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ORGANISATIONS AND INSTITUTIONS

Perspectives in Economics and Sociology

Michael Rowlinson

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For Thara

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Preface

This book has two aims. First, to introduce organisational economics to non-economists, primarily organisation theorists and sociologists. Second, to help economists understand the objections to organisational economics from organisation theorists and sociologists. The book takes an approach that is more familiar in sociology than economics in that it does not propose an all-encompassing synthesis. Instead it attempts to provide a framework in which to examine the extent of agreement and disagreement between organisational economics and sociologically informed organisation theory, and to locate diverse perspectives in relation to each other. A theme is that organisation theorists cannot have it both ways, criticising neoclassical economics for failing to offer any analysis of organisations on the one hand, and dismissing organisational economics as neoclassical on the other.

My own background is in sociology and organisation theory. More specifically, I see myself as part of the ongoing labour process debate which developed out of Marxist sociology in the wake of Harry Braverman's (1974) *Labor and Monopoly Capital*. The idea for this book first occurred to me when I read Alfred Chandler's (1962) *Strategy and Structure*, Ronald Coase's (1937/1993) 'The Nature of the Firm', followed by Oliver Williamson's (1983) *Markets and Hierarchies* and (1985) *The Economic Institutions of Capitalism*. I realised that the work of these authors represented a challenge to the view of organisations that I was familiar with from sociology and organisation theory. Unlike many other sociologists and organisation theorists, I believe that the work of Coase, Williamson and other economists cannot be dismissed out of hand. This book is my contribution towards developing a dialogue between organisation theory and organisational economics. My intention is to facilitate discussion across disciplinary boundaries rather than to close down debate. So, any organisation theorists hoping for a definitive demolition of organisational economics will be disappointed, as will economists anticipating a final admission of the futility of organisation theory from a sociologist.

MICHAEL ROWLINSON

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I have been a lecturer at three institutions during the time of writing this book: the Universities of Aston, Southampton and Nottingham. I would like to thank the students at each institution who have endured numerous versions of various chapters in the making. Of course, readers should blame me and none of the above for any shortcomings of this volume.

MICHAEL ROWLINSON

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