

Chapter 12

Realizing Values: The Controlling Conceptions

Values permeate all activity. But values cannot be developed or pursued by the activities of animals or computers. Values can only be realized by entities which have a distinct social existence. Because social existence is itself, at root, defined by values, realizing values expresses identity (cf. Ch.s 4, 5 & 7).

The simplest entity which realizes values is a person as a social being.

However a person acting alone cannot achieve very much. So any significant endeavour is joint, involving many people and requiring the formation of an artificial social being. Such entities, the drivers of value realization in modern societies, are referred to variously as bodies, organizations, legal individuals or collective actors. Like a person, they need a degree of autonomy.

Autonomous functioning of a joint endeavour is not straightforward. The people and the work to be done need to be organized. So artificial social beings must be created and maintained in a way which enables such organization.

The organization of work and the definition of autonomous artificial entities and their endeavours demand both freedom and control. Without freedom, nothing of value will develop. Without control, the results could well be chaotic and harmful. So the four lower level groupings — purposes, directions, drives and functioning described as 'building blocks' in Ch. 10 — must be operated by more complex purpose derivatives that can both control them and be controlled.

In this chapter, we shall first consider the three types of endeavour-based entity which require and manifest autonomy: these are defined by the pentads. Then we shall briefly note the nature of the two distinct types of societal guardian which regulate the exercise of autonomous power and express sovereignty: these are determined by the hexads. Finally, we shall consider the social order within which membership occurs: this is the heptad. The social order enables sovereignty and autonomy because it alone enables a person to exist as a social being, exercising universal human capacities for freedom, participation and responsibility.

G-5: AUTONOMY

Nature. Work ensures functioning (G-4) and sustains an endeavour (G-5). Put another way: functioning exists because of endeavours. Given the social implications of endeavours, an identifiable entity must be established which can be held responsible for this functioning. The social entity which embodies the endeavour must be capable of developing and owning its own functioning, including its drives, directions and purposes.

To organize all the work and people involved in an effective way, an endeavour requires autonomy. It can be imagined as a complex artificial person created to involve and organize people to do something of value. Such an entity can endure beyond changes in the people initially involved.

In other words, endeavours can take on a life of their own by being set up to exist as independent agents with their own distinct identity. Autonomous endeavours, like the people who constitute them, are expected to operate responsibly.

We took for granted earlier that the building blocks did not exist in isolation, but were found within organizations or other social bodies like regulatory authorities or popular movements. The issue is how such things can be allowed autonomy given the diversity and conflict which is generated by values, and the need for some form of social control over their impact.

The effort to organize an endeavour demands recognition that people are both unique individuals who want to do things which accord with their own particular values (loyalties, aspirations, needs, interests &c), and also participants in a society which must evolve and maintain common values. The inherent potential for conflict can only be removed by finding a *general consensus*. In a general consensus, each person finds that they individually endorse what others individually endorse, and therefore what society as a whole values. So a consensus allows the individual and the group to be reconciled without obliterating the identity of either.

In precisely the same way, the justification for organizations pursuing their own ends in their own

way must be that they serve society in some way and are, at the highest level at least, in accord with its values.

The requirement for enduring endeavours to be built on consensus is met by integrating an additional (fifth) level of purpose to create pentads. Three pentads are possible, and they correspond to the three ways that autonomy is manifested and embodied in distinctive types of endeavour. Dominating each pentad are the three forms of value which can be described as quintessentially social: social values, value systems, ultimate values (cf. Master-Table 31: Ch. 10). The three embodiments of autonomy support the three fundamental dimensions of realizing values: their development, their preservation, and their pursuit. In this way, the ineradicable social tension between continuity and change can be managed.

Autonomy is needed for successful endeavours. Endeavours must be self-sufficient, self-developing and purpose-based. Above all, it must be possible for the endeavour to fail or collapse — otherwise it is dependent rather than autonomous. The *function* of autonomy is, perhaps paradoxically, to ensure that work serves the values of both society and individual people.

Because of a consensus, defined endeavours can harness both personal and social energies effectively, can organize work and the people doing it, and can be under their own control. To do this, they necessarily develop, order and implement the building blocks in a way that is appropriate to their nature. In turn, as we shall see, autonomy must operate within the bounds of sovereignty and must be in accord with membership of the

social order in that society.

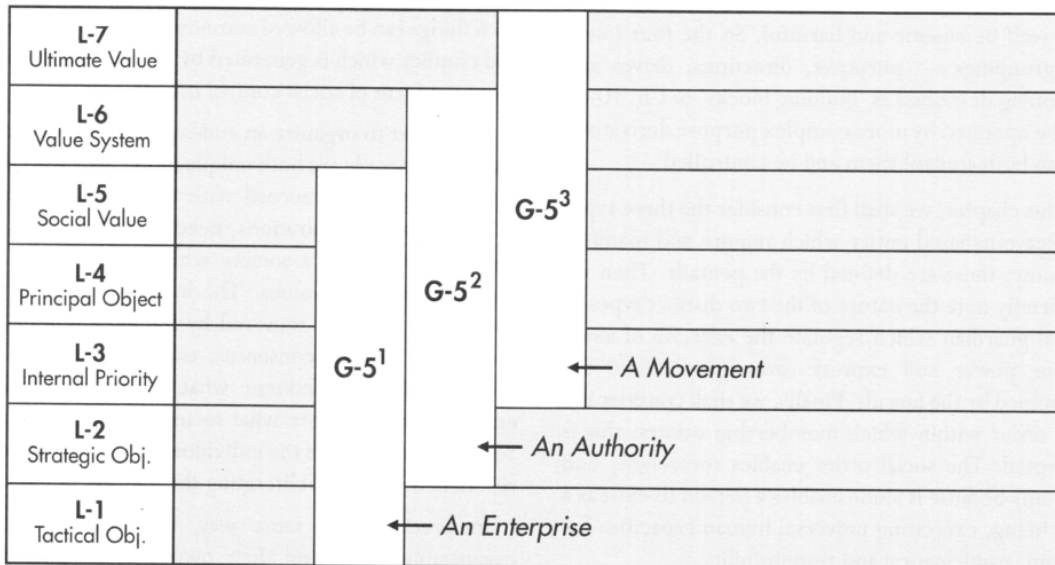
Types. There are three pentads and therefore three distinct types of autonomy and autonomous endeavour. In descending order, these are: *movements* (G-5³); *authorities* (G-5²); and *enterprises* (G-5¹). Executive-led enterprises manifest autonomy in relation to activities and their tangible results. These have been discussed a great deal throughout this book and are what is generally thought of when the term ‘organization’ is used. Authorities have been referred to mainly in relation to the design of ethical arrangements (Ch.s 8 & 9). They are relatively small bodies set up to preserve values by establishing the significance of certain values or rules in particular situations independent of vested interests or governmental pressures. Popular movements, mentioned previously in passing (mainly in Ch. 10) are large, minimally organized collections of people who seek to introduce new values into society.

In examining these manifestations of autonomy, the aim once again is not to be comprehensive, but rather to show how their nature is allied to the process of realizing values, and illuminated by the present framework of purpose. This is not just a theoretical conceit: an understanding of these endeavours in terms of levels of purpose seems to be essential for their responsible and effective structuring, operation and integration in society.

The autonomy pentads are represented diagrammatically in Fig. 12.1 and their properties are summarized in Master-Table 37. To provide a quick overview before a more detailed examination, the three

Figure 12.1: The pentadic grouping which defines endeavours.

Three embodiments of autonomy enabling endeavours to be consensually organized.



embodiments are now defined and introduced.

G-5³: Movements are autonomous endeavours which seek to transform all or part of society through voluntary collective action. Their function is to develop and establish new values of fundamental importance to society. Examples include: the workers' movement, the women's movement, anti-war movements, the psychoanalytic movement, revolutionary and millenarian movements. Such entities operate in the cultural arena, engaging with political, religious, economic and other issues of the day. They tend to spread across societies. Movements command the emotional power of ideas whose time has come, and promise fulfilment of personal ideals and identity. People constituting the movement's grass roots are consciously committed to the new values and freely put time and effort into supporting these. Participation requires a minimum of formality, but to spread the word and generate spontaneous collective action, the movement does require some structure. The basic organizational element is an informal but highly purposeful group of people who could be said to constitute a cell. Cells operate largely autonomously within loose networks, and have an egalitarian ethos. Sometimes a movement organization will form in an attempt to define a cell structure and provide rudimentary coordination, but there is great difficulty keeping track of cells. The movement's membership and the proliferation of its cells tends to increase and diminish in an unpredictable and relatively uncontrollable fashion. Cell activities are oriented to embedding and spreading the movement and its values. Movements achieve their ends by influencing authorities and government, and by spawning and shaping a wide variety of organizations. If the movement is successful, culture itself is altered and the movement's ideas and values come to be taken for granted by most people in society.

G-5²: Authorities are autonomous endeavours which seek to stabilize society by clarifying, modulating and asserting its values. Their function is to preserve social values and authorize their application to particular situations. To do this, they must recognize value pressures from many sources including new values emerging from popular movements. Authorities are commonly set up by statute: e.g. the Monopolies and Mergers Commission, The Radio Authority, and the Parole Board in the UK. Non-statutory authorities like the Advertising Standards Authority or Press Complaints Commission in the UK may be set up by a profession or an industry. (These are sometimes called 'self-regulatory organizations' or SRO's). As the examples illustrate, authorities operate with specific functions in specific areas, employing the procedural

and regulatory power that goes with officially representing, protecting and asserting society's values. Many do nothing until a matter or complaint within their remit is brought before them; while others may be authorized to supervise or review in order to pre-empt deviations from acceptable standards. In all cases, the authority decides, adjudicates, reviews, and/or advises in terms of a particular situation. The authority is structured as a council (sometimes operating via smaller sub-committees) which is supported by a relatively small or even minimal secretariat. Work within the authority tends to be specialized or technical, and so it requires capable and socially concerned people with sound judgement, whose own gain is primarily further prestige and respect. If an authority is effective, it keeps government from becoming inappropriately involved in decisions taken in specific situations. This prevents cluttering of the political arena and diffusion of political debate. Independent authorities also benefit individuals by lessening the likelihood of petty tyranny by self-important bureaucrats, and by keeping disputes out of the courts. Authorities must seek to balance the power of individuals and organizations: on the one hand protecting people against unbridled arrogance or officiousness of private and public bodies; and on the other hand protecting organizations against malicious, misguided or pedantic personal complaints.

G-5¹: Enterprises are autonomous endeavours, typical organizations, which efficiently meet evolving needs in society. The function of an enterprise is to pursue social values through activities which generate tangible benefits for itself. The over-riding concern is to ensure its activities are appropriate, effective and efficient. Such organizations can be established by any person or association. They may seek to generate a vision for society, to benefit members of the association, to develop ideas for reform, or to produce goods or provide services, or some combination of these (cf. Master-Tables 35 & 36: Ch. 11). The right to associate and launch an enterprise is a most tangible expression of freedom in society. Enterprises, if constituted formally, are legal individuals fully entitled to pursue their own interests. They are capable of mounting large scale operations and need to use their own judgements and values in making decisions. Their management requires the joint efforts of a governing body, top officers, and many staff. The number of staff in an enterprise may extend from a handful to over a hundred thousand. Despite being predicated on autonomy, the basic feature of their internal structure (when numbers are large) is the hierarchical control provided by accountability relationships between sharply defined roles. This must be designed to meet the apparently contradictory demands for both per-

sonal expertise and initiative and corporate competence and performance. The type of work and domain of endeavour is (or ought to be) the personal choice of a participant, but money and perquisites provide an inescapable incentive to accept a role within a particular organization in that domain. Although other factors also affect joining (e.g. future prospects, trusted colleagues &c.), participation can be pragmatic. If the surrounding culture permits, a person can rather easily switch commitment to another enterprise, often a competitor. An enterprise must generate sufficient achievement in its own terms to thrive. Its success depends on harnessing people to its vision and obtaining social resources for its mission.

Properties

The three autonomous types of endeavour seem rather different because of the way that their common properties are handled. Even from the brief overview, it is evident that each operates in its own social arena, is organized differently, affects participants differently, views people in a characteristic way, handles authority and leadership differently, and generates a distinct type of output. Each tends to be subject to a characteristic form of criticism. Above all, each organization needs to handle its autonomy and dependence on society differently.

Autonomy implies a degree of privacy: so these endeavours exclude unauthorized outsiders from their deliberations and decision-processes. However, they must also link into society to harness people, to obtain resources and to be permitted to exist. In order to reconcile these opposing demands, *each form of endeavour manifests a compartmentalization of special duties and roles — with five compartments in each case*. It turns out that these five compartments are appropriately defined in terms of the inherent five levels of purpose. In each case, wider society occupies the topmost or contextual compartment. However, each is then constituted distinctively by its lower four compartments, each of which is assigned characteristic forms of authority.

Compartmentalization. The notion of designing organization, even business enterprises, is relatively new. Such design essentially revolves around clarity about work (roles and duties) within certain distinct parts or compartments of the entity (e.g. shareholders or the board in a firm). Research has revealed that this compartmentalization is based on the (internal) levels of purpose which constitute the endeavour. As usual, the qualities of corresponding internal levels are similar, so the compartments show certain similarities across the three types of endeavour. Without the present framework, the notion of design is hardly

credible because neither the necessity for compartments nor their unique work is immediately apparent.

Each type of autonomous endeavour must include a contextual level of purpose in which its own highest aims and society's values coincide — because this is the basis of the 'license to function' within wider society. So the *fifth* (top) level of purpose in any organization must be designed to achieve a *general consensus*. Everyone inside and out must explicitly recognize that the endeavour's autonomy is provided in return for serving a real social need. Only the universally valid and revered ultimate values (L-7) can provide a license for movements which aim to transform society. Authorities are mandated by distinctive principles or theories (value systems) widely held in society (L-6); and enterprises can only vigorously pursue their ends if they recognizably embody and further social values (L-5). To reiterate: in each case, these highest values must be alive and held both by those specifically associated with the endeavour and by wider society generally. Because insiders of all endeavours are also part of wider society, the compartment here is *wider society* in all three cases.

Moving down now to the next two internal levels: The *fourth* level in each case is concerned with providing the relatively unchanging *essential rationale* for the endeavour. This rationale is used to define and to structure the work, and also to sustain and maintain consensus amongst participants. By contrast, the *third* level in each case requires a choice to be made from among a range of equally valid alternative values. Selection here is sensitive and controversial because it is driven by the need to reconcile different views and ensure necessary *political support* for the work. Ideas and 'isms' (L-6) define movements, and social values (L-5) steer them politically. Authorities are defined and structured in accord with recognized social needs (L-5), and politically steered by their terms of reference i.e. principal objects (L-4). Principal objects (L-4) provide the rationale for enterprises, while their internal priorities (L-3) recognize stakeholder interests and so provide political steering.

Finally, moving to the lowest two internal levels and compartments: The *second* level in each case is concerned with providing a direction and *maximizing the impact* of the endeavour, while the *first* (lowest) level in each case is concerned to ensure that it *appropriately adapts* to the immediate situation and handles obstacles and opportunities. Movements depend for their impact on activities defined by principal objects (L-4); while internal priorities (L-3) need to be chosen to ensure the movement is appropriately responding to current issues in society. Authorities are effective through their internal priorities (L-3) which broadly endorse (or

oppose) values and value pressures of different groups or bodies in society. However they must determine their decision, judgement or proposal, i.e. strategic objectives (L-2), in a way that is appropriate to the immediate situation. Enterprises choose strategic objectives (L-2) with the aim of maximizing their impact; and they define tactical objectives (L-1) to handle all exigencies and produce the desired result with the available resources.

With or without conscious design, decisions about purposes at each level are of great significance. In practice, such decisions demand specialized and complex work. This is why distinct work compartments are needed. Very specific attitudes and capabilities are required if the work of each compartment is to be done well. This is why different people are attracted to the different types of endeavour and the different compartments within them. It is also the source of tensions between compartments.

The five compartments in any autonomous endeavour can be divided into the two upper ones ('the brain of the entity') which provide its rationale, enable internal and external consensus, and establish it as an enduring endeavour; and the three lower levels ('the heart of the entity') which produce results by dealing with evolving realities politically, strategically and adaptively.¹

Specifying Duties. In each type of autonomous endeavour, a degree of separateness exists between the compartments — because the type of purpose and work in dealing with that purpose is so distinctive. Many instances of dysfunction are due to a failure to recognize or to manage this separation. The consequence is then an undesirable disconnection or an intrusive over-involvement between compartments. A means for integrating or inter-connecting the contributions of the compartments is evidently necessary.

Business enterprises are most accessible to external consultant advisors and investigators, and sympathetic to a redefinition of duties and new arrangements which seem to be more appropriate, effective and efficient. Participants in movements, by contrast, are inherently resistant to any outsider exerting such influence. Authorities are so politically sensitive and bound by custom and procedure that it is difficult to test out new ideas and assess their effect.

Inter-connection of the five discrete compartments and integration of their output can be fostered by clarifying the unique work of each compartment and ensuring that the principal duties in the different compartments (i.e. the social roles) interlock synergistically. In defining the duties or work role of

compartments, it is natural to start from the origin of each in a particular level of purpose. Each compartment necessarily has a unique core responsibility or duty in regard to purposes at that level; but if the compartments are to function as a synergistic system, each must also have rights (i.e. influence or authority) as well as duties in regard to purposes handled primarily by compartments defined by the other four levels. All these duties must mesh together coherently. So the levels framework can be used as a scaffold to specify duties in a systematic way and to clarify the kind and degree of authority or influence each compartment exerts on the various types of purposes which constitute the endeavour.

The main focus of the present account is a clarification of the work to be done in terms of duties, influences and an indication of the sort of tasks that flow from these.

A logical matrix pattern of influence emerged for each form of endeavour. In each case, the rows are the levels of purpose themselves which together characterize the autonomous endeavour; and the columns are the compartments corresponding to those levels, each of which defines a key body and its required role. Each cell of the matrix contains a term which attempts to capture the essence of the influence to be exerted by that compartment over purposes at that level. A diagonal pattern results which is the basis for developing synergy, resolving value conflicts, and ensuring choices are ethical. The three matrices are laid out in Master-Table 38 to enable the types of endeavour to be compared.

Insiders and Outsiders. We have already distinguished the external compartment, wider society, from the four internal compartments. A division is also needed within the internal compartments. In principle, immediate issues and situations can only be handled by decisions on internal priorities and below (i.e. L-3 to L-1). So the compartments associated with these levels contain the insiders of the organization. (Hairlines are used to mark off the insider compartments in Master-Table 38.) The insider compartments may be termed the *endeavour proper* because people generally view these compartments as *being* the endeavour. However this is inaccurate: these compartments only *run* the endeavour.

A movement, for example, is dependent on a single compartment, the grass roots. For an authority, insiders cover two compartments, corresponding to the council and its secretariat. An enterprise requires three insider compartments which are occupied by the governing, top officer and executant bodies.

Wider society is inevitably involved with autonomous endeavours without being committed to any of

them. Between wider society and the fully committed insiders, there are higher level compartments which are committed within limits. These intermediary compartments decide the need for the endeavour and determine its definition. They support the endeavour and its continuing existence but remain somewhat distant from its immediate day-to-day concerns and activities. As might be expected, tensions develop in all types between the insiders and these higher compartments.

G-5³: A Movement

Nature. Movements, often referred to as social or popular movements, highlight the significance of ultimate values by taking their influence one stage beyond convictions, ideals and visions to define the manifestation of a collective will. Movements swirl through societies fostering nothing short of rebellion to the status quo, and seeking to mobilize people *en masse*. Groups and networks of people with similar intense convictions appear spontaneously and all are agreed about the need for social transformation. Movements emerge from and merge with existing culture. Even if they seem to run contrary to popular values, they could not exist if they did not find a natural resonance within most people.

So this type of endeavour seeks to transform society, even if it appears to originate from a delimited domain. Although popular movements inevitably have a political dimension, the stakes played for are far higher. Their *function* is to develop and establish certain new values which are felt to be of fundamental importance for the well-being of society and everyone within it.

A movement is not simply spontaneous large scale action like demonstrations, though such things may accompany one. Nor is a movement to be equated with organizations which forward it, though these invariably spring up. Nor yet are they political structures embodying an ideology, though these are a common consequence. Movements are rather a form of collective organization, a body of distinct individuals, spontaneous yet unified in its purpose, and capable of altering a society radically. Social movements are a paradox: the collective-as-actor or community-as-individual.¹

Religious movements and, in recent times, political movements typically hope to refashion man and society virtually in their entirety. But even relatively focused movements, like the psychoanalytic movement and the systems movement, at some stage imagine or imply that everyone and all society must change. Over time, movements may in fact succeed in producing such a transformation. The Solidarity movement, which spread far beyond the confines of Poland, was central to the political and civil regeneration of that country and

its spirit contributed to the collapse of the larger Soviet empire. The depth psychology movement has spread far beyond the confines of psychoanalytic therapy to alter for ever the way people understand inner motivation and personal relationships whatever the social setting.

Movements are diffusely defined and can overlap each other. For example, the self-help movement overlaps the new-age movement which overlaps the green movement which overlaps the feminist movement. Put another way, a movement may have many shades of emphasis: the Solidarity movement, for example, has been viewed as a worker's movement, a nationalist movement, and a democratic movement .

Development. New movements emerge when a vacuum in values is felt. Revolutionary movements thrive on poverty, oppression and alienation. In such conditions, people will naturally strive for something better. Religious movements spontaneously emerge when the organized or official religion is losing its hold on people, and a process of invigorating spiritual regeneration and renewal is needed. Similarly, the emergence and flowering of dynamic psychotherapies this century was a reaction to the failure of old modes of relating under changing social and political conditions. In this last case, what used to be regarded as sensible conventions in regard to sexuality and the expression of feelings came to be generally perceived as rank hypocrisy.

Movements are constantly in flux, growing and developing or subsiding and disappearing for complex reasons. Often they proceed in jerks. Some event or person captures the general imagination and leads people to become acutely aware of the gap between the myth that ultimate values are active in society and the reality of their neglect. This triggers a bout of intense mobilization of people and a contagious exhilarating atmosphere. The birth of Solidarity, for example, took place in a few short weeks during the strikes of August 1981. As more and more people join, the movement comes to the attention of public authorities and the news media, if permitted, begin reporting spontaneously the latest manifestations.

If the values of successful movements eventually enter the mainstream of cultural life, the movement may dissipate or become assimilated into a wider movement. The statistics movement (see Ex. 12.1) became part of empirical science. Other movements, like millennial movements, may rapidly peak, attempt revolution, perhaps repeatedly, and then become marginalized leaving a small sect or community as a residue. Other movements, after a brief burst of fierce idealism, continue with a low profile for many years:

for example, the modern systems movement.

The Statistics Movement: Nowadays, we take censuses, social research, epidemiological and demographic studies, and opinion polls for granted. They seem essential to inform us about ourselves. However, prior to the 17th century, the systematic collection and analysis of facts about social life was not valued. The transition took place through the endeavours of a statistics movement. This movement drew on current values and trends within individualism, utilitarianism, Puritanism, empirical science, and the importance of mathematics, and was stimulated by political, military, economic and social needs. Public health, education and crime came to be of particular significance as statistics linked itself to an ideology of improvement. Statistics became a buzzword in the 1820s, with an etymology related to *statist* (= politician, statesman) and a vague meaning. Zealots, like Babbage, described and counted the most meaningless things and set up statistical societies whose principal objects were: 'to collect, arrange, and publish, facts...with a view to the improvement of mankind'. Slowly values like brevity, objectivity, relevance and quantification became dominant; and these and others have permeated society far more widely than we might think. For example, our notion of 'normal' has changed. Originally normal meant the opposite of pathological, but after the 1820's it came to mean typical or average. Human nature was less studied to clarify virtue and excellence, and more viewed as an exercise in empirical inquiry. Current factual accounts were given precedence, even seemed more real, than ideas and ideals which alone have the power to shape the way reality evolves.

Ex. 12.1²

The Brain of the Movement. The *general consensus* for any movement is to be found in characteristic ultimate values which are recognized in society generally. However, its *essential rationale* is provided by certain specific beliefs or ideologies. Together, these two levels form the convictions which provide a stable foundation for the movement. The ultimate values engender union and foster attempts to spread the word across societies. For example, some in the women's movement have made attempts, not always welcome, to breach tribal barriers and engage women in societies where apparently inferior and brutal treatment is part of the custom.

The independence movement generated by Gandhi in India was based on a philosophy of peaceful persuasion and non-violence; whereas independence movements elsewhere have been built around a philosophy of Marxism and militancy. Movements easily generate distinctive ideological splits or internal condensations: worker or labour movements, for example, have developed communist, socialist, or social democrat tendencies in different countries. When such splits occur within one country the base of the movement is weakened, and it becomes less effective.

