



BOOK REVIEWS: WHAT THE ACADEMY IS READING

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The Fruitfulness of Disagreement

Logics of Organization Theory: Audiences, Codes, and Ecologies, by Michael T. Hannan, László Pólos, and Glenn R. Carroll. Princeton, NJ: Princeton University Press, 2007.

The Emergence of Organizations and Markets, by John F. Padgett and Walter W. Powell. Princeton, NJ: Princeton University Press, 2012.

By Rodolphe Durand, HEC Paris

Peace, Montag. Give the people contests they win by remembering the words to more popular songs or the names of state capitals or how much corn Iowa grew last year. Cram them full of non-combustible data, chock them so damned full of “facts” they feel stuffed, but absolutely “brilliant” with information. Then they’ll feel they’re thinking, they’ll get a sense of motion without moving. And they’ll be happy, because facts of that sort don’t change. Don’t give them any slippery stuff like philosophy or sociology to tie things up with. That way lies melancholy (Bradbury, 2013/1951: 58).

There are several ways of treating the question “What are you reading?” One stance is to discuss how books we are reading contribute to a body of literature in general, contain strengths and weaknesses, and trigger ideas for future work. This is not exactly the route I intend to take. In this review I understand and use “reading” in its meaning, taken from *Merriam-Webster’s Dictionary*, of “recognizing or interpreting,” “learning the nature of by observing outward expression or signs,” and noting “the characteristics of in order to anticipate what will happen,” as in “reading palms, waves, rapids, or a green.” More precisely, the questions asked in this context can be, “When you read, what are you focusing on? What, particularly,

are you struggling with? What attracts your attention? What are the consequences of these signs or characters that you interpret differently from the authors or with which you disagree? In a nutshell, when you read a book, what are you reading exactly?”

While great books may convince some people, others will disagree. Discrepancies between different readers’ understandings and interpretations are what fuel research efforts. Developing theory is not easy, and before thinking one has something new to say, to model, or to critique the work of those who have gone before, one needs to be convinced that something has gone awry in how those others have developed their ideas. Disagreement is at the root of thought experiments, analogies, and causal reexamination (Brown, 2003; Nersessian, 2008; Thagard, 2012). Scholars define concepts and ideas, assemble them into theories, and, through their work, restore truth. We all give different meanings to these notions (concepts, theories, truth), but, basically, this is what corresponds to our job: define well, theorize fully, and get closer to (a certain) truth. When reading books, there are therefore three main sorts of disagreements that can make us reflect differently: disagreements about definitions, disagreements about incompleteness, and disagreements about unfairness.

In the first section of this review, I briefly illustrate these three sorts of disagreements, focusing on classic works from diverse realms of knowledge—management, capitalism theory, and philosophy and social science. But these three types of disagreement are also applicable to any other source of knowledge—to other social sciences, to economics, psychology, linguistics, and so forth, or, indeed, studies in an even wider range of fields. The second section illustrates how these three types of disagreement can be used to review two excellent books—*Logics of Organization Theory: Audiences, Codes, and Ecologies* and *The Emergence of Organizations and Markets* to extend our under-

standing of their achievements, and to reach out to identify new questions and future research projects.

THREE WAYS OF DISAGREEING WITH CLASSICS

The first step of this journey opens with critical discussions of some classic works. I have deliberately chosen three books from a fairly "remote" decade (1961–1972) that were influential in their own domains and insightful to me: Burns and Stalker's (1961), on management; Deleuze and Guattari's (1972), on capitalism theory; and Habermas's (1962), on philosophy and social science. Each serves the purpose of illustrating one of the three fruitful sources of disagreement I introduced above.

In *The Management of Innovation*, Burns and Stalker develop an analytical scheme that can be seen as a forerunner of the contingency theory in management studies. They discriminate between two polar extremes of organizational forms, which they call "mechanistic" and "organic," and relate the existence of these forms to three main factors that occur to different degrees: the rate of technical and market changes, the strength of managers' and top executives' personal commitment to the improvement or defense of their status, and the extent of those executives' interpretive skills and discretion to align the organization with the external conditions it faces. This book is well worth reading because the authors connect internal political structures with organizations' capacity to innovate, which remains a rare endeavor.

