of society as "rationalized institutional structures" which are considered to be "myths," myths in the sense of narratives of certain events and of certain aspects of the world which are of crucial importance for a culture. If we disregard the slight terminological mess of this argument, the authors say that institutions are linked to myths. Myths are narratives which make institutions appear proper, adequate, rational, necessary, and, I would add, natural. To be legitimate, organizations must incorporate institutions as their "building blocks." In fact, these blocks can be assembled with little entrepreneurial energy into formally structured organizations.

On the one hand, this position has helped to lead the analysis of organizational change out of the blind alley of trying to explain organization solely as a set of purpose-related and rational instruments for achieving an objective. Along this route one inevitably ends up with a discussion of unintended consequences, "underlife," and the cultural patterns of those who seem to deviate from the official goal.

On the other hand, however, any one-sided emphasis on the discourse of institutionalization and legitimacy might induce organization studies to remove organizational change from the organizations themselves, so that in fact other disciplines become responsible for it (DiMaggio and Powell 1991, p. 27 and passim; Friedland and Alford, 1991, p. 243). There is also a temptation in this paradigm to underestimate how formal rationality comes into being as a source of legitimacy in the first place, how it works, how it manages to last and how it is part of a global discourse that can be tapped by any actor around the world. This temptation probably has to do with the enthusiasm about the (re)discovery that rationality functions above all as a legitimating *myth* and consequently is disseminated mainly via irrationality.

Max Weber already made a clear reference to this, and his entire theory lives precisely on this paradoxical relationship between rationality and irrationality. In a footnote to the *Protestant Ethic*, he writes: "If this essay contributes to anything, then hopefully towards revealing all the diversity of the only ostensibly unequivocal concept of the 'rational'" (1976; author's translation from the German original, 1972, p. 35). Or later on (German original, p. 62): "At this point we are particularly interested in the origin of that irrational element that lies in this and every concept of 'vocation'" (*Berufung*). Weber is writing here about the Protestant concept of vocation, according to which a person exists for his business and not vice versa, so that the rational capitalist spirit is based on irrational "vocation fulfilment" (*Berufserfüllung*).

The most condensed expression of the paradoxical relationship between rationality and irrationality can be found in Calvinist teaching, as presented by Weber. Anyone who wishes to influence his fate, in particular his fate after death, by his own deeds, is discredited by Calvinism as a magician. The only person who is rational is the person who draws the ultimate conclusions from his eternally unchangeable inability to recognize God's will. This means that his deeds cannot be a *means* of influencing his state of grace, but only *signs* of the same – which can of course also be deceptive. If, however, these signs spread among the people, under the premises of Calvinism they can only do this via imitation, since otherwise it would again be magic.

Meyer and Rowan's (Calvinist) definition of intentional organization structures as ceremonial façades – i. e. ritual reproductions of institutionalized orientation patterns that are generally regarded as rational and legitimate in the surrounding society – can now be critically extended. I have applied the concept of ceremonial façade outside the western world, where dramatic transformation processes are taking place, in order to bring it back to western society.

For it makes a considerable difference whether the myth of rationalization – declaring that it is possible to formally rationalize the world – is at the centre of the actors' world view or somewhere out on the fringe. An observation made earlier on can be reinforced by this distinction: the difference between non-modern and modern societies does not lie in the fact that the organizations of one society (e. g. clans) are embedded and therefore irrational, while the organizations of the other (e. g. companies) are disembedded and therefore rational. It is ultimately impossible to entirely deinstitutionalize a practice, i. e. to restrict it to its inherent rules, because every form of purposive rationality always assumes a given, transrational meaning. Rather, the difference is that most forms of social organization in modern society are legitimated in the main by the myth of formal rationalization.

The crucial point here has to do with the special type of institutional anchorage that is involved. Institutionalization based on the rationality myth results in ongoing purposive-rational processes of change, which, paradoxically, are considered legitimate precisely because they deinstitutionalize established ways of doing things. In this way, the myth of formal rationalization gives the modern world a fundamental ambiguity which distinguishes it from other societies and constitutes its historical "improbability" (Mühlmann [in his essay on Max Weber], 1966, p. 13): deinstitutionalization has become institutionalized. This dialectic of rationalization, mentioned above as the intended but never completed confluence of façade and function, is one of the central themes of Michel Foucault, whom I shall briefly bring in here for clarification and support of my argument.