Existing convictions in society naturally affect movements. Anti-war movements, for example, tend to be rejected or proscribed where war is glorified. Similarly, the feminist movement which depends on convictions about justice and equality does not catch fire in societies where egalitarianism is alien.

Movements tap into a latent utopianism in people. The core convictions are associated with the feeling that no change is beyond the bounds of possibility. As a result, people become active within the movement with no appreciation of what the realities of success are or how their desired values might be worked through in practice. A recent account of the handling of money and monetary transactions in a text of New Age economics seemed to assume that greed, fraud and fear will be things of the past.³

The Heart of the Movement. All movements tap into current social values — the need for personal security, the need for food, the need for work &c — because these play a large part in inducing people to notice it and join. For *political support* to be spontaneously forthcoming, the movement must target everyday ordinary personal and communal needs. Convictions within the movement can only become real when understood in terms of such social needs. Exploration and discussion of the ideas can then occur unselfconsciously in arguments and gossip about everyday life. Social values ensure that movements are part of the society that is to be transformed, and not alien or external to it.

Movements *maximize impact* by generating activities and organizations whose principal objects are dedicated to forwarding or embodying the new ideals. As a general rule, as long as the ideology is adhered to, movement activists tend to feel free to ignore social rules and are liable to do anything that furthers the movement. The wish to retain general support restrains excesses. Usually the most urgent object is to increase the popular base, but this may be difficult to achieve if social values have not been effectively evoked or if judicial and other authorities are opposed to the new ideas.

Movement activities, whether based on increasing membership or promoting the values, demand a degree of organization. Management is too strong a term to apply to a movement, because any organizing of activities must take account of the fact that all participation is voluntary and spontaneous. The activities serving a movement vary somewhat according to its nature. Millenarian movements which reject the present society as evil may take an active or even revolutionary approach by organizing demonstrations, rallies, marches, sit-ins, petitions, civil disobedience or violent confrontations. By contrast, millenarian movements

which are messianic may organize people to gather passively, note signs of impending doom, perform rituals, withdraw from daily life, engage in fasts, and await social transformation through divine intervention.

The success of any movement in terms of wider society can be assessed by the incorporation of its values in the climate of thought: which means things like new attitudes, new beliefs, new interests, new preferences, and new activities. In this process, the values must become incorporated within society's guardian institutions: which means things like new laws, new social policies, new political parties, new magazines, new religious sects, and new academic disciplines.

In addition, successful movements generate interests and attitudes that support a multiplicity of organizations. These are not necessarily part of the movement, but they are evidence of its hold on people. Modern political movements tend to generate organizations of all types, especially ideological, sectional, evangelical and reforming bodies. Many movements spawn customer-centred organizations as well. The new-age movement, for example, has generated tens of thousands of businesses: health groups, training organizations, therapy institutes, martial arts teaching, fitness centres, dance events, arts organizations, publishing houses, book-shops, festivals, clothes firms, health food shops, whole-food restaurants, alternative technology projects, ethical investment societies, and so on.

The pressures and opportunities of the moment must be tactically handled by the movement. In other words, its priorities are not chosen primarily to reconcile different interest groups or to accord with the rationale of the movement. Instead, they must be *appropriately adapted* to the immediate pressures and opportunities. In determining foci for action, expedience is essential. For example, if a government is about to decide on a major arms purchase, those in a peace movement may feel it the right time to mount rallies to provoke media coverage and to stimulate people to reconsider their values and bring pressure on the government. Sometimes it may be preferable to do nothing. For example, the peace movement was prominent in its opposition to intervention in the gulf war with Iraq, but was conspicuously silent in relation to interventions in the civil war in Bosnia and Somalia.

Priorities, being values, need to conform to the movement's higher values as well. So those in a non-violent movement prefer to be overcome by force rather than use violent tactics. In this way, they paradoxically affirm the value of the movement in their moment of defeat. Similarly, the women's movement may employ women for an activity even if available men are better

suited to the task. Such choices would be inappropriate in conventional enterprises. The urge to place principle over practicality is why movement activists on governing bodies or in executive posts can be so irritating.

The Politics of Being Green: The green movement ideology abhors the factionalism, procedural regulation, personal leadership and compromise essential to success in modern day party politics. So Greens in the UK, Germany and elsewhere have had difficulty in allowing a party machine to develop and function properly. The German Greens were split between the 'Realos' who recognized the need for party politics, and the 'Fundis' who saw any compromise as fatally corrupting. The point is that a political party may emerge from the ideology of a movement and attract many of its members, but the two are not the same. The movement, if it is to succeed, must stay true to the nature of movements — ideally leaderless, spontaneous and egalitarian. By the same logic, a political party, if it is to succeed, must be true to the nature of political parties — ideally charismatically led and well-disciplined. The Green movement has successfully changed the way the world thinks, and has certainly influenced the policies of mainstream political parties although not to the degree desired by its participants.

Ex. 12.2

The practicalities of social life during or following the successful remodelling of society by the movement are not the proper responsibility of the movement. Strategic and tactical objectives lie outside the realm of value choices which define its work. So the success or failure of any particular social policy or political party or any other enterprise spawned by the movement is not in itself a reflection on the movement.

People are irreversibly changed by participation in a movement, even if it collapses and society itself does not change significantly. So movements foster tribalism and the formation of sub-cultures which control language, dress, manners, friendships, and activities. People deeply committed to a movement may wish to live together within a neighbourhood, often form associations, and may segregate into factions within existing organizations.

Organizing the Movement. Values are intangible possessions which only come into existence when people freely and unself-consciously own them. Ultimate values which are the source of consensus are purely experiential and imaginative, and value systems (ideology, beliefs, principles) which provide distinctiveness are in this situation a personal matter. So movements lack sharp, socially controlled boundaries and they readily absorb all who instinctively feel part of them. Such people are known as the 'grass roots'. As more and more people are inspired by the movement, it slowly gathers force and becomes a diffuse but

recognizable social body capable of generating change.

Any movement is first and last a grass roots phenomenon. So it must be built on the equality of all members. Nevertheless, unless there is a certain degree of differentiation and a minimum amount of organization, the movement cannot get started, cannot spread, and cannot produce change. Movements which attempt to avoid all organization usually have an anarchist or mystical ideology and invariably fail. The Spanish peasant revolts in the early 20th Century showed a wildfire contagion of ideas, even among the illiterate, an effortless and apparently spontaneous unanimity of action and the deep conviction that an apocalyptic utopian change was inevitable — yet they collapsed under routine police control.⁴

Resistance movements in occupied countries clearly reveal the use of informal organization, because participation is proscribed and members are hunted down and punished, often by death. Too much organization makes such movements vulnerable. Separate cells, informal networks of communication, spontaneous support, and deep convictions are essential for the spread of resistance activities and the survival of its members.

It is essential to recognize that the conventional disciplined organization suited to a political party, pressure group or business is quite inappropriate to a movement. A movement develops a characteristic form of organization which requires its own distinctive style of management. Its basic entity is the cell, preferably of between 5-30 people.

Cells operate in an intensely personal, idiosyncratic and participatory way. As a result, they may form, fuse and dissolve in a bewildering fashion. Coordination between and within cells is rudimentary because peer pressure and force of personality provide most of the control. The main aim of the cell is to affirm the movement's values. Only consciousness-raising and rather simple activities are necessary to do this. The setting of strategic and tactical objectives is alien to movements, so ideas of efficiency and expertise are unnecessary. Attempts to introduce systems and procedural control are rejected because they generate undesirable inequality and feel oppressive and wrong. Cells may develop within existing institutions — in the church, in the professions, in the civil service — but when cells become formalized as associations, they are in danger of becoming inward-looking and losing their focus on wider society. Each cell links, at least loosely, with other cells in the hope of achieving territorial coverage. Such groups may have labels like: chapter, division, sector. However, cells can and do emerge independently of these, overlapping territorially and operating without

links to others.

So movement activists who try to use executive-led enterprises as their model are likely to cause aggravation and waste their own and others' time and energy. It is probably natural that the more reflective participants become distressed at the seemingly inevitable disarray and factionalism, and the time and effort that goes into managing intense emotions and group processes. Elite activists tend to feel that they can and should control the movement. They are liable to act as if the central organization they create and sustain is synonymous with the movement as a whole. Despite their talk of equality and autonomy, they coerce and denigrate others. These and other misunderstandings are illustrated in Ex. 12.3 which describes an active phase of the women's movement in the USA as reported by a woman academic and sympathizer.

NOW: The National Organization for Women (NOW) was the largest and most prominent organization within the women's liberation movement in the USA. When created in 1966, it was conceived as a national action body. Although the activists wanted to organize a movement, they found themselves initially creating a pressure group to change federal policy. They neglected the need for widespread local membership groups. Slowly their focus changed and with it came disagreements. In 1968, the radical New York Chapter split off to become The Feminists, because it felt that elitists had taken over. At the same time, the conservatives formed the Women's Equity Action League; and key lawyers split off to form Human Rights for Women. NOW moved offices and its first employee was recruited. (By 1973 there were still only about 15 paid staff.) In 1969 several conferences were held. These were fraught with dissension, back-biting and name-calling, and were adjudged failures. Only at this stage, did the inherent diversity of the movement become apparent to the leading figures. Agreement to disagree opened the way for anyone to feel part of the organization. However, the reality still remained that NOW doubted the existence of grass roots support. Its leaders feared that the only outcome of a proposed strike of women on 26th August 1970 would be ridicule. In fact, the strike succeeded — not because of NOW, but because ordinary people were ready. As a result, NOW was flooded with new members. Many were non-political and sought to use membership to explore what being a woman in society meant. The old-timers, still seemingly unaware of the nature of movements, viewed the desire for personal awareness as a diversion from political efforts, and dismissed it as 'a crutch for less developed minds'. In fact, the rap groups which were introduced proved to be a great success for the movement.

Ex. 12.3⁵

The spontaneous character and informality of organization mean that the evolution of movements cannot be determined or even predicted by its leading figures. There is no real leader. Only outsiders speak of

leaders, thereby showing their misunderstanding of the nature of movement bodies. (Sometimes threatened political authorities refer to ring-leaders with its pejorative connotations and the implication that followers are docile.) Insiders are typically insistently egalitarian. Any attempt to dominate a movement demands capture of the official authorities, and the introduction of elitist and repressive measures to control ordinary people. Lenin, for example, made no secret of his intention to ensure that the revolutionary organization (the Party) was distinct from and superior to the revolutionary movement.⁶ His Party members were to be exclusive, disciplined, professional, absolutely loyal and totally obedient to their centralized leadership. In this way, Marxist-Leninist ideology and Party officials, not ultimate values, became the final arbiter; and the masses that supported the revolutionary movement were betrayed and oppressed.

Because each level of value within a movement is so different in nature, each tends to be handled by people in different social roles. Ideally, all should appear to be exerting leadership because leadership of a movement is diffuse and can never be properly assigned or defined. Even when a movement identifies one person as its originator or central and inspiring figure — Lenin for the Russian revolution, Freud for the psychoanalytic movement, Martin Luther King in the civil rights movement — it is not true to say that this person leads the movement. No one person or group can claim full responsibility for the movement’s direction and success. Nor can any one person or small group control the movement to any substantial degree. This is one of the key ways that a movement body differs from an enter-

prise organization.

Organizing a movement requires a great deal of voluntary effort. The two prime tasks are building popular support and influencing the authorities. To pursue these, work needs to be done articulating, explaining, promoting, popularizing and documenting the significance of the movement. Activities that epitomize and spread the movement must be generated, and movement values must be brought into everyday life wherever possible.

Five distinct compartments, corresponding to five social roles or types of participation, can be identified in regard to this work: one (as usual) is outside the movement and four are within. Each is based in one of the five constituent levels of value. The external role is that of *wider society* which generally recognizes and affirms those ultimate values on which the movement is based and where consensus is possible. The internal roles are the elites — the intellectuals and the advocates; and the activists — the organizers and the grass-roots. The *intellectuals* are ideologues who systematize and affirm the ideas and ideology of the movement. The *advocates* manage the interface between the movement and wider society by linking movement values to present social needs. The *organizers* stimulate and manage movement activities to swell, strengthen and further the movement. Finally, the *grass roots* constitute and resource the movement and so shape its priorities. Above all, they give it a priority in their own life. Although no-one in a movement is superior to those at the grass roots, those in roles in the higher compartments have the potential to make a greater impact.

Table 12.1: The necessary inter-relation of compartmental duties in a movement. The role of each compartment is defined by its column with the core duty in bold type. This matrix is the basis for synergy and effectiveness. Note that wider society, though a contextual compartment, plays a significant role in any movement. Only the grass roots are true insiders.

Compartment Level	<i>Wider Society</i>	Intellectuals	Advocates	Organizers	Grass Roots
7: Ultimate Values	<i>Affirm</i>	Support	Promote	Reflect on	Assume
6: Value Systems	<i>Endorse</i>	Affirm	Support	Promote	Reflect on
5: Social Values	<i>Debate</i>	Endorse	Affirm	Support	Promote
4: Principal Objects	<i>Challenge</i>	Debate	Endorse	Affirm	Support
3: Internal Priorities	—	Challenge	Debate	Endorse	Affirm

Each of the compartmental roles develops and sustains values at all levels. Each role's core responsibility — core in the sense that without it the movement is fatally weakened — lies in its defining level. This duty is to *affirm* the value in each case. But certain responsibilities at higher or lower levels are also important. To maximize synergy, lower level compartments must in turn *support*, *promote*, *reflect on* and *assume* these affirmed values; and higher level compartments must in turn *endorse*, *debate* and *challenge* the value. A matrix in which the rows are the levels of value and the columns are the compartments or social roles clarifies and orders these duties: see Table 12.1 (and cf. Master-Table 38). The core duties form the main diagonal, and the subsidiary duties form parallel diagonals.

The matrix suggests greater discipline and order than a movement often seems to show. Because the duties of members of movements feel essential and natural to those involved, there seems to be little distinction between describing what people actually do and what they should do. In practice, these duties are largely operated (or distorted or neglected) spontaneously. Nevertheless, it is likely that greater self-awareness could prevent or limit gross mistakes such as those made by NOW in the women's movement (Ex. 12.3). Awareness would surely help prevent the intrusion of approaches designed to enable the lobbying of politicians or the running of a profitable business.

The matrix does not imply that movement roles are hierarchically-ordered in terms of power and control. If anything, the compartments form a reverse hierarchy. A movement arises in the grass roots and succeeds or fails in terms of its captivation of the imagination of ordinary people and the efforts of its organizers. People to fill all higher level roles can be found from amongst these. So we will start the account of movement duties at the base level and work upwards.

Grass roots participants must have a conscious commitment to certain values and beliefs within the movement and be prepared to participate actively within it. This is not to say they must be committed full-time, but they must join a cell or group identified with the movement and they must willingly participate in movement activities. A movement is not a vague spirit but a definitive endeavour: its success depends on active members who offer more than simply benign approval of the movement's ideals.

The grass roots are not a mass to be referred to contemptuously as rank-and-file, mob, lumpen-proletariat or fodder. Each is a distinctive individual: concerned, excited, involved, proud, interested, and committed to the movement. Each participant is an independent force in society pressing hard for social

change. Each looks for appropriate opportunities to *affirm* and apply the movement's values in their decisions. Such decisions determine the emphasis and focus of the movement at any moment in time. There is a recognition that change requires individual wills to coalesce as a collective will. This demands unity. So each participant is expected to *support* the efforts of organizers to set up cooperative efforts and to bring the movement and its values to wider public attention. This is unproblematic because everyone involved in a movement is convinced of its exceptional importance and feels the eyes of others upon them. So each gives freely of their time and energy to activities which forward the movement.

Each participant naturally *promotes* the need for new social values because, once these are widely and freely adopted, they powerfully influence priorities used in organizations and institutions which are not part of the movement. Each participant spontaneously *reflects on* the ideas of the movement, reading relevant literature, keeping up with developments, and discussing and debating progress in ideological terms. As a result, each participant talks about the movement in the same language of principles, ideas and needs as organizers or elites. However small the contribution that each person makes to the movement, it is recognized as exemplary, a model for others and a message to society.

Movements may not succeed, but when, like Solidarity, they do, it becomes evident that ordinary men and women are not subject to material necessity, driven by selfishness only, or constrained by historical laws. Ordinary people, it seems, *assume* the existence of a realm of ultimate values — of truth, justice, peace and other forms of absolute goodness — and each person possesses the capability to tap into these values to shape their own history and to redefine their own society. By keeping in mind inspiring and exhilarating ultimate values, people can avoid being overwhelmed by frustration and being demoralized by repeated setbacks.

Organizers are the main activists or militants of the movement. They emerge from the grass roots and are driven partly by a deep dedication to the ideals of the movement, and partly by a rage at the way that social reality reveals that espoused ultimate values are flouted. In most chapters of NOW (Ex. 12.3), for example, the number engaged in recruiting people to join the movement or in organizing relevant activities was about 40-50 out of 400.

The work to be done here is to organize a cell or network of cells and manage their activities. Organizers emerge on the basis of background, personality and the availability of time, rather than as a result of any expertise. Their most important qualities are social skills and

enthusiasm. Organizers use their voluntary groups to do a wide variety of things without any of the usual management tools and with minimum financial support.

A great deal of organizing work is needed, but it is unremunerated and unrecognized. So maintaining cell cohesion, momentum, and activity is exhausting. Organizers in NOW tended to burn out after a few years.

The organizer's over-riding task is mobilization: the principal objects are to spread the movement and to bring its values to the forefront of popular consciousness. The organizer must *affirm* these objects, and the grass roots must rally around. On this joint effort, the impact of the whole movement depends. Spreading and furthering the movement involves subsidiary objects like: forming ever more cells of grass roots members, linking cells with each other, arranging rallies, convening meetings and conferences, organizing relevant services, and writing and publishing news-sheets. Anything may be done which is consistent with the movement's ideology. Ideally, organizers recognize that they have no power to start anything that grass roots members are not prepared to accept as natural and appropriate. Within movement organizations, the greater the spontaneity, the more successful the activity. This means that organizers should *endorse* spontaneous preferences and situational priorities of the grass roots comprising the cell.

Bringing the movement to wider society means that organizers must *support* the new social values and oppose existing unjust values through devising and arranging things like protests, press releases, street marches, public debates, campaigns, or symbolic activities (like draft card burning or local strikes). If social values are not sensitively handled, such political activities may not be acceptable to the grass roots and may be condemned or blocked by the authorities. Organizers must reconcile the aspirations of the movement with the actual possibilities for action in society as it exists. If certain bounds are over-stepped, members will drift away, social support will be lost, and the authorities will turn against the movement rather than tracking it more or less sympathetically.

Organizers unflinchingly *promote* the movement's ideas and, if these have been welded into an ideology, may allow themselves to be systematically indoctrinated. In turn, they help the grass roots learn about the movement and reflect on its underpinning ideas. However, to use the ideology effectively and ensure that society's sanction is not lost, organizers need to make an effort to *reflect on* the underlying ultimate values. Only in this way, can they keep working within the spirit of their movement and harness energies released by related movements.

Advocates for the movement seek to manage the political interface between grass roots activities and wider society. To those not involved, a movement, being a form of rebellion, seems initially puzzling and unnatural, even threatening. So it is essential that some people take on the task of explaining, in an easily understandable way, why the movement has emerged, what it means for people and society, and why the old order must be replaced. Advocates are primarily concerned to explain the historical roots of the movement, to publicize its achievements and to *affirm* that it addresses real social needs. They seek to persuade people to reject the old order by arguing that the proposed social changes will bring benefits to all. Some movement activities may be particularly distressing or confusing to outsiders. Advocates must explain these and *endorse* the need for activism in general. Advocates must also *support* the movement's ideology positively, explaining these beliefs persuasively to the general public in addresses, magazine articles and televised debates. Advocates also speak to the grass roots, interpreting wider social reactions and communicating the achievements and problems of the movement.

Advocates *promote* the ultimate values of the movement, perceiving that the public is always open to hearing about the way these are failing to operate in society. Those people who can communicate the ideals and visionary aspects of the movement most clearly and inspiringly are charismatic and are liable to be treated as celebrities or gurus. Advocates, in their writings and public lectures, *debate* the shifting priorities of the movement as set by the grass roots. Heavily committed and involved as they are, charismatic advocates tend to want to push the movement in a particular direction. As a result, advocates tend to fight amongst themselves and form factions.

The better advocates encourage many to flock to the movement and come to gain the respect of the authorities. In political movements, such advocates gravitate to political leadership positions or find themselves in negotiating roles. Lech Walesa and Vaclav Havel eventually became Presidents of their countries. Petra Kelly was the big international star of the German greens, winning sympathy even from Germans who found her ideas silly or dangerous. However, such prominence is not egalitarian and tends to be viewed with suspicion by the grass roots. In their eyes, the advocate's task remains to popularize and support the movement faithfully as it evolves, and not to seek to direct, control or negotiate. Petra Kelly, for example, was voted off the Party executive for 1983-84 despite what she had achieved in getting Greens elected to the Bundestag in 1983.

Intellectuals in the movement have a duty to develop and systematize the ideas, beliefs and themes of the movement so as to form a coherent ideology. Such a doctrine can be elaborated, improved, studied and taught. Alternatively intellectuals may introduce and adapt a pre-existing ideology for the movement. Intellectuals emerge from the general public as well as from more likely sources which include academics, churchmen, lawyers and politicians.

The prime duty of intellectuals is to *affirm* a value system for the movement. Without this contribution from intellectuals, the convictions on which the movement depends tend to lack solidity and shape. A dearth of clear ideas and understandable principles gives the grass roots great difficulty in becoming self-aware and leads to the movement becoming amorphous and ill-defined in the public view. If such a situation develops, organizers lack a clear justification for their activities; and advocates sound less compelling. In other words, the more coherently, consistently and clearly a set of beliefs or theoretical framework is expressed, the greater the potential force of the movement.

Naturally, intellectuals *support* the ultimate values. Mannheim emphasized the significance of the ‘socially unattached intelligentsia’ like novelists, dramatists and actors, who are not tied into secure positions and incomes which induce conformity to the status quo.⁷ Such people can often contribute artistic creations which capture and evoke the spirit of the movement. Intellectuals are also the only group that can effectively *endorse* the new social values. They are not only capable of developing new approaches to social issues using the movement’s ideology as the basis, but they also have the knowledge and skills to penetrate the authorities and government, exposing their weaknesses and influencing their output in favour of the movement. They may also contribute in a practical way by *debating* movement activities in their lectures, pamphlets and books, and reflecting on the likelihood of successful social change. Because they take a cerebral perspective and tend to be disconnected from mass action, intellectuals alone have the capacity to *challenge* the shifting priorities of the movement as determined by the grass roots.

Intellectuals frequently trace the origin and evolution of movement ideas and put them in historical perspective. In this process, intellectuals sometimes seem to over-value their own role. Governments and authorities are eventually compelled to deal with a thriving movement, and they do so in part by putting its intellectuals in positions of power. In other words, the establishment treats them as able to speak for the movement and they collude out of hope, pride, ignorance or self-interest. Sharp-eyed academic observers have

recognized how intellectuals (much like themselves) betray their principles and integrity. Slowly they become a professional oligarchy, lose contact with the grass roots, use power for their own ends, and abandon their commitment.⁸ Minor reforms may occur, but institutionalization and bureaucratization dissipate popular pressures for transformation.

Wider society forms the context for the movement and is its explicit target. Support and tolerance from people outside the movement are essential for any success. Existing authorities and organizations judge the strength and significance of the movement and decide how to respond in the light of their own vision. The essential duty of society is to recognize and *affirm* (or repudiate and reject) the ultimate values which are the essential justification of the movement. Above all, evil must be prevented. The appalling Catholic Inquisition, for example, developed in part to deal with a religious movement which was at its root anti-life.⁹

The next requirement is that the beliefs and ideologies used to structure and sustain the movement are not just tolerated but positively *endorsed*. Rejection of key ideas or the ideology as a whole means that the movement is unlikely to thrive. For example, neo-fascist movements and communist movements are often intensely detested or even banned in countries just liberated from repressive regimes underpinned by these ideologies, just as democratic movements were previously suppressed by those regimes.

Elites may work to get bills introduced in the legislature not because they expect them to pass into law, but because this forces discussion and conditions people to the values of the movement. Court cases may be instituted or reports commissioned for similar reasons. Such activities only work if they are reported in the media. So it seems that wider society has a duty to *debate* the social needs or problems which sparked the movement. After all, perhaps the movement does have a contribution to make to the community. Debate should occur within the political arena where the pros and cons and implications and consequences can be freely argued. If movements are to flourish, society requires arrangements allowing free association, free communication and free publication.