In this first case, my disagreement with the authors' theses starts with their definition of mechanistic and organic systems and the multiple conditions and properties that constitute them (Chapter 6: 119–121)—so let's call that "a disagreement about definitions." Even though Burns and Stalker explicitly state that these are polar definitions and situations, and so do not portray mutually exclusive cases (p. 122), why do they choose *mechanical* and *organic* as their opposed terms? Is this an echo of Spencer's (1862) social theories and principles or Durkheim's (1893) typology of solidarity as mechanical versus organic? Why use so many dimensions (differentiation of tasks, nature of objectives, responsibilities of superiors, rights and obligations, functional positions, hierarchy, lo-

cation of knowledge, directionality of interactions, communication modes, obedience of members, source of prestige) and not just a few to define and make the polar situations recognizable? Why not examine multiple situations—three or four, for instance—and not just the two revealed in the two settings (one in Scotland, the other in England) they investigate? Moreover, in defining the three independent variables affecting innovation, why do the authors just consider those and not others? What does it say for a theory if factors can sometimes be influential and sometimes not? If new factors can be added to or withdrawn from the model? If the model is defined as contingent? Isn't the source of true knowledge the eschewing of contingency and the inclination toward more lawlike principles? So, in this case, my disagreements about the authors' definitions concern the concepts they use, their definitions, and the model or theory in which those participate. At a personal level, answering these questions led me to other readings in sociology, population ecology, biology, and strategy . . . and to writing a book on these notions (Durand, 2006).

A second sort of disagreement deals with theories being "incomplete." French theory (as it has been called) has given birth to many defective intellectual elaborations (Cusset, 2003). Too often conceptual definitions are lacking, borrowings from "hard" sciences are inappropriate, the multiplicity of the causal relationships supposedly identified is problematic, and theories are impossible to test (Sokal & Bricmont, 1998). Nevertheless, the intellectual strength of the elaboration and the breadth and ambition of the endeavor sometime deserve attention. This is the case with *Anti-Oedipus: Capitalism and Schizophrenia*, by Deleuze and Guattari (1972), a very difficult book to read but a rewarding one—in fact, a mind-blowing experience. Among other things, the authors provide a general reflection on the causes of the birth and evolution of capitalism, which they locate within a general history of the fluxes of resources and the territorialization of human societies. The human psyche invests the world with an irrepressible desire and attempts to structure and recreate its reality. At the core of human systems, lines of demarcation, axes, and thresholds cut, intersect, and code the flows of energies, of production, and of actions. Capitalism marks the ultimate form of fractioning these

fluxes, of counting and accounting for them, and of measuring and rewarding, evaluating and ranking people and human production. Central to capitalism, money is the “body without organs” that continuously expands its sphere of influence, tainting every desire and reducing every aspect of human life into decomposable and commensurable units.

A powerful philosophical and anti-Freudian psychoanalytic depiction, *Anti-Oedipus* deals with so many topics that disagreeing on the grounds of its incompleteness may sound ironic. However, the notion of a body without organs in human societies—earth in primitive societies and money in capitalism—seemed incomplete to me. What about the many different varieties of capitalist organizations that do not fit into the authors’ grandiose picture of an obsessive and amorphous growing of the body without organs? Are the various sorts of regulation, coding, and governance systems all the same? Why is it that Deleuze and Guattari (along with many other philosophers and social scientists) do not discriminate between the multifarious natures of different capitalist organizations? To my eyes, this is where their grand theory falls short and is incomplete. Joining efforts with J. P. Vergne, I developed a (far more modest) account of capitalist evolution (Durand & Vergne, 2013), based on the separation and potential exchanges between different sorts of organizations: established firms from recognized territories and “pirate” organizations located at the fringes of known borders. Body without organs, maybe—but not without many organizations!

