

Chapter XXVIII – fragments

BUREAUCRATISATION

As it spread to more and more of the institutional apparatus of modern society, the organisational revolution developed a number of processes and activities which could be read as flaws or imperfections in the ideal type of meritocratic bureaucracy. Some of these were survivals from the past and some developments of its own, although the significance of these last emerged rather gradually, and in some respects became manifest and publicly recognised only in the twentieth century. But not all the developments triggered off by the bureaucratic revolution were confined to their structure and inner working. There were broader, more serious consequences, which did much to alter not so much the basic social structure of the countries which incorporated it as its character - the implications their position in it had for the kind of life people could live and for the relationships they had with others.

To start with internal developments, the first - in time as well as importance - was provision for accelerated promotion. This dates from the earliest years of the instauration of meritocratic bureaucracy under Napoleon. Introduced as something of an experiment, the sixteen *auditeurs* (appointed in the first place simply to attend the meetings of the *Conseil d'Etat* and to make themselves useful) grew to several hundreds in later years. Nomination as *auditeur* meant gaining a place on what was in fact a career escalator rather than a career ladder; places were gained by promise for the future rather than record of past achievement. Among the qualifications for appointment was possession of an income of at least 6000 francs - which, for twenty-year-olds, meant that it was really a property qualification.

This limitation of the scope given to the meritocratic model has been widely imitated, although the qualification for a place on the promotion escalator was usually much more discreetly expressed. In its most unexceptionable form, it appeared as accelerated advancement through an educational system itself devised as elitist, often buttressed by the award of 'scholarships' to the deserving poorer sort. Simply having attended an elite educational establishment itself became a ticket for admission - as if on grounds of merit - to a relatively privileged position to start with. The cachet provided by Oxford and Cambridge and the 'better' public schools in Britain is all too familiar. But while the British have made no secret of - indeed have tended almost to flaunt - the escalators their educational system makes available, other countries have found ways of providing tickets of the same kind to privileged places in the government service, in the professions and in business.

Finally, since merit means merit in the eyes of superiors, the whole process becomes self-sustaining. Those at the top of organised institutions look for their successors among those who have followed the same initial path. Once inside the larger bureaucratic organisations, accelerated promotion, 'management development', and the like have become - and be regarded as - forms of official, 'legitimate', patronage at the disposal of their chief executives.

The second development relates to careerism. This has had something like the same almost consequential relationship to meritocratic bureaucratic systems as accelerated promotion and sponsorship, but is obviously a survival. It is as old as all those forms of hierarchically organised society that allow of some degree of upward mobility open to competition. The widespread adoption of meritocratic principles in modern society and the prevalence of large-scale bureaucratic organisation has however meant that careerism has taken its place alongside the phenomena more obviously peculiar to modern bureaucratic organisation like privileged escalators. For if modern societies are success systems, they are also failure systems. Assuming that people in modern society have been successfully indoctrinated with the idea of success in society's terms as their highest personal goal, then it follows that modern societies came to be composed of people almost all of whom were confronted with the possibility of failure, and often enough with its actuality. It was to be expected that some individuals would try to increase their chances of success by illegitimate means (and incidentally impute the same desire to actual or potential rivals).

Careerism has often enough provided the motivating force behind internal politics - a third set of contingencies which came to qualify the meritocratic principle in bureaucratic organisations. The individual member might be, and usually was, concerned to extend the control he has over his own situation and prospects and to increase the value of the resource he represents. He might be, and usually was, able to increase his personal power by attaching himself to cliques of people who possessed or represented the same kind of resource, which they saw as undervalued, or wanted its exchange value enhanced, or to cabals who sought to control or influence the exercise of patronage within the organisation. Groups formed in this way, however, could well have other values, and purposes more enduring than this suggests. For disputes could, and often did, occur about the criteria that determined success, or about the justice or logic with which they were applied. In addition, the ends and means formulated as goals and procedures for the organisation as a cooperative system might be challenged. In short, the rules of the game being played in both the career system and cooperative organisation might be disputed. Major decisions about changing the rules of the game usually require much antecedent search and discussion, not so much to accumulate information as to test out and align consensus. Decisions about 'policy matters', therefore, have in practice usually involved the formation of groups and sections concerned with advocating one or other course of

action. Such formations have had to do with a third intrusive element - the 'internal politics' of organisations.¹

III

When it comes to the external consequences of the widespread adoption of meritocratic bureaucracy - the effects it had on western society as a whole - one has first of all to try to distinguish them from the kind of changes generated by the other two revolutions. This has some importance, both political and social.

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Keep it short. Mention succeeding chapters. Distinguish political, economic, social, change.

Apropos meritocracy: The theme of internal politics opens the door to a major qualification to all that has been said about social developments in societies organised in conformity with model of meritocratic bureaucracy. For it becomes apparent that the allocation of prestige, wealth and power in these terms turns society into a agglomeration of winners and losers.

Cooperation - (Wolin's 'community') - professionalisation. British 'Welfare State' after W.W.II.