As for the activities of a movement, wider society usually *challenges* them. The activities are not so much viewed as unacceptable as unnecessary or extreme. Demonstrations and rallies do, inevitably, cause disruption. The challenge is expressed both publicly in the media and in parliament, and privately in everyday conversations at home and at work. In this way, all members of the public can engage with the movement and can assess its strength and significance. However,

CULTURE-CHANGE

Organizing a Movement in an Organization

- Culture-change is best handled via a movement with a well-defined ideology which is installed by willing self-indoctrination. The aim is for the alien to become natural and the necessary to become beneficial. The movement usually needs to be instigated and facilitated by the official leadership.

- Staff must become the *grass roots*. This means that they must have a sense that the present situation is intolerable or dangerous and personally self-damaging. They are helped to change if they can see that a new beginning is needed based on more enlightened values. It should be evident to all that everyone has to change, including the people at the top.

- Staff cannot be trained in values. Self-indoctrination depends on genuine participation. Staff must be engaged by allowing them to examine the new ideas and leaving them free to make sense of them from their perspective and in their situation. Each person must consider what issues new values raise, what changes they imply, what obstacles exist and what sorts of things need to be done to pursue them. Argument and debate should be encouraged and constructive opposition openly welcomed. Unless the ideas are struggled with personally, the needed internalization will never occur.

- In the very act of exploring participatively, the movement develops and new ideas start to become internalized. The rather full documents that often emerge from participative reflection must be summarized, disseminated and discussed widely, rather than being classified, filed and forgotten. A multiplicity of new initiatives must be launched and tracked. Demonstrations of success must be enabled and trumpeted.

- Everyone must be viewed as able to amplify the new ideas by affirming necessary social values, defining principal objects and setting priorities in their own area of responsibility. What should not be generated by discussions is a simple 'to do' list. If staff just define outcomes or tasks, they will be completed and forgotten. The aim of group events is to activate personal aspirations and duties as a way of engaging with the new ideas. People can then consider and reshape whatever it is they are intending to do in an indefinite future.

- Champions emerge at all levels during such transitions. These *organizers* should be fostered and rewarded. A small organization development team should learn about the new ideology and become comfortable with its language and principles so they can act as *advocates*. An *intellectual* is also required: possibly an outside consultant.

- When obstacles emerge, they must be directly confronted in a positive non-critical way. The aim is not so much to trouble-shoot or bang heads together as to use the situation to learn, to develop staff and to symbolize the necessity of the new ideas. There is nothing like ignoring overt failure or expediently rejecting values to bring culture-change into disrepute.

- Consistency is particularly important because it is an indicator of whether the change is genuine. During the early intense phase of value installation, any other new ideas, policies or projects should be developed to fit with the new culture. As always, expediency and opportunism remain essential — but only within and through the new values.

- Senior managers with their control over pay and promotion have an influence which cannot be ignored. Ideally, each should be engaged in a personal development process.

- Even if there is personal benefit from adopting the new values, people find it a struggle. They view the new ideas through the prism of existing values and subtly misunderstand what is being attempted. They feel disconcerted and awkward in applying the values and cannot envisage success. Without assistance, they act in ways which confirm the uselessness of the entire effort. Inevitably some will be unable to adapt. These few need to be replaced by new managers whose record and attitude show that they are positively disposed to the new ideas. Existing induction and training programmes must be reviewed and re-standardized in the light of the new ideas.

- Continuity is also important, so a regular open and honest review of progress is necessary. At least 2 years is required for the benefits of a movement to show. People can only sustain interest and involvement disconnected from immediate tasks over such a long period if they are kept in touch with developments. So internal communications about changes which give the same message to all must be developed and kept quite distinct from management briefings.

Box 12.1¹⁰

the priorities of the movement, the choices of particular cells and the choices made by grass roots members in their personal lives, remain wholly internal to the movement and are not a matter for wider society.

In successful movements, the emergence of new social values generates widespread sympathy which encourages people to join and leads the authorities to take the movement's concerns seriously. Success of the movement hinges on this process because if new ideas become popular, then we may say that society itself is changed. It is then only a matter of time before institutions, policies and organizations change to take account of that popularity.

Movements in Organizations. Because organizations and associations contain (secondary) communities, it is quite possible to have a movement within an organization. In the Anglican church, for example, there are distinct movements for and against the ordination of women, evangelical movements, and fundamentalist movements. These have all the qualities of the popular movements just described and are stimulated by related movements in wider society.

Large businesses which want to transform their cultures need to recognize that this can only be fully achieved through an internal movement. This proposition has several important implications. Above all, it means that all culture change must be based in unambiguous and convincing visions and ideals. People will only change values and own new values on behalf of the organization if these transcend all divisions and are unarguably rooted in what is good — i.e. in ultimate values. The use of a movement also puts a sharp limit on the amount of top-down instruction and education that is possible or necessary. The movement in an organization must spread spontaneously among the grass roots of an organization, just as it does within wider society. Otherwise there is no movement. And if there is no movement, then there can be no fundamental change. Unlike movements in society, where the government is almost wholly reactive, a movement within an organization needs to be supported and facilitated by top management.

Top management can facilitate movements as long as two apparently contrasting principles are accepted. The first involves recognizing that movements assume people have a dignity, a sense of responsibility, and an enthusiasm for what is good irrespective of their formal position. The second point is that systematic work on the culture is essential: otherwise the movement will not be properly linked to an organization's vision and immediate circumstances. Any management event or process must simultaneously be based in what the organization is about and must value and respect staff.

In much training and management consultancy, one or both of these requirements are absent.

To progress the internal movement, the importance of personal initiative must be kept paramount. This depends largely on rapid communication and easy discussion throughout the organization. In our project work, we help orchestrate small and large events with a maximum degree of reflective participation. Senior managers are encouraged to permit free expression of anxieties, disagreements and confusions which are intrinsic to genuine value change. We encourage development of large numbers of internal champions who spread the word and act as facilitators. As champions emerge, crusades and campaigns develop, and awareness grows. Slowly the spirit and atmosphere of the organization change. Worthwhile business activity can then be suggested, supported and evaluated by shop-floor staff and middle managers, not simply driven coercively by the board and its top management. (See Box 12.1 for more details.)

Limitation. A movement is potentially the most powerful independent force in society, but it is also the least manageable. So it tends to frighten people. Nevertheless, despite their rebellious quality, movements are not necessarily quirky or sensational. Despite their utopianism, they are not necessarily unrealistic. An effective movement needs to be handled in a serious, creative and responsible way with its grass roots being patient, dedicated and diligent. However, even a successful and thoughtful movement cannot itself carry out the detailed modifications to society which its values demand.

While society changes, social stability must be maintained. So the extent and pace of the movement's influence on social institutions needs to be sensitively tempered. The claims of people in the thrall of a movement need to be responded to, interpreted, even curtailed as its significance is digested. These claims, essentially, affirmations of the priority of the movement's values or complaints about decisions which conflict with those values, need to be authoritatively handled. Recourse to courts or parliament is too expensive, complicated and time-consuming. It is necessary to set up independent authorities to preserve, clarify and modulate society's current values; and it is to these that we now turn.

G-5²: An Authority

Nature. In modern complex societies, special bodies need to be established and assigned autonomy specifically to protect current and evolving values. The community and its individual members find their values

under threat from two directions: from movements which propose new untried values, and from individuals or organizations (including government departments) which seek to ignore customs, ethics or sensitivities. Without breaking the law, some people, perhaps ahead or behind the times, may do things which most others feel undesirable or out of keeping. More seriously, businesses may engage in potentially exploitative, victimizing, offensive or otherwise harmful practices while still apparently within the law.

In any case, it is neither desirable nor possible to have recourse to the law to determine all rights and wrongs (cf. Ch. 9). Many value-based disputes need to be settled by use of custom and current practice and kept firmly outside the judicial sphere. Similarly, when the way forward for a government is not clear, independent guidance from a specially constituted public body is often helpful. Independent authorities are social bodies designed to meet these needs. Sometimes they are called regulators, supervisors or tribunals.¹¹

The *function* of an authority is to preserve existing values and to apply them authoritatively to particular situations. Their essential output is a decision or recommendation. The workings of authorities stabilize society because these bodies not only articulate and clarify current values in the course of their work, but also modulate them in response to social pressure.

Authorities can never be set up through a personal initiative. They are all dependent for their existence on instituting bodies which are representative in some way. This body is usually either the government, a membership association or the main organizations in an industry. All are legitimated to act by their concern for the public interest. The instituting body should ensure that the authority is adequately funded, sensibly staffed, and properly functioning. To serve the public interest, authorities must be seen to be independent in relation both to government and to private enterprises. Independence refers here to freedom from interference in their daily work — their policies and activities — not to who sets them up or how their output is handled. Not surprisingly, non-representative totalitarian and authoritarian regimes ensure all authority is *de facto* an extension of government. In democratic societies, conflicts of interest or any appearance of such conflicts in the membership of authorities should be studiously avoided to maximize confidence in their performance.

All authorities are themselves specialized representative bodies: ‘specialized’ because they are focused on specific domains or activities; ‘representative’ because they are expected to be devoted to the public interest. So they require a combination of technical expertise or

practical experience together with an acknowledged feel for the relevant social values. Expertise expected in the Charity Commission differs sharply from that required of the Royal Fine Arts Commission which differs again from that of the Securities and Investments Board. (These and subsequent examples are from the UK, but counterparts exist in other developed countries in many cases, although the labels are highly variable.)

Development. In the absence of specifically designed authorities, many disputes enter the political arena dragging government ministers and civil servants inappropriately and inefficiently into things which are better left to experienced people to handle. The effect is to clutter political debate and slow down organizational decision-making. So where there are regular and repeated instances of value-based disputes over routine decisions or strategies, a distinctive authority needs to be set up. Almost any area of social life may demand regulation in this way. The only criterion is whether an individual’s or an organization’s judgements or actions touches deeply on the public interest. The public interest may be activated by the effect of a decision for a single person (e.g. about parole or a tax appeal) or on a community matter (e.g. the removal of a public monument or the monopolistic power of a company).

Of course, it is not necessary or desirable to create authorities at every possible opportunity. Authorities should only be set up in response to (or in expectation of) a flow of socially problematic and politically disruptive situations. They often mark the emergence of a new value or new social demands or severe communal stresses. Authorities do not evolve easily because they are either a product of statute or a complex compromise of interests. Some authorities have a natural life-span. The New Towns Staff Commission, for example, was set up in 1976 to safeguard the interests of staff affected by the transfer of housing and related assets from development corporations to District Councils. These transfers, which began in 1978, were completed by 1986 and the authority was subsequently wound up. Other authorities have a far more turbulent history (cf. Ex. 12.4). If their functioning fails to keep pace with social changes, they become unable to prevent issues entering the political arena and seem outdated or out of step. This is manifested by the government or private organizations persistently refusing to accept their advice. Eventually they are wound up and new authorities are constituted.

Regulating Racial Discrimination: To advise on racial discrimination, the National Committee for Commonwealth Immigrants (NCCI) was set up in 1966 as a non-statutory body chaired by the Archbishop of Canterbury and using

a variety of Advisory Panels staffed by experts. In 1968, the Government hurriedly passed an Act designed to deal with Asians fleeing to the UK from Idi Amin's Kenya. The NCCI clashed strongly with the government over the contents of that Act. This led to the Race Relations Act (1968) replacing the NCCI by two statutory bodies: the Race Relations Board (RRB) and the Community Relations Commission (CRC). The RRB represented the law enforcement and compliance aspects of the legislation; and the CRC was expected to promote good community relations by a variety of means and advise the government on request and at will. Racial problems continued and it was evident that new powers of formal investigation of individual complaints and indirect discrimination were required. As a result, a new Race Relations Act (1976) was passed which, among other things, replaced these two bodies with a single Commission for Racial Equality (CRE).

Ex. 12.4¹²

Coverage. The typical issue to be addressed by any authority is whether a particular decision of a person or firm, or a particular social outcome (flowing from independent decisions of many people) accords with current social values. If it does so, it is right. If it does not, then at the very least this must be noted and publicized. It is, of course, utterly impossible, and it would be grossly intrusive for an independent body to monitor any or every decision or outcome in social life. This would make a mockery of autonomy in enterprises. Instead, authorities examine particular matters which self-evidently need to be handled publicly. Then relevant bodies in the area note the result and (ideally) modify their behaviour and attitudes accordingly.

Some authorities may initiate their own investigations in response to general public concern as expressed in the media or parliament (e.g. The Royal Fine Arts Commission, Commission for Racial Equality). Others must wait for a referral from a private individual, a government minister, another agency, or some combination of these (e.g. tribunals and most complaints authorities).

Commonly, the judgement of the authority does not lead to automatic compliance by either government or private firms. For example, the Monopolies and Mergers Commission recently recommended dismantling the anti-competitive practices in the brewery business which disadvantaged publicans and customers. However the minister bowed to the industry lobby and refused to implement it fully.¹³ Newspapers commonly comply in a half-hearted way to rulings by press complaints authorities. A gross violation on the front page of a newspaper may lead to a perfunctory small paragraph of apology published on an inner page several months after the event. Naturally, the persistence of such evasive responses leads to a general dissatisfaction with the authority (or at least its powers).

Authorities are often involved in balancing the views of an individual and an organization. They may authoritatively uphold an organization's perspective on practical grounds. For example, almost two-thirds of the 1,118 complaints in the Press Complaints Commission Annual Report of May 1991 related to the accuracy of reporting, and many of these were (in the Commission's view) 'an inescapable consequence of the speed at which newspapers have to be produced'. On the other hand, where authorities are expected to raise communal standards (e.g. anti-discrimination bodies currently), they may be able to act vigorously on behalf of individuals e.g. carrying the costs of taking organizations to court.

The work of an authority may be performed primarily by investigating and reporting (e.g. anti-cartel authorities), by judging customary handling of cases (e.g. appeals tribunals), by proposing community changes (e.g. commissions for aesthetic development), by granting individual applications (e.g. licensing authorities), by advising governmental authorities (e.g. parole boards), by inspecting socially sensitive businesses (e.g. bank supervisors), by assessing complaints (e.g. press councils), by proposing policy or legislation (e.g. equality boards), by evaluating public communications (e.g. censorship authorities), by controlling a legal status (e.g. registration commissions), by determining remuneration in the absence of a workable market (e.g. pay review boards for special groups like judges), by deciding payments for personal disruption (e.g. compensation boards). In most cases, authorities are required to perform a mix of these activities: variously adjudicating, inspecting, reviewing, protecting, advising and proposing according to their remit and the particular situation they need to handle.

The Brain of the Authority. Each authority gets its mandate and legitimacy from certain beliefs, usually ethical rules and principles, that are widely held in society. Here lies the source of the *general consensus* which permits its independent operation. Neither ordinary people nor governments can sensibly turn to or respect an authority if they do not take these underlying ideas for granted. For example, regulation of financial practices requires more than a sense that honesty and truthfulness are good things. It demands consensus on an ethically-based theory of market operation, contractual obligation and so on. In many industries, the needed philosophy is summed up in an explicit code — a statement of good practice, minimum standards, or code of ethics. Such documents then provide the regulatory authority with a definitive frame of reference. For example, the Press Complaints Commission is charged with enforcing a code of practice framed by the newspaper and periodical industry.

Governments cannot establish an authority unless its philosophical base or ethical code is publicly welcomed. These ideas appear in consultative papers and commission reports, and are eventually codified in the legislation which sets up the statutory authority. So the ideas as written into law become the prime source of legitimacy. In its work, the authority contributes to the propagation of the beliefs or code while upholding the law.

The Possibility of Parole: Parole for prisoners was unthinkable in the early 19th century when the aim was to reduce crime through terror. Nor was it possible in the late 19th century when the main idea was to ensure that the punishment fitted the crime. Parole only became practicable in the 20th century when a theory of training and rehabilitation became acceptable. According to this philosophy, many offenders are unstable and immature (rather than inherently bad) and are harmed by long imprisonment which makes them even less capable of contributing to society at release. Such a theory calls for a means to respond to the individual needs and circumstances of each offender. This in turn demands a sensitive judgement based on maintaining public safety, recognizing degrees of crime severity, assessing evidence of remission, and so on. Hence the requirement for an authority.

Ex. 12.5

The *essential rationale* for each authority and hence its structuring flows from current social values. If the media in a democratic society is to act in the public interest, then authorities need to be instituted which recognize social needs like censorship, accuracy of reporting, respect for public decency, responsible advertising, control of privacy invasion, and so on. Unlike the underlying philosophy, the relevant values change over time. The decision to create an authority is a serious matter for society. They impose direct and indirect costs, are only weakly accountable to the public, and potentially reduce autonomy.

Consider, for example, the value of locally published newspapers and their contribution to the character of small communities. In the USA, many of these have been taken over by national conglomerates which seek to increase profits by simplifying and economizing through use of uniform newspaper formats, centralized reporting and standardized procedures. In principle, an authority could be set up to investigate such developments and pronounce upon them, with the view to ensuring a degree of local responsiveness and community character. Alternatively, if communities really value newspapers with local involvement and content (as opposed to self-appointed spokesman claiming they do), then there will be a market for such newspapers. There is no reason why private business enterprises cannot be set up to exploit it. Their success might even drive out the conglomerates or force them to rethink.

Such a solution enhances autonomy. In short: the market can be an efficient regulator of social values, and authorities set up to tell people what is good for them reduces their freedom.

The social need to ensure fairness and equality of treatment without recourse to the courts leads to the formation of tribunals to resolve disputes. Because distinct social values and technicalities are inherent in any domain, separate tribunal authorities are required for things like employer decisions, rents, compulsory mental health care, taxation decisions, use of data, immigration permits, pensions and social security allowances. There is also an umbrella authority in the UK, the Council of Tribunals, which checks that all tribunal procedures are fair and appropriate.

Finally, it should be noted that authorities, both statutory and self-regulatory, can be usefully bolstered by carefully framed supportive legislation so that recourse to the courts or the political arena is lessened. Such laws encourage people to respect authorities and to abide by their decisions despite their limited powers. For example: The 1968 Medicine Act and subsequent legislation buttress The Association of the British Pharmaceutical Industry's Prescription Medicine Code of Practice Authority which deals with complaints about promotional campaigns by member firms.

The Heart of the Authority. Authorities need precisely defined principal objects to meet social needs according to the agreed theory or ethical code. However, the idea of an authority is already a political statement, because it is about regulating people. The establishment of a gaming board, for instance, makes it clear that gambling is a sensitive public matter and that the community cannot allow a casino to be set up on the initiative of any individual. It is relatively easy to agree the need for an authority, but it is highly controversial to determine precisely its functions, duties and powers. For some the control is never enough, while for others regulations seem to entangle personal initiative in red-tape.

Because authorities attempt to move decisions out of the political arena, their objects must be defined so as to ensure sufficient *political support* for the body from the various stakeholders. Two interested parties usually stand out: powerful well-financed organizations in the relevant domain and the diffuse general public. Principal objects must be carefully defined following open debate and consultative advice. Poor design can lead to sustained factionalization or an imbalance of emphasis within an authority. For example the Independent Broadcasting Authority (IBA) was responsible for licensing and regulating television and radio but, in practice, gave radio little attention. The solution was to

set up a separate body for radio in 1991: The Radio Authority.

If the objects are not sensitively and wisely defined in terms of duties and powers, then the authority will be viewed with hostility. Continuing denigration and opposition to its judgements and recommendations eventually renders it ineffective because every issue ends up back in the political or judicial arena. In the case of self-regulatory authorities, the commitment of the industry or profession to its own code of practice is the key requirement.

The authority *maximizes its impact* on society by its choice of internal priorities i.e. the values it emphasizes in coming to its conclusions. Everyone in the area needs to know what the relevant values are and whether new values are gaining ground. So pronouncements are given legitimacy and are studied by organizations that are or may potentially be affected.

Finally, authorities must produce strategic objectives which are *appropriately adapted* to the circumstances. Strategic objectives are the means whereby the authorities handle the reality of a particular situation. They are the essence of the proposals or recommendations.

Pollution Control: The rationale in 1970 for setting up the Royal Commission on Environmental Pollution was to provide advice, to overview the research position, and to anticipate dangers. The Commission interpreted this remit in terms of reducing damage by 'attending to problems of long-term importance which may not be receiving adequate consideration by other official bodies including Government departments'. By its own account, 'in reaching its conclusions [i.e. strategic recommendations] the committee seeks to make a balanced assessment taking account of the wider implications for society of any control or preventative measures proposed.' The various Reports relate to preoccupations and problems as they have emerged in society. The early Reports dealt with gross air and water pollution while later ones deal with nuclear waste and the release of genetically modified organisms. To be accepted, proposals must be timely: the 5th Report (1976) suggested setting up a unified pollution inspectorate but it was not until 1987 after a repeat recommendation in the 11th Report (1985) that the government acted upon this proposal. **Ex. 12.6**¹⁴

Note that the exact details or mechanisms involved in producing the strategic objectives within the authority are irrelevant to its nature. Tactical objectives are to be found of course or nothing would get done, but they are not identified with the authority and do not determine its output as in enterprises. In other words, enterprises have all their work yet to do after strategic objectives are set, whereas once an authority says what should be done, that piece of work is complete.

Members of authorities do not fail in the same way as

employees in enterprises. An authority may have difficulty if the requirements on it exceed the resources allocated, but this is not the responsibility of insiders. Authority members may make an occasional misjudgement, but incompetence of particular individuals does not lead to sacking. As in many prestige-based bodies, there is a denial of personal failure. Acknowledgement would bring disrepute all round. So unsatisfactory performers continue in post, but may be replaced when appointments come round for renewal.

Organizing the Authority. Public authorities are set up by statute, and depend on government for their existence. The legislature decides their remit, structure and procedures. Non-statutory authorities, sometimes known as self-regulatory organizations (SRO's), are set up by umbrella bodies or membership organizations within an industry or profession to protect the general public and to uphold minimum standards. Most professional membership bodies engage in a degree of self-regulatory activity. Specific self-regulatory authorities, like the Advertising Standards Authority and the Personal Investment Authority aim to dispense with the need for a statutory authority.

Authorities are ethical in nature: created to protect society and people in accord with social values and ethical codes. Similar ethical issues generate similar bodies in different domains e.g. the need for fairness generates a disparate range of tribunals as noted above. In the same way, independent pay review boards have been set up separately for doctors, for nurses, for the armed services, and for top civil servants: one single all-encompassing board would not do. Domains which are inherently ethically significant, like the media, may require a number of regulatory bodies to meet a variety of social needs e.g. a censorship board, a decency commission, an advertising standards council, and a complaints authority. Sometimes related values or social domains may be grouped together. For example the Registry of Friendly Societies supervises building (savings) societies, credit unions, cooperative societies, benevolent societies, recreational bodies, working men's clubs, housing societies, sickness benefit societies and many others under 14 separate Acts of Parliament.

When organizing authorities, the assignation of powers is as sensitive as the definition of duties or functions. For example, authorities can either be permitted or restricted from prosecuting or from investigating on their own initiative. 'Lack of teeth' is one of the commonest criticisms of authorities, but, whatever crusaders may argue, effectiveness depends on possessing politically acceptable powers, not on wielding draconian power. Authorities can easily be given whatever powers are thought politically desirable — it just

happens that these powers are often minimal. Licensing authorities, however, almost invariably have extensive powers. The Radio Authority, for example, can impose conditions on licensees, give a warning, impose a fine, shorten the license or refuse to renew the license.

Self-regulatory authorities, in contrast, rarely have or use such extensive powers because they would be in danger of losing the support of their own members, the people who directly or indirectly finance and supervise them. Conflicts of interest are denied by those in the industry or profession, but until each and all are more enlightened than at present, it is difficult to see how such conflicts can be avoided (cf. Ex. 12.7).

Press Self-Regulation: In recent years, complaints about press behaviour have grown. A formal inquiry in 1990 suggested self-regulation was the preferred option. However, in order to be acceptable to the newspaper industry, the Press Complaints Commission (PCC) deliberately rejected some of the recommendations of that inquiry: e.g. with regard to appointments to its Board and on employment of its staff. The industry specifically denied the PCC powers to initiate inquiries into press behaviour. Presumably at the behest of the industry, the PCC explicitly stated that it should 'promote ... press freedom' and provide a 'defence ... against improper pressure'. As a result, there was a further government-sponsored inquiry in 1993 which concluded that the PCC was 'not...an effective regulator' because it is 'in essence... dominated by the industry...and...over-favourable to the industry.'