The third type of disagreement is “unfairness.” Scholars define concepts, assemble them in theories, and aim to restore truth, which was ignored, masked, or mistaken in prior works. By proposing new evidence of mechanisms leading to phenomena, (social) scientists risk being unfair about some of the past discoveries and suffer from the same biases as their predecessors: explaining all reality with their brand new lenses. Organization theory and studies in general have been dealing with market organizations and firms for the last four decades, but most of the developments in the literature about organizational ecology, neoinstitutional theory, and stakeholder theories are possible because there exists a public space wherein organizations and firms can emerge, flourish, ally, and compete. Reading *The Structural Transformation*

of the Public Sphere: An Inquiry into a Category of Bourgeois Society (Habermas, 1962) is essential for understanding the underpinning conditions for the existence of the organizations that our own disciplines and theories seek to think about and model. Habermas details the origin and formation of a public space that materialized when the eighteenth-century bourgeois class made its habitat, mores, and practices more private, but also convened in public spaces to discuss social and political matters. The open spaces thus created, institutionalized, and nurtured public opinion, which, in turn, reverberated into and fueled the public media, enabling and housing democratic debates that disputed the roles and attributes of state functions and the merits of diverse sorts of organizations. Habermas’s aim has been to preserve public spheres from external influences. The recent “privatization” of public space by media companies, firms, and market institutions has put democracy at risk, so new principles of economic, social, and political life have to be defined.

Again, through this work Habermas proposed a fundamental building block for our understanding of the existence of organizations and the roles of communication for private and public agencies in shaping public opinion and audiences’ mindsets. The book has been a sounding board for many reinterpretations of the idea of the “public sphere”—and the importance of its protection—all of which enrich our understandings about corporate actions vis-à-vis individuals and state institutions. My disagreement comes from the almost univocal treatment that firms and market organizations receive, about how they inform and form public opinion (last chapter of the book, and in more recent work as well). Do all market organizations seek to dominate and control? Can none be found that, rather, participate in people’s emancipation? Is it fair to associate, irremediably, firms and market organizations with the waning of democracy? There should surely be more justification for that to be taken as a tenet, or at least some more nuances introduced in the analysis. A possible way out could be to associate the institutional logics organizations instantiate (Thornton, Ocasio, & Lounsbury, 2012) with a revised notion of the public sphere that includes—as well as the economic and political dimensions—an organizational dimension,

which I have attempted (tentatively) in a recent work (Durand, 2014).

As Ray Bradbury expresses in the introductory quote, “slippery stuff like philosophy or sociology . . . tie things up” in an imperfect manner, opening avenues for “melancholy” and nurturing future thoughts through disagreements that prompt some actors to research further—and others to rebel, as in *Fahrenheit 451*.

APPLYING DISAGREEMENTS TO DEVELOP BETTER THEORY?

Let’s bear in mind these three sorts of disagreement when “reading” major texts—on definitions, incompleteness, and unfairness—while reviewing (briefly) two eminent (and much more recent) books: *Logics of Organization Theory: Audiences, Codes, and Ecologies*, by Hannan, Polós, and Carroll (2007), and *The Emergence of Organizations and Markets*, by Padgett and Powell (2012).

Logics of Organization Theory: Audiences, Codes, and Ecologies

This book is an outstanding theoretical construction and presents many sections of a research program. At the same time it acknowledges some of the limitations of prior theory (population ecology), which is highly commendable. The first chapter departs from the inherent ambiguity present in words, concepts, and theories to justify the choice of dynamic logics for the deployment of new and sounder propositions. Acknowledging that organizations can belong imperfectly to given forms, the authors then propose the use of “fuzzy logic,” which allows them to not ascribe essentialist characteristics to organizations. The first chapter puts the new ecological analysis of “social codes,” defined as both “sets of interpretative signals” and “sets of rules of conduct,” at the forefront of its arguments and paves the way for a general and integrative program of research.

Part 1, “Audiences, Producers, and Codes,” formalizes how different audience segments perceive different degrees and contrasts in clusters of entities. Labels enable audiences to categorize these entities based on how audience members share and recognize “grades of membership.” Audience members couple labels with schema and create types, and similar activity at

the collective level leads to broader categories. The authors detail how legitimation processes establish forms and populations and revisit the density dependence model. Indeed, an organization’s identity results from its associations with categories, through its group of membership, respect of codes, and multiple attachments to groups. Part 2, “Nonmonotonic Reasoning: Age Dependence,” recasts in two chapters the essence of prior published works that present the nonmonotonic logics amenable to organization studies and their application to age dependence. Part 3, “Ecological Niches,” consists of three chapters that unify previous works on niches, which have somewhat conflicting empirical findings. It introduces fuzzy logic in its reasoning, leading to further niche definitions; retheorizes fitness, niche overlap, and niche width; and reformulates resource partitioning arguments.