In *Discipline and Punish* (Foucault, 1977), he describes, for example, how in modern prisons disciplining as a repressive measure has become invisible and simultaneously much more effective. The authorities began to subject the measure to a logic that was taken from its intended effect, instead of being antagonistically contrary to it, as in the times of absolutism. If prison inmates regularly engage in productive work, their own action seems to them to be only determined by the inner logic of the work, and the true effect – i. e. that they are being disciplined – no longer strikes them as an act of repression. They are more likely to experience this activity as a relief from the monotonous isolation of the cell and hence participate actively in their own disciplining. In the same way, a “true politician’s” power is based on his committing his followers to himself with the chains of their own ideas. By linking the end of this chain with the “order of reason,” he makes the chain invisible and all the more durable (Foucault 1977, pp. 242 ff). If rationalization is the central characteristic of modernity, Foucault deciphered the meaning of this ambiguous process for us.

The particular manner of creating legitimacy via reason, can easily slip through the net of organization studies, as long as we concentrate our attention on embeddedness. This has been recognized within neo-institutionalism. In their introduction to the 1991 reader, DiMaggio and Powell, for example, underline the important challenge represented by Friedland and Alford’s contribution. These two authors show that as far as the characteristic feature of the modern society is concerned, the issue is not a choice between institutionalization or deinstitutionalization, but rather “the appropriate relationship between institutions,” and the question of “by which institutional logic different activities should be regulated and to which categories of persons they should apply” (DiMaggio and Powell 1991, p. 30; Friedland and Alford 1991, pp. 256 and elsewhere).

If this is true, however, then in addition to the loose coupling between practice and formal structure, conceived as a ceremonial façade, to which Meyer and Rowan have referred so insistently, there is a second loose coupling: between the formal structure of an organization – still conceived as a ceremonial façade – and its institutional surroundings. And indeed, in the line of argument of the previous section I constantly had to imply this second loose coupling to present the story of Lake Transport. It can now be outlined more precisely, and the harvest of our excursion to the West African lake can be brought home.

In every organization’s environment there are several institutionalized orders, meaning above all the societal spheres of politics, the economy, community and the family, as well as culture, religion and science. Each of these institutional orders has its own, corresponding definitions of reality – meaning systems of classifications and symbols, as well as action models that give practice its meaning. They also involve more fundamental institu-

tions such as the concept of the self or of formal rationalization itself, which is a prerequisite for legitimating the differentiation between various logics of action. But since there are insoluble conflicts between the various semantic fields of a society, and every action can be related to various orientation patterns, this gives the actors a certain amount of scope – albeit full of ambiguities – for micropolitical processes in which to settle conflicts, modify their power positions, and change their world.

Within the process of these negotiations, heterogeneous social institutions are brought in to justify practice – albeit to a varying extent, in different ways, and with varying interests. In any social context, creative and entrepreneurial as well as all political action consists primarily in attempting to untie traditional conventions and alliances, and subsequently to re-tie them differently, while of course paying attention to personal advantage. The most important source of change is provided by globally floating ideas and artefacts that are selected and translated into local political arenas by potential macro-actors. The formal organizations of the market society are the ideal place for such politico-cultural translations. The world of formal organization is the home of the idea of rationalization, which can annul old privileges and break up well-practised solution methods.

The bare existence of a formal organization is evidence that some actors have been able in this way to launch legitimating discourses which then developed into intentional formal structures. In the image of politico-cultural translation, these actors have succeeded in tying up several definitions of reality in black boxes, in order to keep them out of reach of the others. They have succeeded in establishing an obligatory passage point for many others who now have to pass through this point to achieve their goals: to find employment, to improve their reputation, to obtain a research grant, to have a text published, to cross a bridge or a national border or to be admitted to heaven.

The way formal organizations are constructed also means that as a rule they are composed of several black boxes, certain of which are considered illegitimate by some of the people concerned. The latter may at times not be able to do much about this, because they either do not have any adequate alternative passage points or do not recognize them, or else regard them as unrealistic. At some time or other an organization dies or at least radically changes if the lack of legitimacy and the resulting amount of dissent increase above a certain point, or simply because someone has opened a new passage point which appears more suitable.