Ex. 12.7¹⁵

Any authority needs to see itself and be seen by others as serving and representing the community. Its own structure and operations are ordered by social values and become defined as part of a political process. To illustrate and sustain this identity, its structure must be relatively inflexible, and its operations must be handled with explicit and fair procedures. The composition of the authority needs to take account of the need for a range of experts from within or without to ensure technicalities and legalities are well handled. So internal authority is multi-focal or polyarchic. For example, reports from the Royal Commission on Environment Pollution draw on the independent judgements of engineers, biologists, doctors and others. Leadership is formalized and expressed through a chairman who is a recognized public figure or social leader in the area and *primus inter pares* within the council. Because, the output is no more than a report, an authority can be structured in a simple way: essentially as a council with a supporting secretariat. Calculation of inflation, for example, is based on a formula decided by a special independent statutory body, the Retail Price Index Advisory Committee which reports as needed, usually once every 3-4 years. This body has 21 members on its council and draws on

20-30 civil service staff for the secretariat.

To deal with a large volume of work, the council may split itself into committees each authorized to produce the necessary recommendation. For example, to deal with around 10,000 cases per year, the Parole Board (in 1991) had 86 part-time members working in panels of 3 or 4, while the secretariat consisted of a dozen administrators headed by a Secretary. The full board met only twice yearly. Because authorities are not primarily service-providers, they usually require only a few administrative or executive staff to do things like arranging consultation, handling paperwork, developing technical standards, dealing with public or trade or press inquiries, and organizing publicity for reports and decisions. Leadership here is provided by someone with a title like secretary, controller, director, or director-general. However, some authorities may have to perform complex work in clarifying values or their application in a situation, and this may lead to a staff of a hundred or more. For example, the Monopolies and Mergers Commission needs to employ about 150 staff for its detailed investigations of particular industries.

Conflicts of Interest. The organization of any regulatory body must take conflicts of interest seriously. These can arise in a variety of ways and active preventive measures are essential. The independence of an authority must not be viewed as merely a formal matter or it will fail. The constitution of a statutory authority, for example, should ensure that no members of the government are on its council; and the secretariat must not be directly answerable to a minister. Such arrangements would self-evidently compromise its autonomy. It should be evident to the public that council members are worthy and not exposed to undue influences. Conflicts of interest or function and personal bias must be avoided. Although some authorities naturally call for leadership from among the best within the industry, it is usually unnecessary and unwise, for example, to appoint a chief executive of a television company as chairman of a statutory authority for broadcasting.

Service provision takes the focus off regulation and on to activities which themselves need to be regulated. So when service organizations act as regulators, the incompatibility in outlooks is severe. For example the administration of monetary policy (handling interest rates, currency management, fund-raising for the government, money supply monitoring &c) is a service provided by a central or reserve bank. In the UK, this function is combined with the supervision of the banking system which has led, perhaps coincidentally, to a range of mishaps, including the largest fraud in banking history.¹⁶

Authorities are occasionally used to promote certain values, but this may compromise objectivity in a body expected to be unbiased. The danger is that the authority confuses ‘a statute’ (L⁶-6) with ‘the law’ (G⁵-5²) and in pursuit of the statute forgets to take account of custom-based conventions, tenets, rights and maxims. Promotion of values is then liable to evolve into a moral crusade, and the authority takes on the profile of a campaigning organization. When this occurs, the authority becomes distanced from values actually held in society (i.e. L-5 social values) and works according to its own hypothetical standard (i.e. L-6 value system) for which general consensus is lacking. The Commission for Racial Equality, for example, has a promotional remit and yet its activities in this direction were severely criticized by a parliamentary select committee. The committee took the view (which makes sense in terms of the present analysis) that promotional work should stem from the CRE’s legal and investigative remit and should not proceed quasi-independently. By being partisan, the authority was in danger of losing public confidence.¹⁷ The Equal Opportunities Commission was similarly rebuked by a judge when it took the government to court for rejecting its advice. Leave to appeal was refused and the Commission was told to put more effort into pursuing individual cases of discrimination.

Governments may empower existing bodies to regulate by statute, e.g. the Institute of Chartered Accountants officially licenses its members in relation to handling investment, insolvency and company audit. However, membership associations depend on their members, so there is an inherent conflict of interest. The appearance of independence, even if not its reality, is poisoned. On balance, it is generally preferable that regulation of doctors should be in the hands of a medical council with lay members rather than left to a medical association, that a banking regulator not a fellow banker or association of bankers supervises banks, and that an auditing authority not their membership body regulates company auditors. The consequences of leaving Lloyds of London to regulate itself has been disastrous for Lloyds, for its investors (the names) and the British insurance industry (cf. Ex. 8.16: Ch.8).

Compartmentalization. As with the other types of autonomous endeavour, an authority has distinctive compartments which accord with its component levels of purpose. These five compartments generate social roles and duties. The highest compartment again contains wider society which forms the enabling context, while four compartments are dedicated to the authority.

A movement proper was defined by the lowest level alone, and consisted of the grass roots applying their values and arguing for their immediate use by others. An authority proper is defined by the lowest two compartments, and consists of the council (the board or governing body) and its secretariat (the officials or administrative staff). The other two compartments are filled by a formal inquiry which authoritatively establishes that society needs (or does not need) to create (or reform) the authority, and an instituting body which can legitimately set up, politically win support for, appropriately fund and willingly accept responsibility for performance of the authority.

The role of the body in each compartment must again be to work with values at all five levels. However each has a core responsibility based on its defining level which is about making a *recommendation*. If this work is not done, the authority malfunctions. *Wider society* must recommend the beliefs and ethical codes about which there can be a consensus. Without the general promotion of certain key ideas, there will be no urge to identify the need for an authority, to create it, or to take notice of it. The *formal inquiry* must recommend that certain social values have emerged as needing attention. These values or needs become the rationale for the inquiry’s proposal that an authority should be instituted or re-constituted. The *instituting body* must recommend certain principal objects (including duties, powers, structures, resourcing and staffing) which determine the interface between the authority and wider society. This body is also responsible for appointments to the council. The *council* must recommend certain values in making its decisions. These internal priorities maximize the impact of the authority. Finally, the *secretariat* must recommend a detailed appropriate and feasible decision or way forward, i.e. strategic objectives. The secretariat also ensures that everything is done which must be done at the mechanical level.

The values recommended within one compartment need to mesh with the values used in other compartments. To ensure socially-sensitive and politically responsible functioning, bodies within progressively lower level compartments must *act within*, then *respond to*, then *uphold*, and finally *interpret* values recommended by bodies in higher compartments. Bodies within progressively higher level compartments must also in turn *debate*, then *examine* and finally *note* the values recommended by bodies in lower compartments. Once again a simplified matrix with the values as rows and the compartments (bodies or roles) as columns clarifies and orders the necessary arrangement: see Table 12.2 (and cf. Master-Table 38). The core duties form the main diagonal, and the subsidiary duties form parallel diagonals.

Wider society has the primary duty to *recommend* the ethical ideas and socially acceptable theories which enable the formation and proper operation of an authority. This recommendation emerges from a public arena where politicians, academics, the judiciary, journalists and others discuss a topic until a consensus emerges about what is right. No formal recommendation is provided, of course, but without this general consensus on ideas nothing can be done. For example, a censorship authority, like the British Board of Film Censors, may be seen as essential to protect adults and children from immoral or seditious material. The body can only be tolerated and its decisions treated with respect if the ideas and ethical rules used are widely commended.

Change in a dominant political or economic ideology naturally demands a complete overhaul of society's independent authorities. However, people fully identified with the new ideas may simply not be available in society. Russia, for example, wishes to introduce a market economy, but this requires a range of regulatory authorities with considerable expertise and financial understanding to prevent the fraud and exploitation which could bring the whole idea of private enterprise into disrepute.

Wider society is also the source of the social values which are used to construct or reconstruct an authority. Its duty here is to *debate* whether certain social values need official recognition and protection. It is never clear whether there really is a need for the authority identified by the formal inquiry. For example, the development of the ombudsman office in various commercial areas like banking and insurance reflected

the awareness of a need for users to be able to protest against mal-administration. Previously, people were simply expected to tolerate bureaucratic inefficiency and manipulation. However, new bodies like the ombudsmen are expensive, potentially bureaucratic, and often disliked and opposed by the vested interests who were responsible for the abuse which called them into existence. As a result, their creation and continuing existence generates active public debate.

Principal objects which define a new authority are inherently controversial — far more so than agreeing the need for the authority. Any authority seeks to minimize turmoil in the political arena by working privately and independently on value disputes. So only those active within the domain fully understand the possibilities and limitations. Although the public is in no position to query or assess what the experts and existing authorities decide, they can expect some action by the media and by their pressure groups or membership bodies. So concerned citizens and those within the guardian institutions of society (e.g. journalists, politicians, academics, clergy) should assume a duty to *examine* its duties, powers, structures and procedures carefully. This is particularly needed prior to their creation or when they seem to be functioning poorly.

Regulatory authorities report to wider society, often annually. Interested people and relevant organizations ought to *note* the values in use, but the specific decisions or recommendations are not usually of general interest. In any case, outsiders are not given the detailed evidence by which they can judge the particular choices or proposals.

Table 12.2: The necessary inter-relation of compartmental duties in an authority. The role of each compartment is defined by its column with the core duty in bold type. This matrix is the basis for synergy and effectiveness. Note that wider society is the contextual compartment of the authority again, but that the insider section (on the right) now includes two compartments.

Compartment Level	Wider Society	Formal Inquiry	Instituting Body	Council	Secretariat
6: Value Systems	<i>Recommend</i>	Act within	Respond to	Uphold	Interpret
5: Social Values	<i>Debate</i>	Recommend	Act within	Respond to	Uphold
4: Principal Objects	<i>Examine</i>	Debate	Recommend	Act within	Respond to
3: Internal Priorities	<i>Note</i>	Examine	Debate	Recommend	Act within
2: Strategic Objectives	—	Note	Examine	Debate	Recommend

A **formal inquiry** is a transient body created by representative groups in a particular domain to deal with an emerging social problem or to handle an existing authority which seems to be failing. Failure may be evidenced by a scandal in which social values have been flagrantly violated or by a ground swell of popular discontent.

The Securities and Investments Board was set up in 1988 following an inquiry by Prof. Gower. This was initiated by the government in 1981, and his Reports were published in 1984 and 1985. The inquiry was provoked by widespread public alarm at the rise of large-scale fraud, insider trading, routine malpractice and lack of proper financial controls leading to business collapses. The Council of the Stock Exchange and existing self-regulatory authorities were widely perceived to have failed.¹⁸

Establishment of a specific authority, which means vesting controlling powers in a body outside the political arena and independent of government, is a major social commitment. So an authority proper cannot evaluate itself and is not assigned the power to reform itself. The inquiry has the duty to explore and to assess whether or not certain social needs are currently being adequately protected.

The core duty here is to *recommend* social values which form the rationale for instituting and sustaining any authority. These inquiries may be set up as a committee or commission (e.g. the Royal Commission on the National Health Service), or as a quasi-judicial body if criminality is an issue (e.g. the Scarman Inquiry into the Brixton Disorders 10-12 April 1981; the Inquiry into Child Abuse in Cleveland, 1987). It may be constituted with a board and secretariat or as a sole investigator getting help as required. The inquiry may be generated by a profession or industry where there are widespread public allegations of wrong-doing e.g. the internal inquiry into the Lloyds of London multi-billion pound insurance debacle (The Walker Report: An Inquiry into Lloyd's Syndicate Participations and the LMX Spiral, 1992).

People selected for an inquiry must be capable of an overview of society as a whole, should appreciate the particular domain, be respected publicly within the domain, understand how social control can work, and be sensitive to the political and value dimension of social life. Inquiries restate and *act on* the beliefs and principles which legitimate social control. In sensing and recommending emerging social needs, the inquiry places them in the context of other established social values. In Ex. 12.7, the 1993 Inquiry which recommended statutory regulation of the press 'to ensure that privacy which all agree should be respected, is pro-

tected from unjustifiable intrusion', also wished to contribute to the highest standards of journalism, to enable the press to operate freely, to protect children and victims of sexual crime and so on.

Movements spark off and sustain pressure groups, crusading organizations, political parties and other reform-generating organizations which attempt to influence these inquiries. The inquiry is therefore a key agent for recognizing emerging personal and social needs and giving them legitimacy. For example, the Equal Opportunities Commission (set up in 1974) was a product of the women's movement which had influenced all political parties. Although it was finally set up by a Labour government drawing on their policy study group Report 'Discrimination against Women' (1972), it also gained legitimacy from the Conservative government's consultative document Equal Opportunities for Men and Women (1973) and the Finer Committee Report on One Parent Families (1974).

The detailed determination of the duties and powers of an authority is quite distinct from the process whereby the need for one is recognized. Nevertheless inquiries require the duty to *debate* these details. They need to weigh up the advantages and disadvantages of the present situation, and analyse the existing regulatory duties and powers. They commonly put forward different options and possibilities, and suggest new mechanisms, laws or structures without necessarily recommending any particular one.

Formal inquiries are usually set up because of a view that it is necessary to alter or reinforce values (priorities) currently used in practice (if there is no existing authority) or priorities currently recommended by the council (if there is an authority in existence). If there is no authority, formal inquiries seek to compare what society needs and values with what its relevant organizations are doing (cf. Ex. 12.8). If there is an authority, then the inquiry considers whether what the authority's council is affirming as important is socially fitting. So inquiries have a duty to *examine* the priorities being applied and comparing these with emerging social needs and views. In doing so they must *note* specific decisions, but they do not re-work or re-assess these.

Health Care Complaints: The Secretary of State for Health set up a review to examine complaints procedures within the National Health Service (NHS) following widespread public dissatisfaction. The committee was chaired by Prof. Alan Wilson, a university vice chancellor, and it included NHS and lay members. Its report, *Being Heard* (May 1994) identified 9 key principles (social values) such as responsiveness, cost-effectiveness, accessibility and impartiality. Through examining evidence from many sources, it was evident that these were not given priority in practice. It proposed a variety of improvements to be

taken up spontaneously by NHS organizations, using central guidance and management oversight, greater involvement of other auditing bodies like the Health Services Ombudsman and legislative changes to contracts for family health services. There was no mention of a possible 'NHS complaints authority'. **Ex. 12.8**

Instituting bodies must provide the political interface with society and be prepared to respond to value controversies and scandals. They must engage when social events seem to demand an alteration in the basic working of the authority.

For statutory authorities or when there is statutory assignation of powers to membership associations like the Chartered Institute of Accountants, the instituting body is the government. For non-statutory authorities, the most satisfactory instituting body is an umbrella organization consisting of relevant membership associations.

Regulating Advertising: In 1993, the Advertising Association consisted of 27 member bodies covering firms in advertising, marketing, television, mail-order, the press, cinema &c. In 1962, this Association, then much smaller, set up the Advertising Standards Authority to handle public complaints in terms of a code devised by the Code of Advertising Practice Committee. The danger in any such arrangement is that the instituting body becomes too captured by its members' interests and unduly limits the self-regulatory powers or the finances of the authority. To handle an increase in the scope and activity of self-regulation and to minimize conflicts of interest, a formal inquiry was commissioned by the Office of Fair Trading. As a result, in 1975, the Advertising Association and the Committee for Advertising Practice (for commercial complaints) handed over instituting responsibilities to the newly created and properly independent Advertising Standards Board of Finance (ASBOF). **Ex. 12.9**¹⁹

The formation of an authority to supervise the press has been problematic in the UK due to the lack of a proper instituting body: see Ex. 12.7. The Press Complaints Commission was set up by a loose working together of the five main press trade associations, referred to in most documents as 'the industry'. Following the critical report of the government-sponsored inquiry in 1993, the industry accepted the need for an instituting body and handed over financing and the control of Commission appointments to Pressbof (modelled on ASBOF in Ex. 12.8).

The fact that an authority is a product of an instituting body is the primary source of its power and legitimacy. The core duty of the instituting body is to *recommend* principal objects for the authority. This means indicating its terms of reference, its powers, its activities, the boundaries of its concerns, the way it is to

be structured and staffed, key procedures, and its resourcing. The authority's creation is highly political and these recommendations get a detailed examination by all interested parties. After any modifications in response to pressures, the final recommendation is put for endorsement to parliament or to the governing body of the umbrella organization.

In working out exactly what the authority is to do, the instituting body *responds to* the relevant value system in society by drawing up a an ethical code and promoting its significance. For example, a committee of editors drew up a Code of Practice in which important ideas like accuracy, privacy, misrepresentation, harassment, payment for articles and the handling of vulnerable groups were addressed.

The instituting body, being representative of the community, must *act within* its social values. This means responding to established changes in the relevant social environment, not pressing for innovation. The UK government had to move to form a Securities and Investment Board (SIB) to regulate other self-regulatory bodies because its own deregulation sparked off upheavals and developments within the financial services community which led to a corresponding need for enhanced investor protection. The government was *responding to* ideas assumed and explained in the formal inquiry (Gower Report, 1984). These stated that investor protection depended upon a high degree of efficiency in financial markets and that this, in turn, depended on common standards of honesty, competence and solvency amongst financial firms.

Instituting bodies remain somewhat distant from specific problems and possible solutions or choices, leaving it to the council and officials of the authority to propose and explain them. However, they do have a duty to *debate* the values being used in particular choices. If these priorities get too far out of line with the social values and needs as expressed in public opinion and perceived by the instituting body, then it is liable to view the authority as failing. Self-regulatory bodies will be concerned that this may mean government intervention. Governments will be concerned about political embarrassment and public criticism.

Finally, the instituting body needs to *examine* the detailed strategic objectives which are the essence of the authority's output. Tribunal decisions, for example, are typically gathered together in an annual report and submitted to the originating government department for scrutiny.

The council, the board of the authority, is the leading compartment. Its members come to be seen as part of 'the great and the good' in society. They tend to

be distinguished individuals, notable achievers, leaders and opinion-formers from within particular domains rather than generalists like politicians or clergy. To the wider public they may be obscure, but their honours, careers and achievements mark them out as trustworthy and deserving of respect. Some council members are chosen as representatives of relevant organizations. For example, the membership of the Monopolies and Mergers Commission consists of a Chairman and 31 members who are leading businessmen, members of professions, academics, and trade union officials. It has special panels (e.g. on telecommunications) with extra individuals who have appropriate expertise. The Equal Opportunities Commission draws from people who are noted in the field and have become distinguished, for example, by their work on industrial tribunals, in trade unions, and in the law. The Securities and Investments Board consists of Chairmen, Chief Executives and Directors of major firms in the world of finance (banking, insurance, broking, big business).

The council carries prime responsibility because it makes and defends decisions or proposals which are applicable to particular situations. These proposals consist of applicable values (i.e. internal priorities) and a desirable outcome (i.e. strategic objectives). The primary duty of the council is to *recommend* internal priorities and to be sure that the strategic objectives are recommended by the secretariat are appropriate. The actual decision will vary according to the circumstances. But in each case, the council has a responsibility to *debate* possible decisions in value terms and to bring their priorities to bear.

The Advertising Standards Authority, for example, has had to deal with complaints of sexism in advertisements. In adjudicating, they are aware they must balance the value of 'promoting equality between women and men against the public interest in safeguarding freedom of expression...[while recognizing that]...freedom of expression is the higher value'. (Case Report 150, 1987). Prioritizing values like this is more significant than the result in any particular case.

The council is the guardian of the ethics and ideals behind their authority, so it must *uphold* these in the handling of people and situations. For example, the council of the Press Complaints Commission specifically ratified the Code of Practice as its primary source of guidance in dealing with complaints. Any council must nevertheless *respond* to social values relevant to the issue under consideration. For example, parole of a rapist might be handled differently if a spate of recent similar parolees had re-offended and generated a public view that longer internments were desirable.

The council has the self-evident and strict duty to *act within* the authority's terms of reference irrespective of members' personal views of what should be done. In statutory authorities, this means detailed knowledge of the Act of Parliament which defines the objects, duties, powers and procedures.

The secretariat are administrative and technical staff who understand the value system justifying the authority and so are able to *interpret* its meaning and relevance in particular situations. Such understanding is based on education and previous socialization. At the time of writing, the two top staff in the Royal Fine Arts Commission, for example, have a background in architecture; and the London Regional Passengers Committee senior secretariat consists of two former officers of a similar predecessor body, a voluntary member of its council who became so interested that he applied to work for it, a former senior operations manager with London Buses, a trade unionist, an ex-customer relations manager from the Post Office, and an ex-education officer.

The core duty of the secretariat is to *recommend* appropriate responses to any immediate social challenge within the remit of the authority. To do this, they ensure that there is an investigation, analysis of evidence, draft recommendations and so on for the council to consider. The council imposes its priorities and sense of social values, and debates their papers in terms of whether these are adequately and appropriately expressed. All officials must *act within* the priorities or criteria set by council in its general proceedings. They simply *respond* to the principal objects, ensuring that the council is addressing itself to those tasks for which it was instituted and is acting within the law. Authority staff must be sensitive to social values, especially those identified by any formal inquiry, and they have a duty to *uphold* these in their proceedings.

Limitation. Regulatory authorities act as a buffer between the people and their government. They ensure values are sustained within society, but they are not designed to produce specific achievements. Neither movements nor authorities are vehicles by which people may express themselves in productive activities. They are insufficiently organized, insufficiently concerned with practical details, and overly dependent on general agreement to produce a sustained and tangible impact. Whether in the design of ideas for changing society or in the production of goods and services, a focused commitment is required which is driven by the notion of meeting felt needs. If individual people are to thrive, they must be able to pursue their own relatively private path within society. If society is to thrive, it

needs to release such expressions of autonomy. Enterprises exist for just this purpose.

G-5¹: An Enterprise

Nature. The term ‘organization’ most immediately conjures up the image of a formally-constituted executive-led enterprise. Organizations which embody movements or authorities seem arcane, evanescent and other-worldly beside enterprises whose rationale depends on the expert management and performance of activities. Such organizations have become the environment in which we work and live. Our daily desires to eat, sleep, play, and strive in health and happiness are not so much affected now by the weather or wild animals as by innumerable enterprises. We look less to ourselves or to our fellows for products and services and more to private or public organizations: the construction company that built our house, the retail firms that sell us food and clothing, the business that employs us, the school that educates our children, the government agency that warns of the impending weather, the charity that provides our community theatre, the campaigning organization that voices our concerns, upon all these and many more we depend.

Although we depend on enterprises and they depend on us, enterprises are essentially self-interested. The *function* of an enterprise is to pursue values through activities which generate tangible benefits for itself. In other words, this type of autonomous endeavour regards values as a means to an end, its own end. Society, however, views enterprises as the means for incorporating and realizing wider values. This is why both movements and authorities seek to influence enterprises. They can do so rather easily because the presence of social values within the enterprise pentad forces them to be responsive.

An enterprise must be set up formally, i.e. constituted as an organization, when a needed task is beyond the resources of a single person or a small band of partners. A task of any significant complexity requires explicit and public statements of its purpose and value, and demands explicit differentiation of the work into different kinds and levels of responsibility. The resulting body can endure beyond changes in the people initially involved. So society views it as a legal individual: an autonomous social being with its own distinct identity and life.

Unlike movements, enterprises need clearly defined boundaries and must respect existing social values. However, like movements, the insiders need to be viewed as independent responsible individuals and not simply as agents — even though they enter into a

contract of employment. A side-effect of this paradox is that a person or sub-group within an organization can use it to pursue or cloak their own intentions which may differ or run counter to stated objects.

So, whether the organization proper consists of just a few people (like some voluntary agencies) or over a million (like some armies or the UK’s National Health Service), there is a need to weld them together into a distinctive purposeful unity while allowing each person an appropriate degree of autonomy to pursue and own activities. It is evident that large enterprises will only function successfully if everyone cooperates and accepts a great deal of responsibility.

Enterprises are activity-based organizations in which personal benefit is a central value. The person may be an insider or an outsider. Societies depend on autonomous enterprises, and these enterprises depend on autonomous people, you and I, working within them or dealing with them as customers, suppliers etc. So we must all learn to create, operate and modify enterprises to meet social needs — which includes using them for personal gain and to advantage those groups we support.

Although many organizations are reasonably managed internally, their linkage with the values and needs of people, with other organizations and with wider society generally is often problematic. Firms become unresponsive to their shareholders. Shareholders regard ownership as financial speculation. Boards provide no check on chief executives. Headquarters expand bureaucratically. Managers lose the confidence of their colleagues and subordinates. Suppliers are exploited. Governing committees proliferate uncontrollably. Customer views are ignored in decisions. Communities are neglected.

Such organizational problems, often said to be caused by character failings or climates of distrust or pressures of work, may be better explained by ignorance and confusion. Society promotes the use of formal organization for business, for example, but the precise role of firms in realizing social values is not properly appreciated. Indeed, many see businesses as inherently monstrous: financially-driven beasts which depersonalize people and engage in squalid dealings.