Part 4, “Organizational Change,” which is the last part of the book, presents a cogent reformulation of early structural inertia arguments, paving the way for a discussion of the microfoundations of organizational ecology going back to the selectionist basis of population ecology. This part contains a logical reformulation of the negative consequences of intraorganizational changes due to restructuration costs, limited managerial foresight and cultural opposition, or inherent properties of organizations (intricacy, opacity, and asperity). Finally, Chapter 14 takes a step back, assessing the book’s overall achievements. In particular, the authors aim at integrating and unifying middle-range theories into higher-level—and thus more abstract—sociological theory. They claim to contribute in four areas—(1) construction of a common conceptual core, (2) resolution of inconsistencies within and across fragments, (3) theorization of ignored processes, and (4) theoretical development—and close with a call for more empirical investigations of parts of the framework. Since the publication of the book in 2007, several studies have started addressing this research agenda.

Definitions? Despite the authors’ (commendable) efforts to define their terms in the most precise ways possible, there is still room for disagreement about the definitions and properties they associate with their concepts. Most notably, the core notion of “code” possesses a dual nature that remains problematic:

This theory-building strategy leads us to place social codes at the forefront of ecological analysis. As we use the concept here, a social code denotes and connotes both cognitive recognition and imperative standing. A social code can be understood (1) as a set of interpretative signals, as in the "genetic code," and (2) as a set of rules of conduct, as in a "penal code" (Hannan et al., 2007: 21).

This definition of code—and the imperatives it contains—sets endogenous limits for the theory itself. Why is it necessary to include a "penal" component in the concept's definition? One reason is to remain as close as possible to the selective perspective embraced by earlier organizational ecology and to keep the two theories tightly connected (p. 288). Keeping exclusion criteria—if you do not respect the code, you are less recognized, perceived as less competent, are less rewarded, and are less likely to fare well and survive—embeds selection in audiences' cognitive and social processes, instead of defining it as a property of a population's or an environment's characteristics (density or carrying capacity). It comes at a high cost, however, since codes contain room for interpretation, tolerance for infringement, and exceptions that confirm rules, as in "highway code" or "code of ethics," for instance, where situational interpretations abound that are the "oil" of social and human organization (Aristotle, 1976; Melucci, 1996; Ricoeur, 1992). So some new research questions emerge: Can organizations preserve and violate codes at the same time? With which consequences? Can audiences not manage ambiguity and thus tolerate code infringements? Don't organizations participate in the elaboration of codes and categories, elaborating rules that enable them to select away rivals but still retain their own characteristics (Durand, 2006)?

Incompleteness? The strenuous effort Hannan et al. make to synthesize sparse theoretical fragments is one of the book's most significant characteristics. At the same time some factors, influential for the very dynamics of categorization and the emergence of form, seem absent from the picture, especially in the matter of how audiences distinguish the abnormal terms available to them from the proper ones. What are the social processes that lead to this selection? How do audience members communicate, make sense of, and organize the categorization at both individual and collective levels? Do they all hold equal views on labels and categories?

Such processes do not occur in a cognitive and social vacuum: audience members have established sets of notions, and they are horizontally and vertically positioned in social structures and networks—all of which have a part in these processes. The authors argue that legitimation occurs through the progressive formation of an acceptance, of an extended consensus, among audiences. The transformation of labeled sets into classes, types into categories, and concepts into forms relies on communication between different audience segments. But neither progressive acceptance nor extended consensus indicates much about the legitimacy of categories and forms per se, or about how discrepancies, disputes, and conflicts shape communication about and the emergence of categories and forms. For instance, Figure 3.1 (p. 75) emphasizes agreement on the extension and meaning of labels and illustrates a negative an absence of social layers and conflicting logics among audiences. This is an incompleteness that opens avenues for future research: What impacts do status hierarchies within audiences have on the acceptability of schemata and categories? What communication techniques can explain the dominance of some characteristics over others? When audiences' institutional logics collide or overlap, how are the dimensions of different logics imposed on the definition of the codes and on the properties of organizations?