Criteria of merit never wholly appropriate - personal judgment always involved - criteria vary between institutional sectors and individual organisations - they even change within them. Hence risk. Hence also criteria not always accepted. So: precautionary moves on behalf of those who appear less able and who are related by kinship, affection, loyalty, patron-client relationships, and what G. calls 'team-play'. This also applies to whole organisations and sectors - (see Galbraith).

Counter moves: professional associations, trade unions. Plus political party tactics - plus guarding against disruption (Bismarck) - England 1908-10).

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V

The word 'bureaucracy' was in fact invented in France during the eighteenth century as an opprobrious term for rule by officials. By the twentieth century it had come to be used interchangeably, as we have seen, with 'organisation', and one finds the word 'bureaucracy' used by historians as a generic term for all kinds of administrative system.

¹ See Tom Burns, "Micropolitics", Administrative Science Q., Vol. 6, 1961, pp. 257-81; "Cliques and Cabals", in T.Burns, Description, Explanation and Understanding Edinburgh Univ. Pr., 1995, and Tom Burns & G.M.Stalker, The Management of Innovation, 3rd. edn., Oxford U.P., 1994, p.xxvi.

Weber did not deny the name of bureaucracy to other, earlier, forms of administration, but it was what he called 'modern bureaucracy' - the bureaucratic structure characteristic of modern business and non-business (including governmental) administrative systems that he took to be closest to his 'ideal type' of bureaucracy.

Modern bureaucracy, much as Weber described and analysed it, swept the board, so far as large-scale industrial and commercial firms were concerned, during his lifetime. This was true not only for Germany but for Western Europe in general and for the United States - although there were some amendments, and some survivals, which made it more acceptable to the more powerful and influential sections of society.

There have also been changes. In particular, America went on to produce an amendment that altered the fifth and seventh characteristics outlined above to a significant extent. A study published in the early 1930's² showed that in half the 200 or so largest business firms in the United States (which together possessed half the country's wealth, outside of banks), the shareholders (i.e., those who actually owned the firms) had ceased to play any significant part in decision-making. Power had passed to the board of directors, which had, for all practical purposes, taken to co-opting its members from among its immediate subordinates.

It was a departure from the still accepted norm which did not receive much public recognition until the last decades of the twentieth century, when two further developments which are fairly obvious consequences began to attract the attention of journalists and others. J.K. Galbraith has given these new features more attention than most:

"[T]he modern corporation is assumed to require of its management that profit maximization be for others, for stockholders who are both powerless and unknown. In fact, and often spectacularly in recent times, profit maximization has come to be for those with the power of decision. Management pay, bonuses and perquisites, golden parachutes in case of losing a takeover struggle, are set by management for itself...

"With the passage of plenary authority to management, the latter rewards itself not only with income but also with prestige. That, as well as the justification for managerial pecuniary return, is notably enhanced by corporate size. Size, accordingly, becomes for those in authority an important goal, along with return. From these new needs and motivations have come the modern conglomerates and the supporting takeover movement. These are not thought by any but exceptionally disciplined observers to improve efficiency, as traditional theory would hold. Rather, such mergers and combinations, in contrast with old-fashioned growth, are a much abbreviated route to the power, prestige - and also compensation - that go with greater size."³

²A.A.Berle and G.C.Means, *The Modern Corporation and Private Property*, Macmillan, 1934.

³J.K.Galbraith, *A History of Economics*, Hamish Hamilton, 1987, pp.277-8. See also his *New Industrial State*, Hamish Hamilton, 1967.

There are other ways in which the legal rationality of Weber's modern bureaucracy has lost some of its rigour. Prominent among them has been, first, the shedding of a number of activities and functions which used to be thought of as integral to governmental or business organisations to outside and independent 'service' organisations which perform them under contract. Secondly, government itself (especially in Britain) has created organisations which are also independent but operate under licence, so to speak, of the branch of government which set them up. These are now known as 'quangos': quasi-autonomous non-governmental organisations. In both cases, power has passed from constitutional authority to an organisation or group not directly subject to the control of a governmental bureaucracy.

Quite apart from these changes, which have been widely discussed and are now accepted as common knowledge, one other factor has emerged to alter the image we now have of bureaucracy - although the alteration has not so far had much effect on the popular view of the organisation of government, or business, or of anything else. From the 1930's on, organisations - industrial, business, governmental and other - became the object of a great deal of study from social scientists in Europe and America.⁴ Most of these organisations were relatively small, but nevertheless they reveal an extensive array of systems of organisation which diverge, sometimes a great deal, from the model of bureaucracy still accepted as the norm. They are not, to all appearances, the product of any conscious reaching for novelty or singularity, but rather the result of ad hoc contrivance, 'common-sense' adjustment, personal experience.

What it all adds up to is that while there remain very considerable areas of organised activity which are clearly bureaucratic (local government is probably the most familiar), organisation in general now accommodates a much wider range of structural arrangements and functioning processes than was thought to be the case at the beginning of the twentieth century.

⁴ There is a short historical sketch of these developments in the preface to the third edition of T.Burns & G.M.Stalker, *The Management of Innovation*, O.U.P., 1994.