The analytic approach and basic principles of compartmentalization to be offered here apply equally to all types of organization. However, in modelling how enterprises can and should be operated, the principal focus will be on service organizations differentiated into three broad groups: voluntary or non-profit associations, commercial firms or companies, and governmental or public agencies.

Development. New enterprises are formed whenever a social need becomes evident. They are constituted as an organization if the activities and resources required to meet that need are inherently beyond what a sole trader or small partnership can handle. The enterprise then harnesses people in its service and, almost as a by-product, in the service of communal values related to that need.

Social values and personal needs can never be completely fulfilled, and so opportunities to set up enterprises are limitless. The social constraints to enterprises are defined by authorities and the law. Ethical restraints beyond these are an expression of the standards of the individuals involved. Within these limits, there are practical constraints determined by the interests of people in the activity and the availability of essential resources (such as trained people, credit, space, customers &c).

Enterprises are born and die with few surviving longer than 30-40 years. During their lifetime, they thrive or stagnate. Success or failure is partly a factor of the efforts and abilities of those responsible for them, and partly a matter of external largely uncontrollable realities. Schumpeter referred to the ‘creative destruction’ of capitalism to explain the way that competition and innovation operated in the business sector. In non-competitive or non-profit arenas, organizations follow different life trajectories and may survive for many decades or even centuries.

The Brain of the Enterprise. The *consensual* mandate for any enterprise is provided once again by *wider society*. To gain support from wider society for the pursuit of activities, social values must be identified. Social values are inclusive and integrative in nature, less controlling than ultimate values and value systems, and directly oriented to what people in the community feel they need. These values arise spontaneously or within movements and are legitimated or confirmed by authorities if necessary. An organization’s survival depends crucially upon seeking accommodation with existing social values and on being free to seek resources from the societal environment by appeal to these values. As emphasized many times before, everyone inside an organization is simultaneously part of the wider community. The relevant personal capability here is awareness and acceptance of the communal net of values, and particularly its emerging needs.

The *rationale* for creating an enterprise is provided by the principal objects. The work of defining these and setting up and maintaining any organization is performed by a *constituting body*. This body consists of people or organizations who associate and commit themselves jointly to seeing that certain activities are

carried out. Because this body can also close down or sell the enterprise, it might be said to be the owner or proprietor. *Constitutive duties* refer to the requirement to secure a continuing existence and identity for the organization, including a specific responsibility to resource any executive work or structures created by it. To be successful, the constituting body must contain people who are imbued with the drive to promote certain values actively and systematically, and who benefit directly from the existence of the enterprise. Constituting bodies are of various types: for example, the *membership* of voluntary associations, the *shareholders* of commercial firms, and the *government and legislature* in regard to statutory public agencies.

The Heart of the Enterprise. Decisions on internal priorities control the focus of activities and determine *political support*, so here is where the organization has its political interface with society. The work to be done is known as *governance*, and the social form is the *governing body*. Often referred to as a *board* (or council or authority or committee), it is the small group of *governors* (or trustees or councillors or directors) which must act corporately. Governors are often drawn from the constituting body, and may include top officers or outsiders with relevant credentials. Governance mediates, interprets, and promotes the wishes of the constituting body. In order to enable realization of the principal objects within the resources available, it must recognize practical constraints and pressures from the social environment. Setting priorities means gripping controversial political issues and so the skills involved are primarily political. Here, missionary or ideological zeal requires to be tempered pragmatically in the light of irremovable environmental factors and conflicting demands from the various stakeholders.

The choice of strategic objectives by an enterprise is about *maximizing its impact*. Choices must take into account both the complexity and uncertainty of the outer world and the value preferences of the governing body. This is the work of *top officers*. *Top officer bodies* include two roles. The first, often termed the *secretary* (e.g. company secretary, permanent secretary) is designed to assist the governing body in performing governance. In business, this role is commonly taken by the top finance officer. The other role, that of *chief executive* (also called general manager, managing director or director-general), is designed to control executive work and head up the executives within the enterprise. Sometimes a few key senior staff are specifically designated top officers by the governing body and formed into a *top management team*. Top officers need a degree of political sensitivity, an ability to weigh up and synthesize multiple factors intuitively, and the

capacity to mobilize and direct the full range of human financial and physical resources within the organization.

Tactical objectives defining particular projects and tasks must enable the organization to *adapt appropriately*. This work of deciding and successfully pursuing tasks and projects may be described as *executant work*. It results in the use of resources to produce concrete changes in the external world by a given deadline. The *executant body* includes all staff working within the organization, executives or managers, and work-force. Top officers are also executants, and so those people invariably have two roles (or three if they are also on the governing body, or four if they are also shareholders or members of the constituting body). Executants, like top officers, need to be individually, not corporately, accountable even though corporate working is needed to manage large organizations. Executants typically have specialized skills, expert knowledge and practical experience which form the basis of their employment contract. According to their capability, they can cope with tasks of lesser or greater complexity.

Recapitulation. The above arrangements are similar in principle to those for movements and authorities. But they are designed to provide control over activities and to ensure that something tangible and socially worthwhile is produced. As before, there is an external level of purpose ensuring the organization can thrive within its social environment. However, there is just one level of purpose controlling the enterprise proper. The enterprise proper itself now covers three levels of purpose. The highest of these orients operations and shapes principal objects by using internal priorities. The remaining two levels of objectives enable detailed and directed implementation.

In terms of compartments: the governing body can be viewed as the specialized leading part of the constituting body, while the top officer body can be viewed as the specialized leading part of the executant body. Proper interaction of the two leading compartments, each driving and focusing in its own way, is inevitably of the greatest importance for organizational integrity and effectiveness. In businesses, it means that leadership can be sharply focused and the enterprise can speak with a single voice.

Irrespective of how or even whether the enterprise compartments are designed, it is evident that the work of each compartment is essential. If not explicitly provided for, such work will be carried out somewhere — otherwise the enterprise collapses. Despite a considerable amount of research, not just the responsibilities but even the number and rationale of compartments are not generally appreciated.²⁰

Rational design of duties and authority is preferable to chance or a free-for-all, but this requires that a framework for thinking about these is sufficiently detailed and meaningful to be applied and used by the people involved. A satisfactory framework must promote synergistic interaction between compartments, aid the translation of values into action, and handle conflicts inherent in any social activity.

Organizing the Enterprise. The source of power in any enterprise is to be found in how well it is organized and managed. Unlike the higher endeavours, failure of organization here spells failure of the enterprise. Spontaneity, the essence of successful movements, now threatens chaos. Enterprise success depends instead on everyone knowing what is to be achieved and how. In that context, everyone involved must show initiative and cooperation. Cooperation means that choices and actions by all compartments must somehow mesh. But this is impossible without adequate accountability relations between and within compartments. So control is now hierarchical.

The modern fashion for denying the need for hierarchy amongst managers and minimizing the importance of clear responsibility and authority is just that: a fashion and a denial. Hierarchy can degenerate into rigid rules, status preoccupations and the mindless proliferation of levels. However hierarchy itself is unavoidable and, if used properly, helps ensure the efficient and effective running of the enterprise. Accountability is a form of control which enables people to be maximally independent and responsible. In a large organization, hierarchy and accountability do not oppose freedom of action, but rather complement it. They are not optional.²¹

Our main concern here is with relations between compartments. Certain aspects of compartment accountability may be laid down in legislation, but much is at the discretion of those in the enterprise and can be relatively easily altered in the service of its mission. Most observers agree that society urgently requires a better understanding of the duties of the compartments, and of the requisite relations between them. The present account has been tested to ensure it can be understood and acted upon by responsible people.

In clarifying the authority of the compartments, it is natural to start from the origin of each in a particular level. As originally suggested, each compartment has the unique responsibility in relation to purposes at that level. In this case the requirement is more definitive than to affirm (as in movements) or to recommend (as in authorities). Instead, it is *to set* the purpose. This

Table 12.3: The necessary inter-relation of compartmental duties in an enterprise. The role of each compartment is defined by its column with the core duty in bold type. This matrix is the basis for synergy and effectiveness. Note that this is the only form of endeavour which can ‘set’ purposes, but that this power does not include the highest level of social value. Top officers and executives are held individually accountable, whereas constituting and governing bodies are corporately accountable.

Compartment Level	Wider Society	Constituting Body*	Governing Body	Top Officer Body	Executant Body
5: Social Values	<i>Set</i>	Pursue	Observe	Identify with	Act on
4: Principal Objects	<i>Sanction</i>	Set	Pursue	Observe	Identify with
3: Internal Priorities	<i>Own</i>	Sanction	Set	Pursue	Observe
2: Strategic Objectives	<i>React to</i>	Own	Sanction	Set	Pursue
1: Tactical Objectives	—	React to	Own	Sanction	Set

*Constituting bodies in commercial firms, voluntary associations and public agencies show great variation in their influence and duties in regard to lower level purposes. See text for further details.

means resolutely sticking to that purpose, checking on its pursuit or effects, and, if need be, changing it. Enterprise compartments need this positive power because their output and survival flow from forthright and timely action.

There is pressure on the three compartments in the enterprise proper to be well organized and managed. The public exposure of failure also fosters the natural urge for people in the various compartments to work together in an integrated way. This means that purposes set at every level of the hierarchy need to mesh. This will only occur if each compartment has some duties and corresponding influence or authority over higher and lower forms of purpose set by other compartments. But this influence is invariably less definitive than *to set* the purpose.

A progressive pattern emerged clearly in our research, and a summary of these findings is presented in matrix form in Table 12.3 (cf. Master-Table 38).

Moving down the compartments: the purpose which has been *set* by the key compartment should be *pursued* by the compartment below, then *observed* by the compartment below that, then *identified with* by the compartment below that, and finally *acted on* by the most distant compartment. Moving up the compartments, the purpose which has been *set* by the key compartment, should be scrutinized and *sanctioned* (i.e. approved or rejected) by the compartment above, then *owned* and supported (or disowned and vetoed) by the

compartment above that, and then *reacted to* by the most distant compartment. This rather simple terminology seems to catch the flavour of the requisite influence and rights due to each compartment in respect of any particular type of purpose. When each responsibility, stated in this way, is elaborated further in a few key tasks of immediate relevance, the formulations have proved readily understandable and useable by the people involved.

The principal characteristics and general duties of each compartment can now be examined. Although it is conjectured that compartments in all enterprises are fundamentally similar, variation in the details have been found according to the type of organization, particularly in the constituting body.²²

Wider society needs to develop and *set* the social values which people may freely pursue via their enterprises. In business, these social values include consumer needs and define the market. Setting is perhaps too definite a term, because what the social values are, is not always clear from the variety of shifting and conflicting opinions, assertions, complaints, activities and pronouncements. Nevertheless, it is usually very clear whether or not the enterprise fits with the current range of social values. When something very new is being attempted, firms usually engage in market research, approach relevant authorities or government departments for advice or conduct pilot trials to clarify the value position. If a basic value of the wider society

is violated by an enterprise, people spontaneously object and either the enterprise fails or the government or an authority may intervene.

The second duty of wider society is to *sanction* the principal objects of any enterprise. The requirement of all companies in the UK to register their aims and objects and to submit names of directors and audited accounts annually is a form of oversight and legitimation of the principal objects. Indirect and implicit sanction is expressed in acts of recognition (such as acceptance of advertisements by the news media) or disapproval (such as boycotts), and by people who transact with or join the organization.

Different elements of wider society vary in their relevance for any particular enterprise. For example, as well as being most responsive to the values of potential members or those who deal with their members, a trade union will also be concerned with the values of other trade unions and any political parties or campaigning organizations which are broadly supportive.

Wider society knows relatively little of what goes on inside most organizations, and has little direct access to the setting of internal priorities, strategic or tactical objectives because these are largely private matters. Nevertheless, in the last analysis, society must *own* the values (priorities) being used for decisions within the organizations because those organizations and all within them are members of society. So society has certain rights and duties which are exercised via its regulatory authorities and law-enforcement agencies.

Strategic decisions of large organizations impact on society, and the choices of even small organizations may affect local communities. Naturally, people *react* to these. Elected representatives regularly support or criticize decisions of private sector bodies on their behalf, but anyone can communicate their views to a business. Sometimes, as in the case of the Coca Cola Corporation's decision to alter the recipe of its famous fizzy drink, the extent of public protest leads to a reconsideration and reversal of the decision. In a small community, where an organization is finding its activities unprofitable, local people may mobilize active support for the firm to help it stay in business. Tactical objectives are not a concern of wider society, except in so far as they reveal a neglect of certain social values or point to a socially undesirable strategic objective.

Constitutive duties show marked differences between the main groups of service organizations, but still within the pattern in Table 12.3. The membership of voluntary associations is characterized by maximum personal involvement of each member who may be expected to contribute to purposes at all levels.

Commercial firms lie at the other extreme with the vast majority of shareholders having a minimum involvement and concerned with just one thing — profit. This lack of concern with the organization itself seems wrong in principle. For public service agencies, the citizenry uses elected representatives in the legislature to serve as the constituting body. Because the constituting body is then accountable to the community, citizens ought to make a contribution to constitutive work. However, citizen duties, like shareholder duties, are often neglected.

The focus of constitutive work in all cases is, as the title implies, to *set* principal objects which both bring the organization into existence and ensure its continuance. There is a particular requirement to provide or obtain a resource base. Implicit, however, is a further duty to clarify and *pursue* the social values which gave rise to those principal objects. In relation to lower-level purposes, the constituting body is expected to *sanction* internal priorities, to *own* the strategic objectives and to *react* to tactical objectives.

To explain these duties, the three varieties of enterprise require separate consideration:

a) In **government agencies**, the situation is most complex because of the involvement of the public. The legislature clarifies the dominant values held by the public in order to *pursue* them by constituting the agency. The principal objects are set within legislation which defines the central activities, main structures and mode of resourcing. In this regard, the public contributes crucially, if rather indirectly, by voting in the legislators and paying the taxes and charges which resource the service. Appointment to governing bodies is determined according to statute and may be by appointment, nomination or election. Where nomination is controlled by government, there may be places reserved for people assigned on a representative basis (e.g. from unions, professions, or universities). The government minister, or sometimes a committee of the legislature, must *sanction* internal priorities, and the main strategic objectives must be primarily *owned* by the government. In the UK National Health Service, for example, new priorities and strategic plans are scrutinized by a select committee of Members of Parliament, whose report is debated and may be voted on in parliament. However, citizens should also be involved in overseeing and legitimizing such decisions and should participate constructively in consultative procedures. The public needs to keep itself aware, and therefore requires right of access to governing body meetings or to records of the debates. To help the public, the news media need to take on an informing and campaigning role. People should discuss developments within local

interest or pressure groups so they may effectively lobby to support or criticize strategies. Tactical objectives frequently generate intense *reactions*: for example the local community may protest and so lead its Member of Parliament to query closure of a small obsolete hospital, although this is within an agreed strategy to improve quality and reduce costs.

b) In **voluntary associations**, members are strongly invested in certain ideals and set objects in the constitution to *pursue* these values in a particular way. Members are also actively encouraged to accept governance duties. Under the guidance of the governing body, all members are expected to become involved in exploring controversial issues, and in scrutinizing and *sanctioning* internal priorities. Typically, members have a strong sense of *ownership* of strategic objectives, and may exert a veto on governing body decisions or insist on a referendum. In addition, members often deliberately involve themselves in executant work, inquiring about and *reacting to* tactical objectives with great intensity.

c) In **commercial firms**, control is more firmly in the hands of the governing board of directors, partly because the shareholders' concern lies with the production of profit. Proprietors and partnerships feel very responsible for their businesses, but many shareholders in large firms do not experience themselves as owning anything except the financial worth of their investment. Not surprisingly, they feel virtually no responsibility for the enterprise. The growth of stock exchanges and the emergence of large institutional investors (pension funds, unit trusts) has accelerated this neglect of ownership responsibilities. A speculative or purely financial mentality is in danger of producing an inappropriate short-term perspective. This may lead to excessive fluctuations in share price which can weaken a firm's financial position.

The annual general meeting is the focus for exerting constitutive rights and duties. However, shareholders have a weak grip in practice even on such matters as who the directors should be and what remuneration is appropriate for them. In the US, federal and state laws have tended to disenfranchise shareholders. It would seem positively helpful if shareholders sanctioned major political decisions in relation to things like environmental pollution given that firms so often claim that they decide things in the shareholders' interests. Owner failure is a prime cause of board failure which has led to the emergence of the corporate raider as a mechanism for shaking out incompetent and self-aggrandizing boards. Inevitably, 'shareholder associations' have emerged to remedy shareholder weakness. The present approach suggests that boards of directors

should not seek to block or weaken shareholders' proper control (i.e. to limit their compartment-based rights and duties). The present framework could be used to devise a way to help define constructive involvement from shareholders, especially institutional investors.²³

Governance duties are poorly discharged in business, non-profit and governmental organizations alike.²⁴ On the one hand, parliaments and judicial authorities seem to be acutely aware of the need for governance. On the other hand, in no other compartment are ordinary people either so confused about what is expected of them, or so unable to adhere to their role. Squabbling and rubber-stamping, absence of executive supervision and neglect of duties, uninformed members and avoided policy issues, these and many other problems appear almost identically in the smallest voluntary agency and in the most lofty international body, like the World Bank.

Careful study reveals that *governance duties* are basically similar across all varieties of enterprise. Governing bodies are primarily there to *set* internal priorities. They must handle crucial controversies consequent on their central role in the authoritative allocation of resources. The pressures from the multiplicity of stakeholders — the constituting body, customers or clients, staff, creditors, government, the community, suppliers and others — must be balanced and a way forward found in the face of uncertainty. This demands judgement and sensitivity, not simply facts and analysis. In such work, group discussion and group resolution within the convention of collective responsibility appear desirable. Governing bodies depend ultimately on voting for decision, although they frequently operate most satisfactorily by consensus or (less satisfactorily) by deferring to the chair. Occasionally they refer decisions to a larger representative group of members, but referenda should only be sought on constitutional issues. The duty to set priorities includes decisions to introduce codes of practice, ethical policies, organizational standards and other controversial rules and values.

As well as gripping its prime task, that of setting internal priorities, the governing body must consider purposes at other levels. It must *observe* the social values of the various stakeholders by proclaiming these in public and by ensuring that any excessive, that is to say potentially scandalous or unwise, breach of such values (the communal standards) is promptly remedied. The governing body must also *pursue* the principal objects by clarifying and interpreting their nature, appointing the most senior officers, agreeing the main executive structures, reviewing top officer performance and resources overall, and proposing changes in the mission for deci-

sion by the constituting body. The governing body should *sanction* strategic objectives and scrutinize detailed strategies developed in the light of its main priorities or substantive internal priorities. This is often problematic in public agencies and voluntary associations because it requires joint work with one or more top officers who are frequently excluded from membership of the governing body. Detailed involvement of governors in executant matters, though frequent in practice, is neither logical (according to this model), nor in practice particularly effective in terms of time expended and results achieved. Nevertheless, the governing body must *own* all tactical objectives set by the staff and accept responsibility for their consequences. On occasion this may lead to the governing body vetoing a tactical objective on the grounds that it is socially unacceptable.

The amount of work involved in governance is considerable. Unless it is appropriately and effectively structured, prioritized, programmed and monitored, governors rapidly become overwhelmed and ineffective. A potential drain on time and energy stems from conflict with the constituting body. Shareholder revolts are not unknown. Where the governing body is a lower tier of government, conflict based on ideological politicization of issues may occur. In the UK in the 1980's, for example, many left-wing local councils acted as if they were the opposition to the right-wing national government rather than bodies whose activities and structure are defined by parliamentary statute.

Although governance *duties* are similar in all organizations, governance *structures and procedures* — such as hierarchical tiers, member composition, duration of office, powers of delegation, committee structures and standing orders — are not. Legislation, which varies somewhat from country to country, commonly specifies baseline structural and procedural requirements for governing bodies on the basis of local experience and conventional wisdom. These laws are usually different for charities, public limited companies, private businesses, and so on. However, in all cases, the constituting body typically needs to determine certain crucial matters for itself, and then the governing body needs to elaborate further, detailing arrangements as far as is required for its own effective operation. Such non-legal arrangements for governance need to be designed to support the particular mission of the organization and the preferences and views of those involved.

Careful organizational analysis is needed: to clarify suitable structural forms; to assign various governance duties within the structure appropriately; to determine a suitable composition of members and (often) non-members with relevant interests or expertise or influ-

ence; and to devise essential procedures and conventions. Because organizations vary greatly, much variation in the detail of governance is to be found. In general, the more extensive the social role of the organization, the more complex its governance. Universal institutions like the major universities or churches obviously need sophisticated arrangements. However, rather small membership-centred or charity-based associations may also develop rather complicated governing structures in order to involve as many members as deeply as possible.

Top officer duties show no essential difference between any of the three varieties of organization. In each variety, the location of such work is commonly disputed or not clear. In many firms, it may be difficult to determine whether top officer work is expected of the chairman of the board or of the so-called chief executive officer (or both). Attempts to avoid the problem by having the one person fill both roles is still common. In some voluntary associations, the chairman of the governing body almost completely takes over the top officer role. In other cases, the most senior executives, having become more identified with the founding ideals than the governors and members who constitute the association, seek to usurp constitutional and governing rights. In public agencies, where top officers are typically excluded from membership of the governing body, boards and top officers frequently come into conflict over their respective roles. In the NHS, ministers of state have taken on the top officer role from time to time. Whatever the difficulties and inherent conflicts in the governing-executing interface, and they are many and various, their resolution must start from a clear, feasible and distinctive specification for top officer work that meshes with that for governance.

Top officers, aided and sanctioned by their governing board, should, above all, be expected to *set* strategic objectives and work out detailed feasible strategies which they and other executants can implement. The aim here is for the enterprise to move in an unambiguous direction and in a way which makes the maximum of impact. On behalf of the governing body, top officers (directly and via delegation to subordinate managers) should scrutinize and *sanction* the tactical objectives which flow from strategies and keep the governors in touch with progress and costs. Looking upwards, top officers must put time and effort into *pursuing* the internal priorities set by the governing body. They should help governors both by ensuring that strategies align with the governing body's wishes, and also by raising and clarifying possible controversial issues and new potential priorities or foci for strategy development.

Top officers have a duty to *observe* the principal objects as set by the constituting body and interpreted by the governing body. Proclamation of the mission is generally recognized as an important aspect of executive leadership. In addition, top officers enable the governing body to pursue the principal objects by checking that resources are being fully mobilized to this end, and ensuring that all required activities are being pursued and no *ultra vires* activities allowed. Importantly, top officers should accept the constituting body's ideals without question. They need to *identify with* the social values as upheld by the governing body in order to develop a suitable culture among the executant body, and to ensure that wider society is handled naturally and appropriately. If such identification is not possible for personal reasons, resignation or dismissal is necessary.

Top officer duties, as noted earlier, are always associated with the duties of a senior executant. Failure to distinguish and accept both these sets of responsibilities in full is common. For example, our project work in local government revealed many top officers who largely ignored their senior executant role, and consultancy in the National Health Service revealed many chief executives who positively denied their top officer role.

Executant duties centre on task creation and completion. This is only one step, albeit the final step, in the conversion of social values into action. Yet people employed to carry out or execute specific tasks to specific deadlines, here called the executants, have become mistakenly synonymous with enterprises. In fact, task activities cannot logically exist on their own. They must derive their immediate rationale from the priorities (L-3) and strategies (L-2) which specify what the organization actually hopes to achieve in the world. But it is the executants, and only they, who can *set* sensible tactical objectives with realistic time-targets.

The proper duties of executants have been extensively investigated by many, so comment here can be kept to the minimum.²⁵ However, it is useful to recognize that the present model highlights their responsibilities in a distinctive way. As well as handling assigned tasks, executants should *set* tactical objectives as generally required by their post and the situation without requiring specific instruction. Because any post or functional role is a direct expression of the principal objects of the organization, an executant must *identify with* these to be effective. If identification is not possible, the executant should resign or be dismissed. The performance of tasks should be oriented by the need to *pursue* strategic objectives and strategies as developed by top management groups. Executants should also be expected to *observe* the priorities of their governing body, applying them as opportunity allows. Most

importantly, the concrete results produced by executants should ultimately embody or concretize the social values which generated the enterprise. Although a spontaneous conscious focus by executants on values is characteristically weak, executants may be expected, wherever possible, to *act on* social values as genuinely affirmed by top officers. For example, when community- or client-participation in planning a service is genuinely valued, staff should arrange the planning process to involve them. Even if such outsiders participate in planning, they are not held formally responsible for the results: i.e. executants remain accountable for decisions.