Unfairness? Finally, in what way(s) could we disagree with the authors on the grounds of unfairness? Any theoretical work must be selective in choosing the basis of the references to which it appeals. In order to build their theory, Hannan et al. had to make choices from the vast literature dealing with psychological and cognitive research on categorization, perspectives on social and organizational identity, and works on legitimacy and legitimation. However, their selection was quite strict and led them to completely ignore—without much justification, it seems to me—large areas of literature that might either have contested or complemented their chosen premises. Why did they mainly stick to the prototypical views of categories? Other ways exist of thinking, defining, and testing categories and categorization and have led to heated discussions among psychologists in recent decades (Murphy, 2002). Why is there no mention at all of the works from the organizational and social identity literature? Thus, nei-

ther Tajfel (1981) nor Ashforth (2001)—to refer to only two important contributors to these bodies of literature, among many others—are cited in this volume. These absences point to some more research questions: What is the compatibility of the book's intraorganization models (Chapters 11 and 12) with prior works on the plastic or enduring nature of organizational identity? How can categorization and legitimation processes be connected with audience members' social identities and with dyadic or multiple associations between audience members and organizations?

These many questions are raised only because the book is of great clarity and quality. New arguments and evidence accumulate to answer them, refine the theory, and make our knowledge progress. Among the important works that scrutinize the apparition of organizations and markets, a recent book deserves a special attention, which I now discuss.

The Emergence of Organizations and Markets

Frustrated by the paucity of theories tackling the issue of organizational emergence and specification, Padgett and Powell (and twenty other authors contributing to various chapters) have undertaken a major theoretical upheaval in this book. Research efforts have normally treated organizations or social actors of many kinds as abstractions, which are needed to build theories but whose essence is generally left unquestioned. Where do these actors come from in the first place? To answer these questions, the authors' mantra is "in the short run, actors create relations; in the long run, relations create actors" (p. 2).

In the early chapters of the book, the authors refer back to biology—specifically, autocatalysis models from biochemistry—to derive rich metaphors that they apply to organizational fields and actors. They argue that it is the associations between actors that create networks of exchanges and interactions, which bring organizations to life. The starting point of their analysis is social networks—and how actors and their resources and capacities result from the structures of these primary connections. The central role of people must be stressed: because some individuals hold positions in multiple occupational layers of society (politics, economics, kinship), they are capable of either constituting

new associations around projects or ideas—which the authors call "innovations"—or of producing dramatic recombinations—which the authors call "network foldings"—that can result in major "inventions," leading to structural changes in their originating networks.

If networks are images of connections between actors in a plane, reality can be seen as the superposition of different planes with interconnections between the levels. And the processual view of social structures that Padgett and Powell offer puts the images (networks) into motion, portraying organizations as temporary receptacles of flows of resources and people that can reconstitute themselves continuously through exchanges, in the same way that cells in an organism reproduce themselves in flows of chemical reactions. This dynamic parallels that at the origins of life, whereby autocatalysis makes disparate sets of chemicals interact in self-reinforcing reactions that generate organized structures capable of reproducing themselves. What matters for conceptualizing actors in social science is that networks are not just like pipes or prisms, passing along information or coloring visions; rather, they possess a transformative capacity that can recombine not only resources but the very network that first made those encounters and reproductions possible. "Autocatalysis is our relational version of Darwinian selection" (p. 10).

These arguments are developed, tested, and refined via multiple methods and multiple cases, including partnership systems in Renaissance Florence, medieval corporations in Tuscany, the creation of joint-stock companies in sixteenth-century Netherlands, the unification of nineteenth-century Germany, the reforms in the Soviet centralized economic system and post-Mao Chinese privatization, and the recent California biotech revolution. Methods include simulations, case analysis, archival data collection, network analysis, and multiple regression techniques. The authors argue for a cross-corroboration of findings through different methods, and the book is exemplary in this respect.