However, there is more to this observation than the possible distinction between legitimate and surviving organizations on the one hand and illegitimate and perishing ones on the other. The fact that all organizations contain some elements which are considered illegitimate by some actors – illegitimate because these elements work against their interests and/or violate

some of their ethical principles – means that a constant debate and a permanent struggle takes place to change or reinterpret these organizational elements. This state of affairs, about which we learned by following the journey of the idea of modern organization to Africa, has an important impact on what I have called after Meyer and Rowan the ceremonial façade.

If the formal organizational structure inevitably contains contested aspects, the organizational façade cannot be ceremonial in an absolute sense. Some actors, at some occasions, at some time will in fact oppose a number of aspects and implications of the façade, while at the same time they will publicly pretend to respect these aspects. In these cases the façade becomes at least for some actors a shrewd camouflage to achieve certain goals in practice which would otherwise be out of reach. At this point I am back to where the everyday language of modernity situates the word façade.

An early contribution to this topic came from Prince Potemkin. He knew how to exploit the fact that the meaning of the façade is in the eye of the beholder. In 1787 he invited Czarina Katharina II, who was well-disposed towards him, to visit the Crimea, which he had conquered only a few years previously. To conceal the rather meagre achievements of his colonization and development projects, he had the now (at least in German language) proverbial Potemkin villages built along the road: neat façades with no houses behind them. The journey of inspection was a success, the Czarina was impressed and did not ask to be shown the “real life” which went on somewhere else.

Since any organizational façade is only loosely linked to both sides – institutions and practice – it is nearly always impossible to clearly distinguish between a ceremonial and a Potemkin façade. There are very few cases that one can undoubtedly classify as belonging either to the Potemkin or to the ceremonial tradition.¹⁵ Normally any façade contains elements of “authenticity” and of “charlatanry,” no matter to which society and culture the organization belongs. Therefore, the more interesting question is about the various combinations of the two dimensions and about how, if at all, they can be distinguished. In the meantime, the only safe conclusion would appear to be the following: a certain degree of charlatanry is the prerequisite for envisioning new possibilities and making changes.

¹⁵ An exceptional and remarkable example is given by Groffebert (1995) who presents the ingenious tricks used by so-called *ONG-Bidon* (literally: “fake NGOs”) in West Africa to increase their resources that mainly come from the rich countries.

Otherhood: The Promulgation and Transmission of Ideas in the Modern Organizational Environment

John W. Meyer

The studies above present a rich set of arguments and observations on how ideas and models about organizing evolve and travel in modern environments, and how, when, and why they enter into the life of specific organizations. These studies work from a number of sources in contemporary thinking in the social sciences and to some extent the humanities. A principal starting point is contemporary sociological institutional (or neo-institutional) thinking (e. g. Meyer and Rowan, 1977; DiMaggio and Powell, 1983; Meyer and Scott, 1992; Powell and DiMaggio, 1991; Scott and Meyer, 1994).

In this line of thought, modern social, scientific, legal, and cultural environments contain expanding sets of rationalized models, scripts, or ideologies: e. g. accounting standards, professionalized personnel rules, japanified styles of work organization, or computerized technologies. As this occurs, new rationalized formal organizations can spring up in the relevant domains, and extant organizations are driven to incorporate the new models: new or expanded accounting or personnel departments, and so on. The environmentally-developed model of rationalized organizational actor is created and expanded, and specific organizations incorporate the expanded rules of this expanded and collectively-defined actor. The incorporation can be ritualistic, with little practical implementation or consequence (one sort of decoupling), but may often penetrate rather deeply into organizational life. The incorporation may also occur in practice without much structural or policy adaptation (another sort of decoupling), as when fashionable new accounting practices routinely promulgated by accounting firms or consultants and built into software packages flow into firms without much by way of decision or policy.

The typical American version of this line of theorizing starts with a typically-American conception of organizations and the people in them as sharply-defined and often fairly rational actors. These actors have prior purposes, clear boundaries, definite technologies, unified sovereignty, clear internal control systems, and definite and discrete resources to employ. This starting point makes it difficult to think about institutional processes as

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Translating Organizational Change

Edited by

Barbara Czarniawska and Guje Sevón



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