The emphasis in executant work is about producing results efficiently while adapting as well as possible to the exigencies of time and circumstance. This means a mixture or synthesis of systematic and responsive approaches to work are required. Organizational efforts need to be put into progressively reducing ambiguity, conflict and uncertainty by systematic analysis, information-gathering, definition of roles and accountability relationships, specification of methods and directions &c. These systematic frameworks then provide the context for spontaneous, fluid and dynamic responsiveness whose success is a function of personal aptitude and attitude.

Closure. The criticism that is usually hurled at formally organized enterprises, whether voluntary, commercial or public, is that they are too self-centred and fail to recognize the needs of other bodies and the community. But their values are not far off those of the society within which they operate. Their prime responsibility is to the mission as defined by the constituting body. Their standards are largely communal standards: they do what everybody else does. If these standards are undesirable, then authorities and laws can be introduced. But demanding perfection in an imperfect world is not advisable. Enterprises are needed to keep society going, and they perforce use the values, good and bad, that are prevalent in society.

With enterprises we have come to the final and most tangible way that autonomy can be embodied. We now briefly put joint endeavour in a historical perspective and indicate some implications of the analysis.

REVIEWING AUTONOMY

Autonomy is about the capacity to realize what you think is important i.e. your values. We have noted the three fundamental embodiments of autonomy. Because these embodiments of endeavour exist within society, their autonomous existence requires a consensus on certain values.

All autonomy depends on an openness in social relationships, a belief in the importance of values in society, the possibility of social change, and the exercise of freedom. So traditional and repressive societies show a diminution of all associations and joint endeavours, while democratic and progressive societies show a multiplicity. One reason why present efforts do not always work very well is that large scale autonomous endeavours are so recent — as the following ultra-brief historical review clarifies.

The Historical Perspective. Endeavours based on a group of people forming an independent entity with a life of its own are not new. But their extent and the implications for the individual in society have increased dramatically over mankind's social evolution, especially recently. The emergence and dominance of autonomy in general, and large executive-run organizations in particular, is the feature that overwhelmingly marks Western cultural evolution in the last 100 years.²⁶ In this rapid review, I will emphasise the emergence of compartmentalization because this is the practical notion emphasized by the present framework.

For over 2,000,000 years until about 10,000 BC, people operated as nomads in small family bands and could depend on informal arrangements. Even today, distinct and enduring social bodies, aside from kinship and political arrangements, are not to be found in subsistence societies preserved by their religion and traditions. Around 10,000 BC, the development of farming and villages led to surpluses and trading, and encouraged the systematic division of labour. When towns and cities emerged around 5,000 BC together with the development of writing and money, movements were facilitated, authorities gained importance and labour-intensive organizations became essential. Effective organization of civil administration, the military and religious functions, together with improvements in materials technology, enabled the creation of empires around 3,000 BC.

Rulers in these ancient civilizations operated on the basis of divine authority and were bound by traditions, so the acceptability of their endeavours within society was never an issue. They could therefore merge decisions about values with those of action in a way that would now seem tyrannical. Reversion to popular wishes would have to await their death. Pharaoh Akhenaten's monotheism, for example, was imposed during his reign and rejected immediately afterwards. Nevertheless precursors of movements — popular moods, demonstrations, fashions — had an influence on society however absolutist the ruler. Until a few hundred years ago, popular movements seem to have been largely religious or revolutionary in character.

Rulers viewed movements with suspicion and authorities were limited in scope and given little true independence. Until the invention of printing and the improvement of transport and communications (16th century), it was extremely difficult for a movement to spread very far or for a large-scale enterprise to operate very effectively.

The earliest joint enterprises were partnerships where all were expected to orient the endeavour and to share in both the work and profits. In England from early times, corporate bodies could be set up by Royal Charter and later by Parliamentary Act, and given the power to do anything an individual might do. The East Indian Company, for example, was chartered. However, once formed, the scope of a chartered company's activities was unlimited, and this put creditors and members at risk. The large trading companies which developed in the 17th and 18th centuries were not incorporated, and were run by large fluctuating numbers of loosely associated people owning transferable shares. Such bodies were also unsatisfactory because any person dealing with them could not know with whom he was contracting or whom to sue.

The disparate needs for effective legal control, for concentration of capital, and for managing a large complex work-force became fully apparent with the industrial era in the mid-19th century. As a result, incorporation of an enterprise became generally available in the form of a limited liability company. Incorporation resulted in a *de facto* immortal entity with the legal capacity to act as a person quite distinct from the actual people who provided the capital. In other words, the disparate needs led to the emergence of full compartmentalization and formalization of organizations with an internal differentiation of duties as appropriate to each compartment. Various legal reforms followed, and formally constituted organizations proliferated in the 20th century as governments in the West fostered the establishment of myriads of small and large firms, public agencies and voluntary bodies. All these were required by law to be compartmentalized: e.g. although details varied amongst nations, the process and structures for governing the organization were invariably sharply distinguished from its daily operation.

The increasing power of executive organizations over the past 150 years, with their need for an educated enterprising staff, led to the emancipation of men and women in a wide variety of areas. The age of enlightenment, flowering in the 18th century, had led people to become more confident in their own judgements; and the idea slowly took hold that monarchs and governments had limitations, and that a great deal of social life, as much as possible really, could and should operate

autonomously. (This process has not yet run its course, and is still at work today.) The worker's movement became a major force for political change; the depth psychology generated psychological change; and science altered the nature of work and the role of religion. These three great movements have now achieved their objectives. But a plethora of other cultural movements are emerging or re-emerging including the ecology movement, the women's movement, the communitarian movement, the rights movement, the New Age movement.

Increasing democratisation, globalization of communications, technological innovation, and societal complexity has fostered the spread of both movements and businesses — often across national and cultural boundaries. As a result, sophisticated independent regulatory authorities have become ever more necessary. Movements are inherently amateurish and can, to a degree, look after themselves. However, authorities need to engage with business technicalities. It seems that their development is lagging behind the proliferation of highly active global organizations naturally dedicated to their own self-interest. For example, at the time of writing there still seems to be only the most patchy and rudimentary appreciation of the need for effective international regulation of banking, currency operations and financial flows. World-wide destabilization is a real danger. Yet no authority acting alone can determine or police the system, and no government has the required legitimacy. Possibly the UN might create a commission, or a self-regulatory organization sponsored by the industry could link with governments.

Looking Forward. The historical review ended with the recognition that present endeavours are global and their power threatens social stability. Multi-national organizations dominate business and are richer than many nations. Movements flow across continents with potentially frightening ease. Authorities are increasingly required to operate beyond the bounds of the nation-state but struggle to do so.

In this difficult situation, the present analysis reaffirms the significance of agreed duties, the need for general consensus, and the central requirement to work with values. In order to bring clarity into the design and operation of endeavours, it is essential to understand where responsibility and authority lie for choices of value and purpose. This means appreciating that there are three distinct types of joint endeavour, each defined and structured by a set of five adjacent levels of purpose.

The main message of the analysis is that logical and precise specifications of work (i.e. duties) are possible in the discrete compartments generated by the levels of

purpose. However, these duties involve working with values: something which most people still find difficult to imagine let alone do reflectively. Even movements, which seem virtually unamenable to design because they are solely about values, could be strengthened and more intelligently handled if all understood the work involved.

In seeking improvements by clarifying the work to be done, it is worth singling out the governing bodies of enterprises whose notorious malfunction seems to be primarily based on a mixture of ignorance and confusion.

Most research effort has gone into the design of enterprises, and within this effort most of the focus has been on executive structures and systems. Organization, for many writers, refers only to the organizing of executives and executive work. However, there is an equal necessity to attend to the work and organization needed by movements and authorities, and within enterprises much more thought could go into improving the functioning of constituting bodies, governing bodies, and chief executives (or top officer bodies). Without such attention, ethical and value considerations will not receive due attention and social progress will be disorderly or hindered.

It is proposed that the framework of duties presented and epitomized in Master-Table 38 is broadly valid as an approach or set of principles. This means that the suggested duties, structures and processes suggested need to be adapted to be appropriate to each social body, according to the ethical order of the society and within universal standards of the world order. Within any particular body or endeavour, the compartments require to be designed and re-designed in accord with circumstances. Globalization, the information revolution, environmental change, altered activities, growth in scope, new legislation, different people, and cultural shifts may all influence precisely what tasks are performed. A governing body at the top of a multi-national, for example, ought to operate somewhat differently from the governing body of one of its national subsidiaries, even though the principles remain the same.

The analysis also indicates a way forward in assessing that elusive variable, effectiveness. If effectiveness is the successful achievement of goals, then no less than five levels of effectiveness must be considered. Enterprises, for example, need to be judged in the light of their social values, principal objects, internal priorities, and strategic objectives, as well as tactical objectives. Furthermore, the analysis suggests that *each compartment requires its own evaluation* in the light of its own distinctive duties. Compartments differ sharply, so

effectiveness of one may contribute to ineffectiveness of another. For example, participation in executant work by a member of a voluntary association may be judged unequivocally worthwhile by the constituting body, even if achievement is inefficient by executant criteria.

Education for Life. No society, much less the global order, will operate properly unless the individuals involved understand what is required and permitted. It is amazing that secondary school students and even university students are given no proper understanding of endeavours which they can join, within which they will spend so much time and with which they must interact. Cells in movements operate amateurishly and emotionally, almost by definition. Yet awareness of the nature of movements could ameliorate some of the strains by making the expectations that people have of themselves and each other more realistic.

Authorities have been little studied and little understood, even by academics. Yet they have a significant contribution to make. People need to appreciate the extent and limits of the powers of such authorities in order to use them properly. This may foster a greater sense of responsibility in industries and professions and lead to more enlightened self-regulatory authorities, so lessening the need for expensive and complicated statutory bodies. But professions and industries are often reluctant to expose themselves. Far too often, the association representing the members imagines it can serve as an independent authority irrespective of the conflict of interest.

Finally, in regard to enterprises, education is highly focused on executant work. Education for the other compartments is rudimentary or non-existent, if not positively misleading. Not one person in a thousand seems to understand the rationale for governing bodies. Yet in the UK alone, over a million people sit on governing boards in organizations of every conceivable type.

Transition. A person who is an insider of a movement is a unique and equal member of a community with a responsibility for it in common with all. A person who is an insider of an enterprise is an independent actor with a precise and distinctive accountability. A person who is an insider of an authority is expected to represent others in the community. This last mediating role seems to be the least individualized.

The authority is a bridge to cross the gulf between the necessary separateness of people as actors and the necessary unity of people as members of a community. Such mediation is required as the shifting realities of inner and often irrational feelings which power movements confront the hard realities of custom and self-interested intention in the outer world.

Autonomy is the prime channel for focusing and amplifying personal and social power. Movements unleash the most potent and diffuse combination of personal energies and social forces. Enterprises multiply the power of a single person to achieve something practical to an extraordinary degree. Authorities have defined and assigned rights and duties, sometimes of the most powerful kind, to intervene in sharply delimited areas. Between them, movements, authorities and enterprises can alter our personal, social and physical world beyond recognition.

Consensus-based autonomy serves society in so far as it permits each person to participate fully in the community while protecting their own values. But autonomy and a supportive consensus do not in themselves guarantee that results will be beneficial for society overall. Remember: it is not appropriate or practical for any single person or body to be fully responsible for the whole of society or for the social order in general. Each endeavour must energetically and wholeheartedly pursue its own inevitably limited mission or failure will result and no one will benefit. This paradox of self-interest failing to serve society fully cannot be avoided by central planning. Its resolution must be based on the idea that society has to function as an evolving self-consciously self-regulating system. But the dimension of societal (self-)control has not yet been addressed. It forces itself on our attention once we recognize the extraordinary power that can be released through committed endeavours.

The release of such awesome power demands a degree of regulation. All in society wish to ensure that order and stability are maintained, and that there is a degree of fairness in the rules being applied. This means that autonomy needs to operate within a common framework of ethical rules. Provision of that framework, the maintenance of order, and responsibility for the exercise of supreme power in society, implies sovereignty. It is to sovereignty with its potential to permit and regulate the realization of values that we must now turn.

Master-Table 37 Properties of the three embodiments of autonomy. These are needed to ensure that endeavours can be organized so that work within them serves wider society as well as the individual people involved. Autonomy is based on pentads formed by conjoining five adjacent types of purpose. See text for details and explanation.

	3 (Ls 7-3)	2 (Ls 6-2)	1 (Ls 5-1)
Types of Endeavour	A Movement	An Authority	An Enterprise
Function	To develop and establish new values of fundamental importance to society.	To preserve values and apply them authoritatively to particular situations.	To pursue values through activities which generate tangible benefits for itself.
Effect of Success	Society transforms itself by voluntary collective action.	Society stabilizes itself by clarifying, modulating and asserting its values.	Society functions by meeting its evolving social needs effectively.
Main Criticism	Too utopian.	Too remote.	Too self-centred.
Responsible for:	Determining a way of thinking for major social issues: cultural, political, economic &c.	Handling complaints, adjudications, advice, supervision, review, protection &c.	Producing goods, services, ideas for reform, benefits for members &c.
Power Source	An idea whose time has come.	Society and its current values.	Systematic and responsive management.
Key Element	Autonomous cell.	Authorized committee.	Accountable role.
Authority	Egalitarian.	Polyarchic.	Hierarchic.
Leadership	Diffused.	Formalized.	Meritocratic.
Structures	Multiple, diverse, transient.	Simple, procedural, inflexible.	Complex, functional, flexible.
Insiders	Grass roots.	The council and its secretariat.	Governing, top officer & executive bodies.
Role of Insiders in Society	Heralds of the future who are united in the service of values.	Distinguished representatives who are legitimated to serve society as it is.	Independent agents who are harnessed in the service of a task.
Incentive to Join	Fulfilment of personal values i.e. insiders can do what they want to.	Prestige and respect i.e. insiders should do what they ought to.	Money and goods i.e. insiders must do what they have to.
Performance	Spontaneous and ideological.	Professional and sound.	Efficient and dynamic.

**Master-
Table 38**

Designing duties to provide synergy in endeavours.

Each type of autonomous endeavour has different characteristic compartments/roles which must discharge responsibilities in relation to each relevant level of purpose. Synergy depends on achieving a necessary inter-relation of duties and authority or influence. The primary responsibility is in bold in the matrices. Note the diagonal arrangement. The two dotted lines differentiate wider society on the left, and the entity proper on the right. The centre sections mediate between wider society and the entity proper. See text for further details.

Row 5/Col.1	Row 4/Col.2	Row 3/Col.3	Row 2/Col.4	Row 1/Col.5
<i>Provides social consensus on need.</i>	Provides the rationale to structure & sustain.	Provides political steering and a societal interface.	Provides a direction to maximize impact.	Provides the appropriately adapted means.

G-5³: A Popular Movement

Compartment Level	Wider Society	Intellectuals	Advocates	Organizers	Grass Roots
7: Ultimate Values	Affirm	Support	Promote	Reflect on	Assume
6: Value Systems	Endorse	Affirm	Support	Promote	Reflect on
5: Social Values	Debate	Endorse	Affirm	Support	Promote
4: Principal Objects	Challenge	Debate	Endorse	Affirm	Support
3: Internal Priorities	—	Challenge	Debate	Endorse	Affirm

G-5²: A Regulatory Authority

Compartment Level	Wider Society	Formal Inquiry	Instituting Body	Council	Secretariat
6: Value Systems	Recommend	Act within	Respond to	Uphold	Interpret
5: Social Values	Debate	Recommend	Act within	Respond to	Uphold
4: Principal Objects	Examine	Debate	Recommend	Act within	Respond to
3: Internal Priorities	Note	Examine	Debate	Recommend	Act within
2: Strategic Objectives	—	Note	Examine	Debate	Recommend

G-5¹: An Achieving Enterprise

Compartment Level	Wider Society	Constituting Body*	Governing Body	Top Officer Body	Executant Body
5: Social Values	Set	Pursue	Observe	Identify with	Act on
4: Principal Objects	Sanction	Set	Pursue	Observe	Identify with
3: Internal Priorities	Own	Sanction	Set	Pursue	Observe
2: Strategic Objectives	React to	Own	Sanction	Set	Pursue
1: Tactical Objectives	—	React to	Own	Sanction	Set

*Lower levels show variation in different types of organization.

G-6: SOVEREIGNTY

Nature. The power that flows from the autonomy of a single person is indeed limited. However the power that flows from that same autonomy embedded and embodied in a group is a function of the number of people, the type of endeavour they launch, and the resources they can mobilize. Such power has the potential to achieve great things and to benefit individuals — but there are always ethical costs and potential dangers. The chief concern of any society is that it may become vulnerable to subversion from within or invasion from without. If society is over-turned then individual autonomy may be lost. It therefore becomes essential to subordinate autonomy to societal integrity.

The ethical cost of autonomy is our main concern. It derives from the deep reality that nothing that is done is wholly good, and nothing happens without some harmful consequences or unexpected side-effects. Ethical threat is also rooted in the individualist and partial concerns of autonomous endeavours, even movements. In the push for achievement, the well-being of the whole of society has perforce to be a secondary consideration. This too poses ethical problems.

Ethical damage can feed on itself until the fabric of society on which all depend is damaged and even destroyed. So, the autonomy of powerful ‘legal individuals’ must be capped by a supreme collective power: the **sovereignty** of society. Sovereignty, if accepted, implies that all movements, authorities and enterprises should properly exist and function within laws and other ethical rules of a particular territorial society or state. At the same time, sovereignty also protects autonomy by using power to define its limits, to assign personal rights, to keep internal or external disruptive forces at bay and to ensure a sufficiently stable value context. In other words, the exercise and control of autonomous power demands the exercise of a supreme or sovereign power.

Without autonomy and individual power, it is impossible to realize values. Without sovereignty and social power it is impossible to protect and maintain that process. All exercise of power, individual and social, private and public, must recognize the pre-eminent need for sustenance of the ethical order (G"-7¹).

As we saw in the analysis of ethical authorities (Ch. 9), laws alone are by no means sufficient to sustain a social order. Other types of ethical rule are essential as well as rule derivatives culminating in the ethical order which is the source and summation of authority. Sovereignty deals with the entire social order, both its concrete, purposive aspects and its abstract, ethical

aspects. Then we said that the ethical order should be embraced willingly. Now we must consider how such a willing embrace can come about. We must also move beyond (or descend from) the ethical order, to consider the pursuit of the common good which must deal with tangible and messy realities.

The ethical order was formed by rules of all seven types. Rules (within L-6) are the ethical tool for understanding and justifying social values and all activities in their service. Harnessing rules to support the realization of values is not a straightforward matter nor something that can be solely and individualistically determined by each endeavour or organization. The result would be endless disputes, discord and ultimately violence. The notion of rule by rules requires conceptualization of a society which possesses sovereignty in the sense of a unified and supreme will for all to live together in a particular way. Such a mysterious entity in turn needs to be concretized and given guardians. These guardians (within G-6) can then legitimately exercise and control supreme power. Note that the notion of guardian here has nothing to do with a virtuous and wise elite ruling class as conceived, for example, by Plato in *The Republic*. I use the term solely to emphasize that sovereignty needs to be viewed primarily as a custodial matter, and only secondarily as executive. It exists to protect and enable autonomy, human development, and the advancement of shared interests — not to mobilize and direct people to some pre-specified ideological end.²⁷

Rules are of two distinct types, constitutive and regulative. Constitutive rules define a field, while regulative rules determine what is permitted within the field. In a similar fashion there are two guardians (or rulers). People who officially make up the society, citizens, are the constituting guardian — without them there can be no social order; and the government is the regulative or executive guardian — without some form of government laws could not be defined and the social order could not be maintained.

The existence of **sovereignty** is made possible by integrating an additional sixth level of purpose to create hexadic groupings which enable *ethical imposition* of values. The sixth level properly legitimates sovereignty and enables the coercive power that sovereignty unavoidably entails. In a sovereign society, it is essential that everyone and all endeavours are integrated into society according to certain ideals and conceptions of what society is and should be. In other words, sovereignty assumes ethical rules and value systems to which all adhere. At the heart of ethics lie rights and tenets, which together determine ideologies. So the additional level, like the ethical order, provides a quality which to

its adherents is unambiguously ethical and to its detractors is unequivocally ideological.

Types. Each hexad defines a distinct requirement of sovereignty corresponding to the two guardians in society. In descending order, these are: *the citizenry* (G-6²) and *the government* (G-6¹). As the French Declaration of the Rights of Man declared: 'Sovereignty resides with the people'. The hexadic arrangement accords, therefore, with what is generally called 'popular sovereignty'.²⁸

The nature of sovereignty, government and democracy is too vast a topic to be examined here. My limited aim is to let the levels of purpose perspective throw some light on this controversial subject. My focus will be mainly on representative democracy with its free and fair elections of politicians, and a citizenry supported by freedoms of association, information and expression (as argued for in G"-3: Ch. 9).

A guardian may be defined as that societal entity which takes responsibility for the social order, both concrete/practical and abstract/ethical. Note that the guardian cannot be responsible for society: the reverse would seem to be closer to the truth. Any society evolves on the basis of individual actions and external influences. These are largely beyond the guardians' control. Society, via its deep ethical order and existing social order, lies beyond and above its manifest guardians however impressive and powerful they may seem. Each society, via its membership, needs to evolve appropriate guardian arrangements and suitable ex-

pressions of sovereignty. (The ultimate supremacy of membership is the essence of the heptad as described in the next section.)

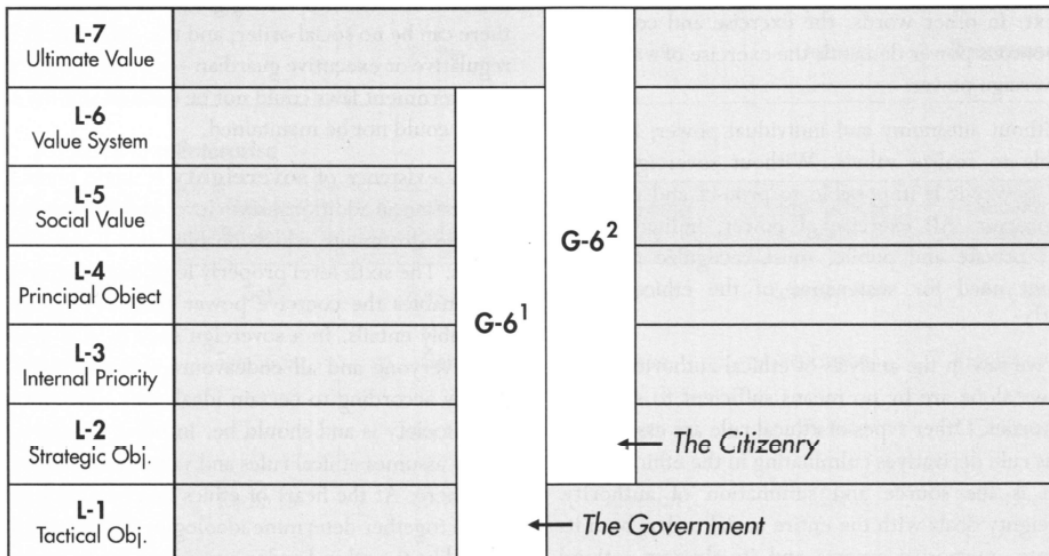
The *function* of sovereignty is to ensure that a society, its people and their activities are regulated by values. The guardians of sovereignty use valued rules to control the exercise of power. They are concerned that values in the social order should permeate society by influencing the values and objectives chosen by individuals. Each guardian, however, operates this responsibility in a distinctive fashion.

The usual political formulation of 'the ruler' and 'the ruled' does not fit the levels of purpose framework very well. It misleadingly places the government above the people.²⁹ There is always a possibility, however slim, that the citizenry will remove or redesign the government, and never a possibility that the government will remove or redesign the people. If we ask: who is ruled? The answer is that both guardians are themselves ruled. Any government must operate in accord with the constitution, accepted procedures and laws of the land as laid down by the citizenry, previous governments and itself. The people, both the citizenry and others, are similarly ruled: by the law and by the ethical order generally.

Placing the citizenry above the government means that all power rules are open to revision by public debate in which all can share equally. It provides the potential for the general interest to prevail over special interests which have captured the government. Finally, in the case of a failure of performance, the government

Figure 12.2: The hexadic grouping which defines power.

Two guardians of sovereignty enabling power to be regulated ethically.



can be peacefully removed and a new one installed without a crisis in the system.

We will now consider each guardian in turn from the present perspective without going deeply into political theory or examples. The hexads are represented diagrammatically in Figure 12.2. Differences between the guardians are summarized in Master-Table 39. The differences between the two guardians will be clarified by examining the different way that each handles purposes in the five common levels. These five levels of overlap can be viewed as defining the *political arena*. Apart from its ruling guardians, society has other *guardian institutions* which need to operate freely in this arena; and these will be briefly considered.