Part I presents a variety of autocatalysis models developed in biochemistry; the authors propose a simulation that permits the examination of endogenous emergence of networks, as well as communication and endogenous learning and symbolic exchanges. In an effort to model

the death and replacement of the rules inherent in production and social exchanges, Padgett urges scholars (in Chapter 4) to embrace new theorizations other than population genetics and evolutionary psychology by more imaginatively linking multiple network topologies with connections between communication and its material counterparts or components.

Part 2 consists of four historical chapters, hinging on the idea that organizational inventions in Europe can be systematically related to a radical rebalancing of the connections that link multiple autocatalytic networks together. They are detailed here to illustrate the richness of the book's studies. Chapter 5 shows that noble patrilineage (i.e., descent via the male line in noble families) served as a catalyst to establish medieval corporations in Tuscany and details the topological importance of these corporations at the intersection of international trade, state finance, and noble kinship. Chapter 6 examines the political, economic, and social consequences of the Florentine partnership system following the Ciompi revolt of 1378. The importation of the system of patronage into the financial and economic elite brought fluidity to economic exchanges (via credit) and favored the ascension of a new group of bankers and their republican ideas into the old elite through business partnerships and marriages. Chapter 7 details the multiple innovations in the connected domains of religion (Calvinism), state organization (federalism), and economics (joint-stock company and stock market creation) that led to the Netherlands' emergence as an economic power at the turn of the seventeenth century, while Chapter 8 explains the birth of Germany via the restructuring of German provinces under new institutions and Bismarck's use of war as a way to displace domestic conflict successively to new theaters.

Part 3 tackles the fascinating issue of the resilience of multilayered networks and their ability to foster innovations in conditions of extreme shifts in hierarchy and/or values in the cases of Communist reforms in the Soviet Union, China, and Hungary. In the chapters of this part, the authors capture the passage from organizational innovations to inventions thanks to the catalytic effects of people who belonged to multiple networks and who communicated and advocated that some innovations needed to be dif-

fused—until a tipping point was reached where the networks restructured themselves.

Part 4, the last part of the book, consists of six chapters—mostly authored by Powell and colleagues—all dealing with contemporary capitalism and the cascading effects of change from one type of network to another. Different topics are treated, such as the convergence between separated worlds (academia, finance, and health care industry) into a stable new field (biotech industry), the emergence of three successful U.S. biotech clusters among eleven possible, and the evolution of and role exchanges between public and private actors in the life sciences industries. Special care is given to illustrating how the careers of young researchers and postdoctorate students interrelated with existing structural anchors, such as universities and firms (Harvard, Stanford, IBM, Xerox), to create the lasting success of Silicon Valley and Boston's Route 128.

The book contains so many interesting insights into so many different notions that it is impossible to render it justice in a few lines. First, Padgett and Powell define eight tentative mechanisms of how network folding leads to invention (i.e., to radical changes in societies): (1) transposition and refunctionality (partnership in Renaissance Florence, Chapter 6), (2) anchoring diversity (biotech firms, Chapter 14), (3) incorporation and detachment (medieval corporations in Tuscany, Chapter 5), (4) migration and homology (Dutch reforms, Chapter 7), (5) conflict displacement and dual inclusion (transforming Prussia into Germany, Chapter 8), (6) purging and mass mobilization (communist reforms, Chapter 9, and privatizations in Russia, Chapter 10), (7) privatization and business groups (Chapters 10 to 12), and (8) robust action and multivocality (Chapter 9). Undeniably, bringing these mechanisms to the fore is a contribution to the theory of organization and market emergence.

Second, the idea of resilience as a property of the multilevelness of networks of various kinds is thought provoking: resilience favors repair when the structure of relations is altered but hinders both the diffusion of innovations and the necessary network folding for inventions to manifest themselves. Central to the authors' core model is "gift giving" that characterizes actor-to-actor relationships and weaves itself into the fabric of their exchanges; an actor remembers and reproduces gift receiving and gift

giving with other actors, and these rules of reciprocity are inscribed in the behavioral rules of other actors at each end of the double-headed arrows that relate them. Finally, I should stress the care the authors take to avoid confusion between their evolutionary model, Darwinism, and Spencerism (p. 48), and between autocatalysis and autopoiesis (p. 55), as well as the attention they devote throughout to a conception of history that is never teleological.