G-6²: The Citizenry

The citizenry, or citizen-body, constitutes society. This is why society's constitution which defines its form of government is usually decided and altered by referendum (or revolution). The citizenry, a term which has become synonymous with democracy, is defined here to include all those who can vote and hold public office.

The *function* of the citizenry is to assert the common good. So the actual situation in society, the concrete social order, must be scrutinized from a value perspective. If the enfranchised citizenry is to be a meaningful guardian, each citizen must be able to hold, check, reflect on, discuss, affirm and debate values and objectives of all sorts. This is what the political process is about. People who are judged to be unable to participate responsibly in this way (e.g. young children) may be deprived of all or part of their citizenship rights and duties. But being able to be a responsible citizen does not mean automatically having citizen status.

Citizenship is a political qualification. The citizenry, sometimes known as 'the people', is not synonymous with all people, or all who feel they are members of the society. In classical Athens, the proportion of citizens was tiny. Reasons are invariably found to exclude children and certain special classes from citizenship. Such special classes usually seem obvious to those in the society, if possibly unjust to outsiders. History reveals, for example, that slaves, women, prisoners, the mentally ill, resident foreigners and adherents to particular religions have been so classified. Even adults outside these classes usually need to have additional qualifications, typically birth or permanent residence in modern times, and usually wealth or property in the recent past. Any alteration of these arrangements reflects a fundamental change in the nature of society, and modifies the constitution of government. In the UK, for instance, a series of reform acts over 100 years

in the 19th and early 20th centuries dramatically widened citizenship by removing the need to own land, altering the age of majority, emancipating women, and abolishing religious restrictions on voting and office-holding.

The citizenry see themselves as the essence of the society. They are the sovereign power. It is their good and their interests which are at stake and liable to be disrupted by remote regulatory authorities, movements instigated by non-enfranchised classes, or exploitative firms. The citizenry is too numerous and amorphous to handle all the practical work of ruling. The best that they can do is express their values and indicate a desirable outcome. Governments are allowed to guard sovereignty and rule on the basis that they will respect these values and pursue such outcomes on behalf of the citizenry. The citizenry expects the government to handle all the details and mechanisms essential for societal regulation. Because the citizenry is the higher ruler, it must accept responsibility for its government — even if it is ruthless and tyrannical.

Power within the citizenry usually appears unbalanced. But the citizenry needs to be thought of as a whole, whose inner states and outer manifestations shift according to the times. Whatever the extent of the inequalities in practice, the citizenry is deeply pre-occupied with issues of equality. The matter of how far citizenship should extend has already been noted. But a stream of other equality issues demand attention: how far should justice mean identical portions, treatments, rights or duties? and how far should inequalities based on merit, birth, need, position, or wealth be tolerated?

In practice, the citizenry seems to view its own conventions and will as superior to law and logic. It reacts with intensity when its perspectives are challenged. If need be, the law is changed and logic is ignored.

The citizenry recognizes the importance of absolutes and ultimate values. It expects these to be proclaimed and affirmed, despite the inevitable pragmatism of any government. To lead the citizenry in this way, a symbolic head is required. This can be a non-factional head-of-state, a figure-head monarch or church leader. The task here is to represent a deep sense of unity of society, to reaffirm the ethical teaching or unifying religion of society, and to uphold each and every citizen's desire for good rule.

When unity is a fiction, as in African countries like Zaire and Nigeria where warring tribes were forced together after colonisation, then a citizenry does not truly exist. As a result, unifying non-governmental leadership is weak, power is not effectively or ethically controlled, and civil disorder erupts.

The commonest criticism of the citizenry is that they do not take civic virtue and their guardianship duties seriously enough: people are uninformed, uninterested and uninvolved. They only leap into action when something affects their own enterprises and personal interests. The opposite view is that the neglect of politics is entirely appropriate, even beneficial, for most people, because this enables prosperity. Notable support for both views can be easily found: Thomas Carlyle regarded choice of government as the 'soul of all social business among men'; while William Blake held that 'if men were wise, the most arbitrary Princes could not hurt them. If they are not wise, the freest government is compelled to be a tyranny.'

When governments cease acting lawfully and responsibly and the citizenry takes no action, then society is in danger of breaking down and mob rule is likely. Demagogues emerge. By whipping up base emotions, inflaming people with half-truths, populist leaders may coerce government in an unbridled, unethical exercise of power which is rarely beneficial for society. At the time of writing, rule in Yugoslavia moved along this catastrophic path. Subsequently the nation disintegrated and civil war erupted.

G-6¹: The Government

The government regulates society. Any government rules primarily by legally releasing and constraining the exercise of power by individual people and their associations. Any form of government is a set of political institutions whose *function* is solely to serve the common good as asserted explicitly by the citizenry. As an absolute minimum, a government must concentrate on two things: the security of the community (external and internal) and the well-being or prosperity of its members.

The work of government rule involves the performance of complex legislative, executive and judicial functions. The government must take all detailed actions, debate and pass laws, set up independent statutory authorities, create and manage needed public agencies: all with the over-riding aim of guarding sovereignty and protecting and promoting the common good. Governments who fail to maintain order and foster prosperity are liable to be rejected by the citizenry at the earliest opportunity.

Much political theory concerns the precise details of governance systems and methods for exercising control. For example, it considers the various forms that government may take e.g. autocracy and monarchy, aristocracy and oligarchy, various forms of democracy. Democratic government is expected to reconcile the

common good with the needs and values of each person. Another dimension concerns the different approaches — such as communism, liberalism or conservatism — to handling the balance between the requirements of the individual and the group. Examination of these various political systems and ideologies lies beyond the scope of this book.³⁰

The political institutions which define government require people to operate them. The people are selected from the citizenry and so are in some sense representative. Selection needs to take place in an acceptable way. For example, by election, by lot (a favourite in Aristotle's day), by coup (a long-time favourite in South America), by nomination, by appointment. Because government is a representative entity, everyone holding government positions (including officials and the judiciary) needs to see themselves as servants of society.

A dangerous but common confusion in much writing lies in using the term 'the state' as synonymous with 'the government'. This usage blurs the distinction between the government (the part) and society (the whole). This is wrong logically. It also tends to emphasize the need for the citizenry to give their government not just a monopoly of physical force but a superiority of judgement and the primary responsibility for society. This is wrong ethically. Nevertheless, an equivalence between state and the people can be (and is) upheld in the case of 'mobilization regimes'. These regimes are single party states unified by a religious or ideological doctrine, legitimated by mass action and supported by the repression of dissent.

The government, whether elected or not, must maintain a monopoly on force because it has to organize the protection of society from internal and external subversion. Too often, this force is used to protect itself. A representative government needs to be pre-occupied with determining what the citizenry want and how to assist in its provision or production. So governments should seek to deal with unofficial leaders in the community: opinion-formers, religious leaders, influential academics, popular advocates in movements. Such contacts must be distinguished from pressure groups and vested interests. Without input from people genuinely concerned with society as a whole, governments are in danger of losing touch with what the citizenry needs and wants.

Finding a way forward, however, remains problematic. The liberal-democratic system tends to pander to well-organized minority lobbies. In any case, it is often very difficult to know what can be done. So governments often find that they are driven more by events and circumstances than by their values and visions.

Governments inevitably become pre-occupied with prosperity. Once poverty and hardship engulf members of society, then demoralization and social disorder threaten. Governments use wealth, together with honours, as the prime tools both to remove and to create inequalities.

The government views law-making as the highest expression of its powers. To decide on the need for a law, to develop a viable law, and to institute it procedurally requires a great deal of detailed and practical work. So governments need a pragmatic leader, a prime minister or premier, who can seek consent, handle necessary compromises and adapt to situations.

Governments are typically criticised for being unresponsive and self-serving. This is commonly because members of a sub-group of citizens habitually fills the top positions within the government. This sub-group is de facto the ruling class — also known as the establishment, power elites, or the political class. Any ruling class will tend, either deliberately or unconsciously, to perpetuate the social order which created it.³¹

Governments which are absolutist tend to rule by decree rather than law. Fascism which sees action as superior to thought — and values are essentially thought — produces rule by instinct. Such governing ideologies are evil in so far as they devalue values and produce governments which are weakly legitimated by the citizenry. This issue of legitimation is so fundamental to the ethical exercise of power that we must now consider what light the present levels of purpose analysis can throw on it.

Legitimation

It is obvious that the two guardians need to interact effectively if a sovereign society is to thrive. The relation between the citizenry and their government is *the* issue of political theory and not one which can be addressed and resolved in a few pages. However, we can gain a useful conceptual perspective on how the two guardians interlock and some indication of how they might reinforce each other in practice.

When linkage between the government and the citizenry is poor, social discontent and tension rises and the regime is described as non-accountable, non-representative or remote. Effective interaction is most likely to occur if the citizenry is virtually co-extensive with the resident population and the government operates democratically.³² Democracy seems to be the conception that best expresses the assertion that the citizenry should regulate the government and not vice versa.

When the link between government and citizens is tight and positive, the two guardians can depend on

each other. When the link is loose or negative, government tends to be autocratic or corrupt and the citizenry is weakened. People find security in their own efforts, their families and in small communities rather than attending to society. But if people disenfranchise or alienate themselves in a democracy, then the social order can break down. Collapse is particularly likely if poverty becomes wide-spread or if sub-populations with sharply different customs are forced to co-exist. The re-establishment of order invites the imposition of less-representative government: usually military or oligarchic.

The issue here is one of legitimation. How can government be genuinely said to enjoy the support and confidence of the people? How can its powers of detailed regulation and social (i.e. public sector) enterprise be deemed acceptable? A practical answer emerging from the approaches to ethical choice. It reveals that the legitimacy of any exercise of government (or citizen) power is based primarily on the need for consensus via legal validity, moral justifiability and effectiveness.³³ Such a line of analysis is concerned with the quality of rules, values and objectives being proposed. The answer to be given here is concerned with the relation of the government and citizenry to the various types of value and objective. Focus on the extensive overlap of levels of purpose between the two guardians reveals important and inescapable differences for governing to be satisfactory. In short, legitimacy derives from the two guardians sharing and accepting certain value systems, social values, principal objects, internal priorities, and strategic objectives.

These common purposes function in different ways for each guardian. I will explain this further with simple examples below. But at first sight, it is surely obvious that the government must accept that only the citizenry can provide ultimate values to regulate sovereignty, and that the citizenry must accept that only the government can provide tactical objectives to regulate sovereignty. It is also evident that some commonality of purposes and values at the other levels is essential if the government is to act on behalf of the citizenry and if the citizenry is to support its government.

Using Values. When the two guardians define themselves with the same type of purpose or value, they do so in overtly different ways. These differences are captured by the qualities of the internal levels that we have been regularly considering in previous groupings. We will take each type of purpose in turn indicating the distinctive perspective generated by each of the guardians.

Ultimate values are the source of supreme and irresistible power and they are *imposed ethically* by the

citizenry on themselves and on any government. To describe an ultimate value as ethical is almost tautological. To see particular ultimate values as central to society is more problematic. It implies that the citizenry deeply believe that these are fundamental to the humane or divine regulation of their society. The government has no significant involvement in determining which ultimate values are chosen. So when US President John F. Kennedy said that his country would 'pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, in order to secure the survival and success of liberty', he was merely echoing and affirming the preference of the American people for liberty as the primary regulating ultimate value. Other societies are different: the ideological ultimate value in Japan seems to be harmony; in pre-Chinese Tibet it was compassion.

Value systems are a matter of *general consensus* within the citizenry and permit it to exert power. By contrast, ideas are *ethically imposed* by the government. Ethical rules and theories of social life (e.g. principles of education) are only followed and supported on the basis of a substantial consensus. The reader will recall that the ethical order must be embraced willingly by people. Once it is, then the citizenry expects the government to operate and regulate in accord with its component rules: that is to say, to impose them. Ideas are far more serious for governments than for its citizens, because a government can only function if it adheres explicitly to the ethical order and is prepared to enforce it. Elections to form a government need to be fought on the basis of ideological commitments which can be translated into fair laws and implementable social policies. Different parties stand for different ideas and the citizenry uses majority voting in order to determine which of these sustains a sufficient consensus. Even if the election is fought on a pragmatic or personality basis, any government in power finds itself forced to impose an ethical orientation via its legislative programme or drift helplessly on a sea of events, vested interests and changeable public moods.

Social values are the *essential rationale* for the exertion of power by the citizenry and the source of their drive for sovereignty. These values enable the government to rule by *general consensus*. Ordinary people view social values, their needs and sense of belonging, as the logical bases for all communal activities including ruling. So these communal need-based values are the rationale for tolerating governments at all — especially paying taxes to cover its enormous cost. The government, for its part, uses shared values as a way of gaining the necessary consensus for its choices, social policies and legislation. It must ensure that people appreciate that these activities aim to meet their real needs.

Principal objects underlie the *political support* of the citizenry, and define the *essential rationale* of the government. The government exists to institute a wide range of on-going activities which should be carefully and sensibly designed to meet identified social needs. The government must organize the workings of the legislature, administration and judiciary; create independent authorities to enforce minimum standards and handle value disputes; and set up and run a variety of organizations like the civil service, the armed forces, public agencies and taxation authorities. The ever-present danger is the self-perpetuating growth of a regulatory bureaucracy and public sector which unavoidably stifle autonomy and impoverish the citizens. A wise citizenry sees this clearly, and views every governmental endeavour as a political issue in terms of its cost, its constraint on freedom, its impact on inequalities and its effect on private enterprise.

Internal priorities enable the citizenry to *maximize its impact*, but are used by the government to gain *political support*. For example, the public presses for better education or wider access to health care, because it wants to see the social order actually alter in that direction. The government, by contrast, pushes priorities for education or health care as a way of garnering support for itself and for its whole programme of spending, taxation, and social change. In other words, the citizenry is preoccupied with the effect of its values, whereas the government is preoccupied with developing and balancing the interests of the various stakeholders. Governments are well aware that many will oppose a priority because of their beliefs or vested interests. If the government fails to use priorities to find a compromise, it becomes wholly ineffective and may even be brought down. Even the judiciary must consider carefully the likely social response to values implicit in particular judgements.

Strategic objectives are viewed by the citizenry in terms of whether they are *appropriately adapted*, while they are used by the government to *maximize impact*. The citizenry wants social needs translated into results which fit the existing situation — emergency assistance for a flooded community, more choice of cheaper air flights, more flexible housing, employment opportunities in recession-hit areas. The details of how these outcomes are achieved (i.e. tactical objectives) are not their concern. By contrast, the government selects strategic objectives in order to have the greatest effect and do the best possible with the funds available for the community as a whole. This requires considerable systemic analysis and skilled intervention. If housing is a concern, for example, the government must consider whether this should be addressed by one or more of: re-zoning land, providing home loans, altering building regulations,

changing taxation on rented properties, and other diverse possibilities. Poor choice of strategic objectives can very easily make matters worse.

Tactical objectives set by the government must be *appropriately adapted* to circumstances. Precise deadlines and specific tasks are handled by governmental bodies. Much is pragmatically decided by officials, rather than by legislators or judges. The citizenry has no significant involvement and little awareness of the processes and details of official business. When something goes very wrong, an inquiry may indicate exactly what happened. More often, the precise details are obscured because they cannot be appreciated in context — or for less worthy reasons when documents are shredded to prevent embarrassment or to hide corrupt practices.

The Political Arena. The legitimization of government and the interaction between government and citizens takes place in a conceptual space, the political arena. The political arena may be precisely recognized as the overlap of levels defining the two guardians: L-6 through L-2. It is surely no coincidence that this corresponds precisely to the levels defining independent regulatory authorities (G-5²). Recall that these authorities were viewed as a way to prevent cluttering of the political arena.

The government, guided by its citizenry, must serve as the guardian of social freedoms in general, especially freedom from fear, while recognizing that freedom must be restricted.

Indeed, individual freedom and its deliberate restriction for the common good is the deepest issue in politics. The final compromise in each case needs to be determined by debate within the political arena.

It is possible to discern specific domains of freedom-related decision-making. Consider, for example, radio and television broadcasting. The influence on society is great and the potential for misuse by either individuals or the government is high. So protection is required. In such a domain there are a variety of bodies which see themselves as protecting society's values. These bodies include private firms, public agencies, regulatory authorities, professional associations and listener or viewer groups. Together these can be thought of as comprising a 'guardian institution'. Should there be a need to delimit or extend free communication or expression via broadcasting, any or all of such bodies may well enter the debate. A loose network usually exists which, in the face of threat from the government or external forces, may lead to the setting up of a formalized or ad hoc association. Nevertheless, the guardian institution is not a specific, autonomous or bounded organization or endeavour which speaks with

one voice. Indeed, dissension within it is the norm and, because it reflects the plurality of interests and attitudes in society, this can be politically beneficial.

We may similarly suggest that freedom of worship is guarded not just by churches but by numerous public institutions, religious bodies and voluntary groups; freedom under the law is the concern of a wide variety of bodies associated with the legal system; freedom of thought is guarded by academia, learned bodies and otherwise competing membership organizations; and so on.

The guardian institution seeks to lead the citizenry in debate in its domain and to evolve the necessary values and objectives. However, distinctions between freedoms and between guardian institutions are somewhat artificial. The freedoms are highly inter-related and the political arena shows a high degree of inter-penetration of social bodies and processes. Churchmen not only speak in churches but on television, pronouncing on the behaviour of the government in any domain. Some churchmen are in government; and others are in universities. Academics may contribute regularly to popular newspapers and work for particular political parties. The press may oppose or support decisions of the churches, universities, or monetary authorities: even openly challenge court judgements. A high court judge may declare certain religious rituals illegal or advise governments to legislate.

People and organizations active within the political arena are acutely sensitive to the ebb and flow of values. They debate and argue the preferences and needs of society from the distinctive perspective of their institution. In doing so, they engage in a political process and become enmeshed in political conflict. When the media examines the ordination of women or the pay of top executives or the demands of striking workers, it ends up taking an attitude that is favourable or unfavourable to one or other side of the case. The rejected side can be presented as unreasonable or illogical by a skilful juxtaposition of images and selection of facts. The truly balanced assessment does not exist from the viewpoint of those involved. Each stakeholder tends to feel that the other's case has been too favourably handled. As we saw earlier in relation to authorities (G-5²), official inquiries may be used by government when the debate becomes heated; but their recommendations are also subject to the vicissitudes of political debate.

The political arena is a battlefield for competing value systems. The stability of any community depends ultimately on the preservation and sensitive modification of values. So debate needs to be respected and developed if the arena is to serve society well. It is possible to identify a variety of roles specific to levels of

purpose in the political arena. These operate across domains, challenging guardian institutions on their own territory.

L-6: There are thinkers in universities, think-tanks and politics who seek to defend, challenge and elaborate theories, beliefs, or principles in use. L-5: Journalists, policy-analysts and jurists often act as evaluators seeking to determine what the social values are and whether they are being pursued in action. L-4: Promoters or sponsors seeking to gain consensus on the value of an endeavour or organization are to be found in the press and among civic-minded foundations. L-3: The media often acts as a factionalizer through providing fora and coalescing groups both for and against particular values. Such debates raise public awareness. Opinion pollsters contribute at this level also. L-2: Finally, would-be policy-makers and strategists, often in membership associations or reform-generating organizations, publicize and promote their own proposals for action.

Clearly, both the citizenry and the government benefit from work in the political arena. So both need to protect its existence and operation.

REVIEWING SOVEREIGNTY

Any guardian's proper concern is to provide a framework of rules within which individual people and their enterprises can function freely without harming the society on which everyone depends. Establishing this order does not inhibit progress but positively facilitates it by providing a bedrock of stability and a degree of justice. We have identified the two guardians as the citizenry, a sub-set of the people, and the government, a set of political institutions accepted by the citizenry and filled from among their members. The empirical complexities of sovereignty in practice have hardly been touched upon.

An idealized fantasy has often wished to fuse these two guardians. In versions of direct democracy, the citizenry's responsibilities are extended to incorporate that of the government using the mechanism of the sovereign assembly. If this ever worked in simple tiny city-states, which is doubtful, it is certainly impractical in modern complex societies. Citizens may well participate more fully in governmental decisions in the future using interactive television and computer-based methods for handling referenda and debates. But this is likely to enhance the responsibility and differentiation of the two guardians rather than lead to any confusion between them.

For progress, ethical rules are not enough. The citizenry requires that actual conditions should be altered. The internal structure of the guardians of sovereignty clarifies the fact that the citizenry can foster popular movements and actively support regulatory authorities, but cannot handle executive-run enterprises (cf. Master-Fig. 28). Executive work is too detailed, practical and reality-based for such a diffuse entity. The government, by contrast, can set up independent authorities and executive agencies, but it cannot generate popular movements. Movements require too much inspiration and imply too much transformation to be led or even fostered by a government.

The quality of the particular persons in positions of power naturally limits the quality of governments and their policies. Governments print money and engage in wars. Vast sums are raised in taxes and spent. Decisions affecting whole populations are made. Yet equality means that anyone may enter politics. Virtually no training in political processes, no knowledge of legal requirements, no understanding of finance and management, no qualification is required — nothing but citizenship. Social selection for political office operates in poorly understood ways, but clearly some people succeed because they have a vocation for public life. In some democratic societies, great wealth has become the road to high political office. In non-democratic societies, a few tanks and much determination may suffice. In all governments, those who achieve power tend to take advantage of it unconsciously or corruptly. The ethical authorities that keep such power in check are the citizenry's hope and responsibility.

Transition. Sovereignty protects the order and stability on which society depends by regulating power and by exercising supreme power. The mindless or harmful handling of power is a continuing problem. Control by the citizenry of the government should be enlightened or control by the government of the citizenry will be abysmal. This means that the control of power and the upholding of the social order must be under the influence of ultimate values. Not ultimate values as words on pieces of paper, but as living forces in the hearts of everyone to guide awareness, reflection and action.

Ultimate values imply an equality which recognizes distinctions. Hence the continuing preoccupation of political theory with the meaning and extent of equality. Power needs to be wielded ethically by the guardians, but neither the government nor the citizenry is ethical at heart — only individual persons and the ethical order and authorities which they embrace.

Sovereignty permits and generates freedoms. If it did not, the political arena could not work and social life

would be intolerable. But sovereignty involves control and, to varying degrees, coercion. If the government is oppressive, there may be redress. But if the citizenry is oppressive through narrow-mindedness, redress is more difficult.

Society, say some, is a conspiracy against the individual. It loves not realities and creators, but names and customs. It distrusts and harms free spirits. Schopenhauer and Nietzsche teach that between the individual and the multitude, between individual integrity and social requirements, between what is inner and what is

outer, between the realm of inner experience and the world of social commitment, there is an opposition as deep as can be imagined. The only hope is that each individual person may recognize this apparent opposition and synthesize the dialectic by recognizing the inevitability of social existence and the need for membership of society. In this way, a person can perhaps influence a sovereign society, including its current constitution and custodians, for its own good.

With this conclusion, we can move to the final heptadic group which defines membership.

Master-
Table 39

Properties of the two guardians of sovereignty. These are required to ensure that society, its members and its activities, are regulated by values. Each guardian is a hexad formed by combining six adjacent levels of purpose. See text for details and explanation.

Hexad No. (Levels)	2 (Ls 7-2)	1 (Ls 6-1)
Type of Guardian	The Citizenry	The Government
Nature	To constitute a society. (i.e. the constitutive guardian/ruler.)	To regulate society. (i.e. the executive guardian/ruler.)
Function	To assert the common good: hence responsible for its government.	To serve the common good: hence responsible for collective decisions.
Members	People meeting agreed qualifications e.g. birth, property, residence; but excluding certain classes e.g. minors, prisoners, slaves.	Representative(s) obtained from the citizenry in an accepted way e.g. by election, lot, coup, nomination.
Authority	Derives from convention and the common will.	Derives from a constitution and legislation as supported by the citizenry.
Ideal	Civic virtue.	Statesmanship.
Type of Head	Symbolic e.g. monarch, head of state, religious leader.	Practical e.g. prime minister, supreme court judges.
Preoccupation	Ends i.e. ultimately emotional issues especially equality.	Means i.e. ultimately practical issues especially security and prosperity.
Dysfunction	Demagoguery (mob rule).	Despotism (rule by decree rather than law).
Criticisms	Uninformed, uninterested, uninvolved.	Out-of-touch, self-serving, incompetent.

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G-7: MEMBERSHIP

Nature. Power must be controlled and a sovereign society must be established for one reason above all: that people, individually, may be free within its limits. The realization of values, the driving force of this structural hierarchy, is at root an expression of freedom. But freedom without rules or responsibilities is chaotic in practice and unethical in principle.