From this brief (and hence inevitably somewhat unjust) account, *The Emergence of Organizations and Markets* can already be seen as a substantial achievement from the depth of its ambition, the power of its insights, and the huge range of its empirical contributions. There is, indeed, so much to appreciate in its chapters, which uncover the origins of major socioeconomic phenomena from an original multilayered network approach. Nevertheless—loyal to my “What are you reading?” approach in this review—in the following paragraphs I apply the three types of disagreement noted earlier to push some of the fecund insights this book yields even further.

Definitions? The first part is constitutive of its project—founding a new approach to organizational evolution that eschews some of the traps of the Darwinian (or socio-Darwinian) selectionist perspective. Keeping the gist of the analogy that social worlds have more in common with biology than with physics, Padgett and Powell aim to resolve the thorny issue of organizational emergence by using all possible parallels with their cellular autocatalysis model. However, as for its variation-selection-retention counterpart and the population genealogical accounts developed by others in the past, one might disagree with the analogy and therefore with the ensuing definitions. While the mechanisms that play a role in making life emerge may have some correspondence with processes that make individuals from different spheres coalesce in distinct structural arrangements that endure and reproduce themselves, the comparison of the unitary components is difficult to accept upfront: people as chemicals or cells? To what extent can we really compare the progress of groups of chemicals into living organisms with that of networks of actors into economic and political organizations? And what exactly are the analogs in biochemistry of symbolic communication? So there is some room to disagree

about the definitions in this book, the more so as the chapters wind on and the analogy becomes less effective. In fact, the definitions of the core concepts are very true to the fruitful metaphor the authors have selected. However, the autocatalysis theory appears in several models—as they explain in Chapter 1—and the reader may wonder why the authors have chosen this model rather than any other. And if another model had been chosen, what would then be the consequences for organizations and organizational emergence?

Incompleteness? As already stated, the book’s ambition and its accomplishments are remarkable. So is there anything to disagree with in terms of the completeness of the model and its realizations? One difficulty here results from the project’s focus on the processes of the unfolding of network structures and their connections over time: how can this perspective be reconciled with more classical demonstrations and concepts? I’d like even more transpositions of common vocabulary into the new idiom of this analysis: how can we translate concepts such as resources, power, performance, boundary, identity, path dependency, centrality, status, and so forth into this new perspective? It is so new that one feels in danger of losing oneself in the multifarious strata that each new chapter adds to those established in previous ones. It seems that reinterpretations of many common concepts and operationalizations of management and organization theories into a new set of definitions and measures are at our very fingertips—but they do not happen in the book. So the reader is left eager to apprehend better the analogical power of autocatalysis, hypercycles, biographies, and careers (on which I have no space to comment further), and also to integrate this new vision of organizational and market emergence with the tools currently at our disposal.

The eight network folding mechanisms Padgett and Powell propose give only an incomplete description of the possible changes. They are abruptly announced on page 12 but then described and illustrated in different chapters. One may question whether a more tightly knitted theory of these mechanisms could be proposed. Do they all apply to the same types of entities? Are they likely to manifest themselves in all contexts? Can we move from one to another via logical paths? How many other mechanisms are possible? Not that I am asking for a

metatheory systematically explicating all possible relationships among and between the eight, but future works could consider rationalizing even further the likelihood they will occur, the conditions for those occurrences, and the processes leading to the activation of several mechanisms along predictable paths. This would make the picture more complete and the power of this theory's discoveries and reinventions even greater.

Unfairness? Finally, what about disagreement about unfairness? The invigorating new breath of inquiry the book brings to its subject matter does not mean the authors can avoid the challenge of accounting for other writers' philosophical ruminations on such matters. Despite their defense of getting close to the data and never advancing arguments and relationships not substantiated by evidence (archival, interviews, network connections, simulations), Padgett and Powell engage in the metaphysics of organizational evolution. But they refrain from fully embracing philosophical considerations about individuals' freedom, desire, or ambition; more general theories of state constitution and evolution; and a discussion of political and economic systems: echoing the introductory quote, although for different reasons, their avowed goal is not to philosophize about such notions. It may therefore be unfair to disagree with them on the grounds of unfairness.

But there are substantial similarities between the superposition of networks and the "plateaus" proposed by Deleuze and Guattari (1980)—for instance, the multiple mentions of flows (of resources, of information) channeled by actors across and among network strata and the rhizomic view of evolution proposed in *A Thousand Plateaus* (the successor volume to *Anti-Oedipus*). So, beyond their search for the "Holy Grail" of organizational emergence—a feat in itself—I see a philosophy of man, qua an individual and also as a historical subject, surfacing. This philosophy of the actor as historical subject brims over the limits of individuals and organizations as closed entities and immerses actors in multiple plateaus of networks. As close as it is to a hermeneutics of the subject combined with a network perspective—both structural and fluctuant—this philosophy of the historical subject is far from the neobehaviorist models of actors that are pullulating currently and that seek deep into their reductionist

forms—neuronal, biochemical, etc.—to discover the motives for actors' creation, action, communication, and so on. Thus, I address my disagreement about unfairness to the book's authors for their treatment of the actor-in-networks or "networked-actors," as they could be called (or "organizations individual," as I call them elsewhere; Durand, 2014). They may be unfair to their own thoughts and the inherent power of the Copernician revolution they undertook with this book. The historical essence of networked-actors could have emerged even more clearly as the constitutive ontology of what underpins the emergence of organizations and markets.

CONCLUSION

Reading is not just about articles and papers; it's about books and capturing authors' quintessential attempts to embrace phenomena of importance in a synthetic corpus of concepts and relations. (As an *exercice de style*, my bibliography only refers to books.) Scholars define and redefine concepts, assemble and reassemble them to form theories, and through their efforts aim to establish, temporarily, truth. High-quality books capture the essence of this labor. They do more than convince you; they make you disagree. The three types of disagreements identified in this review—on definitions, incompleteness, and unfairness, which is undoubtedly a nonexhaustive list—echo the very tasks of scholarly work and stimulate fruitful ideas and new research agenda. Books force authors to build bridges, to connect fragmentary works together, to position their thoughts relative to those of other authors, other disciplines, and other analogies. Whereas articles are well-polished bricks, books constitute walls of differing heights and resistance. To echo one last time Bradbury's introductory quote, authors may tie things up with slippery stuff like philosophy or sociology or other soft disciplines. As a result, they expose their ideas more freely and imaginatively in books, which are thus a natural complement to articles. That's why books are (still) important—and why I devote time to *reading* them in the sense proposed in this review's introduction, and even to writing some.

Book *reading* is a source of fruitful disagreement. If you'd like to pursue this discussion, ask yourself three questions when you read books: Are the definitions the authors use and hold to

appropriate and sufficiently justified? Is there something missing in the models and theory? Is this book fair to other authors' works with which you are familiar or to the explained phenomena—or even to what you discern is underdeveloped in its prose? Answering these questions will prompt you to explore original avenues of research.

Writing a book is an accomplishment—but it is also a way to honor theory and thought: it is a bow to others' efforts to formulate their ideas and theories—and to future readers who will take time to read and nod . . . or disagree.

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<http://dx.doi.org/10.5465/amr.2013.0370>

Morals, Markets, and Values-Based Businesses

What Money Can't Buy: The Moral Limits of Markets, by Michael J. Sandel. New York: Farrar, Straus and Giroux, 2012.

Conscious Capitalism: Liberating the Heroic Spirit of Business, by John Mackey and Raj Sisodia. Boston: Harvard Business Review Press, 2013.

By David Chandler, University of Colorado Denver

Institutional theory tells us that institutions "matter" (Powell, 1996: 297). They matter because they are powerful predictors of action, both enabling and constraining actors within socially constructed ranges of acceptable behavior

I would like to thank Chris Quinn Trank for her guidance in developing this review. I am also grateful to Vinit Desai for his constructive comments during this project's formative stages. Most important, I would like to thank Matthew Kraatz for introducing me to the invaluable work of Philip Selznick.

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