By integrating the final, seventh level, and creating a heptad, it is possible to construct a purposive entity whose survival depends on the notion of exercising freedom within rules. This is an enduring natural social group: typically a society with a particular social order.

Society needs the social order to be governed by ultimate values if freedom is to be responsible. The purposive entity defined by unifying all the levels of purpose including ultimate values is active **membership** of that society and willing acceptance of its order. Membership, like ultimate values on which it is based, is at root a *state of being*. In other words, the membership state is basic to social existence and societal integrity. Membership is the pre-condition for developing both personal and communal identity. It is just not possible for an individual to participate in social life and assume social roles and responsibilities without an experience of membership. The reverse is also true: society and the social order cannot persist, let alone thrive, without genuine members. The unifying heptad is diagrammatically represented in Fig. 12.3.

Social being is not identical with personhood. To be

human involves other modalities of identity (cf. Master-Tables 11 and 12: Ch. 7). However, membership of a society and working or functioning within its order is the basis for developing and handling purposes and values — which is what fulfilment for social being is about. There is only one heptad and only one state of membership which enables the exercise of freedom. On the basis of genuine membership, society can develop sovereignty and authorize its guardians. They, in turn, enable autonomy with its association-based endeavours.

When we speak of membership of *the social order* (G-7¹), the emphasis is on ownership of values and objectives in a community. The usual focus, as in the previous section, is on the nation-state: the territorially-defined sovereign society. However, the smallest natural community, a household, and the largest, the world community, also have their order.

Membership of a well-to-do modern sovereign society is far more problematic than membership of a small subsistence community with its ties of kinship, neighbourliness and joint efforts to survive. The anonymity and impersonalization of modernity generates two requirements. The first (emerging from L-6) is the existence of a sphere of personal rights that cannot be abrogated or removed by sovereign power and political compromise — hence their label ‘inalienable’. Certain inalienable rights must be freely available for all members of society, not just citizens e.g. the right to a measure of privacy applies even to children. Without such rights, it is rather difficult to work with values in

Figure 12.3: The heptadic grouping which defines freedom.

One state of membership enabling freedom to be exercised imaginatively.

L-7 Ultimate Value		G-7 ¹	
L-6 Value System			
L-5 Social Value			
L-4 Principal Object			
L-3 Internal Priority			
L-2 Strategic Obj.			
L-1 Tactical Obj.			← <i>The Social Order</i>

society. So these rights, are not simply about sovereignty and, not surprisingly, many rulers feel threatened by them.

The second feature, paradoxically more difficult to comprehend in the secularism of modernity, is the ready activation of ultimate values (L-7). Ultimate values, alone, enable each person to recognize themselves in strangers. So they are the basis for bridging differences and overcoming envy, hostility and other inner destructive forces whose release is so easy. Ultimate values permit the extension of inalienable rights beyond the membership of society e.g. the right to a fair trial should apply to aliens. Because they embody and release spirituality, ultimate values limit the potential for destructiveness, the obsession with power, and the intrinsic immorality that goes hand in hand with sovereignty.

Ultimate values being personal, experiential, utterly open and unconditioned are the source of freedom and a reservoir of hope. As well as enabling individuality and binding diverse groups in society, they offer the resources of the imagination and will to combat existing ills and injustices. Freedom in this context is the imaginative ability within each person to create and realize new values, an ability on which every culture and society depends. Only an imaginative and free social being can recognize that ultimate values have created illusory and oppressive structures of belief and custom. Only an imaginative and free social being can willingly participate while refusing to be a slave to ideology or community pressures. Such a reflective attitude to society depends on inner integrity because it potentially questions the foundations of personal and social identity. We may say that the *function* of membership is to ensure that each person uses and evaluates their values.

Qualities. From the analysis so far, we can predict the contribution of each level to the social order and membership of it. As in the hexadic grouping, membership of the social order must be: exercised via tactical objectives so as to be *appropriately adapted* to actual circumstances; exercised via strategic objectives in a way which *maximizes impact*; exercised via internal priorities in order to win *political support* from key people or sub-groups; exercised via principal objects to provide an *essential rationale* for being in society; exercised via *social values* in order to function within the *general consensus* of the community; and exercised via value systems in order to enable intelligible *ethical imposition* on others. The additional inclusion of ultimate values enables membership to be exercised *imaginatively*. Including all levels, especially this highest level, enables enlightened functioning. It encourages the

generation and pursuit of truly inspired ideas which have the potential to remedy imperfections in society without violating it.

Put another way, purposes at each level provide each member with levers of power and influence over himself or herself and over others who are also members of that society. This is why their choice in practice entails responsibility. Tactical objectives (L-1) enable the control of work processes. Strategic objectives (L-2) enable the control of outcomes. Internal priorities (L-3) enable control of resource allocation and foci for effort. Principal objects (L-4) enable control over the identity of endeavours. Social values (L-5) enable influence on community needs. Value systems enable influence on ideas in society (L-6), and ultimate values (L-7) enable influence on the ethical order. All these purposes and modes of influence, including their limitations and potentials for dysfunction, should by now be familiar.

The idea of exercising freedom by choosing and focusing on ultimate values is not commonly appreciated. But the inspirational and spiritual forces associated with ultimate values are essential to overcome the thought control and dysfunctional habits produced by socialization. In all religions it is believed that man has a degree of power over God. In the Judeo-Christian tradition, God is unable to resist true repentance. In Hindu traditions, a person can force God's hand by fasting, sacrifice, prayers and other meditative rituals. In everyday life, it seems true to say that a deep focus on one or other ultimate value will produce results attuned to it. For this reason, great scientists are likely to dedicate themselves to truth rather than liberty, great artists to beauty rather than compassion, great statesmen to justice or freedom rather than truth or beauty. Through such dedication, each in their own way is helping create the future social order.

Civic Virtue. Society, whether people are aware of it or not, is held together by spiritual forces whose manifestation is most likely to emerge when each person deeply reflects on the meaning of their membership. Membership provides the root of sovereignty, the source of the common will, and the possibility of freedom. But to be effective, it depends on the existence and cultivation of civic virtue.

Civic virtue means taking the notion of a common good seriously. It means supporting with good grace the necessary compromises amongst sub-groups. It means being a responsible part of the citizenry and owning the government. It means supporting authority while rejecting its abuse. It means being prepared to take up suitable roles in society. It means seeing the need for achievements by others. It means tolerating individual

differences and acting with civility to others. It means opposing violence and terror as a solution. It means contemplating and expressing the essential ultimate values of any ethical order: peace, fraternity, equality, liberty, justice, truth, and harmony. It means having a private life and becoming a rounded person.

Within the maxims of civic virtue lies the secret of a desirable social order. In the civic ideal, we see the penetration of spirituality into the mundane realms of social life.

Whether a person is a citizen or not is a matter of meeting certain formal qualifications. Whether a person is a member or not is a matter of inner attitude. Citizens who do not manifest civic virtue probably contribute less to society than non-citizens who do. Statesmanship is the additional membership quality desirable in citizens who hold the highest public offices and to whom the citizenry and others turn for leadership.

These qualities of civic virtue and statesmanship do not necessarily preclude their presence within authoritarian, nationalist or elitist societies. They do suggest, however, that civic virtue cannot flourish in absolutist or tyrannical societies in which hatred and contempt permeate the relation between the governing regime and the populace. In such societies, freedom cannot be easily exercised and inalienable rights cannot be claimed. As a result membership is poorly established and cohesion is weak. Many people willingly flee such countries to seek membership in other more congenial social orders.

Closure. With the principles for specifying a social order and its membership we have come to the end of our exploration of the realization of values — an end which is also a beginning, because membership entails the assumption of certain responsibilities.

Freedom can only be exercised within a society if each person recognizes and accepts responsibility flowing from their own purposes and values. In order to assign and assume these responsibilities in an appropriate way, membership (and the experience of intentionality itself) must be divided up. This takes us back to the seven types of purpose (G-1) and the differentiation of the membership state into the seven primal roles.

Because all levels are now combined within the one single grouping, there are no internal groups to link. Instead, we need to understand how the internal levels are inter-connected. This is because freedom and power require intentionality to flow from one level to another in particular ways. In other words, our exploration now needs to move on in the following chapters to explore how we can and do use purpose and value to be free and powerful, and how we can and do participate in organizations and society.

Before doing so, we need to make a brief over-view of the whole process of realizing values drawing on the findings presented in Ch. 10 as well as the account in this chapter. In particular, I wish to clarify some of the emergent properties and patterns of the purpose derivatives, especially the perennial dualities which are associated with each group.

REVIEWING THE REALIZATION OF VALUES

We have now concluded an account of the essential purpose-based structures and processes. Starting from the root building block of value realization — specific responsibility for a particular purpose — we have progressed to the most abstract conception — a social being defined by membership of a particular social order within which values can be realized. Between these we have discovered and examined three more building blocks and two more controlling conceptions.

The four building blocks are: purpose—the elements of intentionality; direction—the practical guidance of our activity; drive—the impetus to promote change and overcome opposition to it; and functioning—the sustenance of achievement through continual work.

People use and control these building blocks on the basis of three essential conceptions: autonomy, sovereignty, and membership. Only by accepting membership of a social order, can a person influence it. To do so safely and ethically, they need sovereignty. This means constituting themselves as a citizenry and installing a government as the day-to-day custodian. By giving autonomy to enduring identifiable endeavours (i.e. movements, authorities, enterprises), the citizenry and its government can let people achieve things for themselves and for others.

The distinction between building blocks and controlling conceptions reflects the difference between the part and the whole. The building blocks are properties of parts. In other words, a part (of an organization, say) can function, can push a drive, can take a direction, and can hold a purpose. However, only a whole can have autonomy, sovereignty and membership. The whole associated with autonomy is a joint endeavour, the whole associated with sovereignty is a society, and the whole associated with membership is a person.

The seven purpose derivatives have been created by grouping adjacent levels of purpose. In this process, a new structural hierarchy has emerged and has been labelled G-1 through to G-7. Levels (groupings) in this derived hierarchy are very different from each other, reflecting the variety of structures and processes required to realize values. The way each grouping contributes to the whole process has been progressively clarified. Now it can be reviewed briefly. A summary is provided in Master-Table 40.

The Hierarchy. *Membership* of the social order is the starting point for realizing values (G-7). People must function responsibly and this requires the definition of...

•*Purposes* which must be *held* consciously (G-1). People must mean what they say and this means that they have to respond to their own inclinations and capabilities. Those who neglect or ignore values become agents. The responsibility implicit in holding a purpose generates activity which needs constraint. This is provided by...

•*Directions* which must be *stated* explicitly (G-2). People must propose them, agree to them, and know what they entail. Each person must tolerate restrictions on activities forwarding their own values in order to cooperate with others and so maximize achievement. Directions generate change which is frequently opposed. Making headway requires....

•*Drives* which must be *pushed* intensively (G-3). People must recognize that achievement often requires change in habits and customary values. Each person must expect to modify their own values and is in turn permitted to press others to modify theirs. Drives generate achievement whose sustenance requires....

•*Functioning* to be *worked at* continuously (G-4). People must not become complacent or mechanical in their work. Each person must work meaningfully and productively in the present and invest for the future. Functioning is based on work which requires people to commit themselves. Organizing a worthwhile endeavour so it will endure is essential, but this requires....

•*Autonomy* to be properly *established* (G-5). People must see themselves as participating in three distinct roles: as independent (and unequal) actors in relation to enterprises, as representatives of others in relation to regulatory authorities, and as equal members of society in relation to movements. Many people must associate to form and manage any substantial endeavour. So autonomy generates power and the need for its ethical control. This in turn requires....

•*Sovereignty* to be *constituted* legally (G-6). People must ensure that supreme power is wielded ethically at all times. Each person must be active as a citizen while accepting the existence of government and its limitations. Sovereignty demands and generates freedom, but its operation depends on....

•*Membership* which must be *claimed* self-consciously (G-7). People exercise membership by activating ultimate values and imaginatively reflecting on the social order. Each person must voluntarily make the society their own, participating within it despite its many imperfections.

Progress and The Dualities. Progress offers a captivating, or perhaps tantalising, hope for the eradication or reduction of the present sufferings in societies.

So realizing values is often about getting progress and each of the groupings is oriented towards this in a distinctive way.

On the basis of the accounts of the groupings, it seems that membership represents the spirit of progress and sovereignty reveals the forces behind progress. Moving to the base of the hierarchy, purposes provide the means for progress and directions its specifications. Between potentiality and actuality, we find autonomy which enables the organization of progress and functioning which is the embodiment or realization of progress. Finally, drives are a pivot which enable the modification of progress.

But these are very general statements. Whether any of the purpose derivatives will actually deliver viable progress is another matter entirely. Perhaps it would be more accurate to affirm the converse: that each grouping offers a unique capability to impede progress and cause positive disruption.

Progress is easier wished for or expected from others or advised about, than produced. Progress is risky. So anyone in the hot seat very sensibly aims for progress which is compatible with personal survival and survival of the endeavour.

When realizing values, there is an unavoidable tension between the urge for *survival* and the desire for *progress*. Each structural level embodies a well-recognized and distinctive version of that progress-survival duality as experienced by those involved in the endeavour. Survival is an ethical imperative, both a stabilizing core and constraint in value realization. So its representations in the duality feel essential and unavoidable. Progress is merely desirable, a potential for growth and an aspiration. So its representations in the duality demand positive generation and their value must be repetitively re-affirmed and re-explained. The various progress-survival dualities reflect perennial dilemmas and arguments, and not just amongst social scientists and philosophers, but also amongst managers and politicians.

Below is a brief account of the evolution of the progress-survival duality (with the key terms italicized). I will build upwards on this occasion to show the progressive resolution of the dialectics much as was done for ethical systems in Ch. 6 (cf. Master-Fig 7) and identity systems in Ch. 7 (cf. Master-Fig. 13).

•Holding purposes (G-1) reveals the tension between the survival need to adapt to urgent pressures in the situation by being *pragmatic*, and the demand of progress which requires that people generate values and objectives as necessary guiding *principles*. Failure to resolve the tension leads to unreliable and patchy

development or collapse of the endeavour through disconnection, rigidity or utopianism. This duality, resolved satisfactorily by each person in their own way, expresses their *individuality*.

•Stating directions (G-2) reveals the tension between *individuality* on which creative efforts and personal initiative absolutely depend, and *cooperation* which must be evoked to sustain the group and generate the desired progress. Failure to resolve the tension leads to incoherence which threatens breakdown of the endeavour, or acrimonious conflict which threatens disruption of the group. Alternatively, failure results from herd-like behaviour, endless talk, hesitancy and weak decisions. Resolution of the duality leads to a habitual modus operandi and *stability* for the endeavour and group.

•Pushing drives (G-3) reveals the tension between the need for *stability* to handle external turbulence and shifting values (which is the very meaning and essence of survival), and the need to generate a vibrant *dynamism* based in a positive commitment to the new or modified values inherent in progress. Failure to resolve the tension leads to stagnation or disruption, both of which threaten the endeavour and the group. The resolution of this duality leads to *evolution* of the group and the endeavour.

•Working at functioning (G-4) reveals the tension between handling the *evolution* of any endeavour which is unavoidable as people, work and situations alter, and generating the *transformation* required for more substantial progress which involves a degree of discontinuity with the past. Failure to resolve the tension leads to over-ambitious changes or becoming trapped in a blind alley. The resolution of the duality leads to *consensus* on the endeavour within the group.

•Establishing autonomy (G-5) reveals the tension between *consensus*, the survival factor for all associating and organizing, and *conflicts* which result from striving for progress and generating argument about which values and actions are required. Failure to resolve the tension leads to the endeavour tearing itself apart with internal disagreements, or to the suppression of discussion and avoidance of risks with stagnation and eventual ossification. Resolution of the duality leads to endeavours and groups becoming the *means* for the maintenance of society.

•Constituting sovereignty (G-6) reveals the tension between surviving by tolerating the necessary *means* for ruling and implementing collective decisions (even though these rest ultimately on coercion), and generating those *ends* which all desire and which are the rationale for progress. Failure to resolve the tension leads to

citizens and governments failing to provide or tolerate the means to achieve the ends they claim to want. Or they pursue ends irrespective of the ethical quality or practical implications of the means. Resolution of the duality enables genuine *participation* in the political arena.

•Claiming membership (G-7) reveals the tension between *participation* in the social order despite its imperfections, without which there would be no society or survival; and generating a *dissociation* from the order, or at least its worst aspects, in order to conceive of genuine improvements. To support while criticizing and to criticize while supporting is the essential requirement. Failure to resolve the tension leads to fanaticism or uncritical support of the status quo. Societal development cannot be systematically planned or formally organized, so the resolution of this duality is resolved by *pragmatism* — which takes us back to purpose (G-1).

The Personal vs The Communal. Whether the goal is progress or maintenance of the status quo, realizing values is about doing things. This means taking action oneself and organizing the activities of others. Realizing values is the basis of a person's participation in their community or society. Whatever a person's place or perspective in society, it is impossible to escape some minimum involvement in each of the groupings in the hierarchy.

This immediately raises the issue of balance between *individual* wishes, interests or concerns and *communal* needs, interests or concerns. In handling any particular value, the question that invariably arises is whether the matter can be left to entrepreneurs, organizations or professional groups or whether some collective or governmental action is required. We want to allow and foster uniqueness, privacy, initiative and personal identity. Yet we recognize the need for order, protection of the public interest, and common aims.

It is worth reminding ourselves that the various purposive entities formed by combining the levels of the purpose interact with this individual-communal duality in distinctive ways. Purpose, direction, functioning and membership all demand a simultaneous consideration of the individual and the collective dimensions. That is to say, purpose, direction, functioning and membership cannot exist in society independent of their existence within a person or

organization.

Drives, autonomy and sovereignty are different. Two distinct (but linked and mutually influenced) forms are found: one essentially individual and the other essentially communal. Drives can either take the form of external community-oriented pressures which aim to change others and the social context or internal drives for self-development (which may leave others untouched). Some links between these two forms of drive are natural, but the distinction is unavoidable. Autonomy too can lead either to associations and networks whose formation is personally driven, or to public and official bodies whose formation is driven by the public interest. Finally, sovereignty is expressed by socially responsible citizens for whom genuineness is intrinsic, and political leaders who get paid to operate the levers of power on behalf of the community.

Transition. Social beings, natural and artificial, define purposes and generate the energy for the realization of values using all derivatives. But the reverse is also true. Purposes and their derivatives also define and energize social beings. Purpose enables the realization of values; and the existence of values generates efforts at realization by defining purposes. Social beings cannot exist without value and purpose; and value and purpose cannot exist without social beings.

But does the realization of value really produce progress? We can say that the realization of values leads to the evolution of society and its values. Whether or not this evolution reflects progress objectively-speaking may be disputed. Ideally, society should become progressively more humane and enlightened, but the values chosen for realization are absolutely dependent on the community and reflect its maturity. Evaluation of society over the long term is itself a matter of values used to conduct that evaluation. No neutral reply can therefore be given.

A great deal has now been said about purpose and value in organizations and social life. Now something more must be said about how people develop and use purpose in everyday life and at work. The account of the structures of intentionality (teleostatics) that has just been completed needs to be complemented by an account of the forces generated by the use of purposes and values (teleodynamics). In the next chapter, the nature and interplay of these forces will be explored and a striking pattern revealed. ❁

Master-Table 40 Properties revealing the coherence of the seven groupings of purposes.

The evolution of dualities is similar to that shown in Master-Figures 7 and 13. See Master-Figure 28 for a diagrammatic overview of the groups in the groupings. See Master-Table 29 for a summary of implications for society and for organizations. See text for further details and explanation.

L (Nos of Groups)	Grouping Focus	Function	The Process of Realizing Values	Personal Commitments	Progress	Inherent Duality Progress vs Survival
G-7 [1]	Membership needed for Freedom	To ensure that each person uses and evaluates their values.	The Society: The starting point for realizing values – an existing social order.	Each person must participate in a society despite its many imperfections.	Spirit of progress	G-1: Pragmatism Dissociation vs Participation
G-6 [2]	Sovereignty needed for Power	To ensure that society, its members and their activities, are regulated by values.	The Guardians: Sustaining an ethical order as a framework for realizing values.	Each person must be active as a citizen while accepting a government with its limitations.	Forces of progress	Ends vs Means
G-5 [3]	Autonomy needed for Endeavours	To ensure that endeavours serve the values of both society and individuals.	Organizations: Organizing independent people for large-scale efforts.	Each person must see them- self as an independent actor, representative and member.	Organization of progress	Conflict vs Consensus
G-4 [4]	Functioning needed for Achievement	To ensure that values are expressed coherently and enduringly in activities.	Social Productivity: Using purpose, direction and drive coherently and effectively.	Each person must work meaningfully and productively, never mechanically.	Embodiment of progress	Transformation vs Evolution
G-3 [5]	Drive needed for Change	To ensure that desired values are installed despite resistances.	Political Manoeuvres: Overcoming the inevitable opposition to change.	Each person must expect to modify their own values and press others to modify theirs.	Modification of progress	Dynamism vs Stability
G-2 [6]	Direction needed for Activity	To ensure that chosen values focus minds and shape outcomes.	Group Requirements: Ensuring group values guide individual decisions.	Each person must accept restrictions on their activities to enable cooperation.	Specification of progress	Cooperation vs Individuality
G-1 [7]	Purpose needed for Responsibility	To ensure that values can be affirmed, chosen and pursued in a social context.	Primal Roles: Developing the personal tools for participating in society.	Each person must respond to their own inclinations and capabilities in social life.	Means of progress	Principles vs Pragmatism

NOTES

1. Sociologists have been deeply interested in social movements, partly because they so often participate in them. Yet the literature does not always distinguish movements clearly. Either it veers towards studying movements as totally unstructured and merged with social trends, social patterns or large scale activities like mobs, fads and panics (Turner, R.H. & Lewis, M.K. *Collective Behaviour*. Englewood Cliffs NJ: Prentice Hall, 1957; Smelser, N.J. *Theory of Collective Behaviour*. Glencoe, Ill: Free Press, 1963), or as structured in the form of pressure groups, political parties, new churches, regulatory programmes or social policies (Heberle, R. *Social Movements: An Introduction to Political Sociology*. New York: Appleton-Century-Crofts, 1951; Cameron, W.B. *Modern Social Movements*. New York: Random House, 1966; Barker, Q., *New Religious Movements*. London: HMSO, 1989), or as an opportunity to understand political change (Oberschall, A. *Social Movements: Ideologies, Interests, Identities*. New York: Transaction Publ., 1992), political ideologies (Mackenzie, W.J.M. *Politics and Social Sciences*. Harmondsworth: Penguin, 1967; Scott, A. *Ideology and New Social Movements*. London: Unwin Hyman, 1990) and cultural processes in general (Cohn, N. *The Pursuit of the Millennium*. London: Secker & Warburg, 1957; Killian, L.M. Social Movements. In: *Handbook of Modern Sociology*. (Ed. R.E.L. Faris). Chicago: Rand McNally, 1964). The two related movements most popular with sociologists have been the labour or workers' movement and the socialist movement — within which and for which many have worked as intellectuals. More disinterested studies of movements are relatively rare, but they seem to be aligned to the concept as presented here (Wilkinson, P. *Social Movement*. London: Pall Mall Press, 1971; Touraine, A., Dubet, F., Więviorka, M., Strezelecki, J. et al. *Solidarity, The Analysis of a Social Movement: Poland, 1980-1981*. (Transl. D. Denby). London: Editions de la Maison des Sciences de l'Homme and Cambridge University Press, 1983). Whereas sociologists have been preoccupied with revolutionary political movements, this book seeks to help anyone contribute to any sort of movement. So the emphasis here is on ordinary modern movements like the women's, green or New Age movements in which the reader might well participate or might have to handle in a work context.
2. For an account of developments of the movement in the UK, see: Cullen, M.J. *The Statistical Movement in Early Victorian Britain: The Foundations of Empirical Social Research*. New York: Harvester Press, 1975. For a more general account of the emergence of the use of facts, probability and the concept of 'normal', see: Hacking, I. *The Taming of Chance*. Cambridge: Cambridge University Press, 1990.
3. Robertson, J. *Future Wealth: New Economics for the 21st Century*. London: Cassell, 1989.
4. With regard to the need for an organization, see: Zald, M.N. & Ash, R. Social movement organizations: Growth, decay and change. *Social Forces*, 44: 327-340, 1966. For an account of the Spanish peasant revolts, see: Hobsbawm, E.J. *Primitive Rebels: Studies in Archaic Forms of Social Movement in the 19th and 20th Centuries*. Manchester: Manchester University Press, 1959.
5. Details of the women's movement in the US are taken from:
 - Freeman, J. *The Politics of Women's Liberation: A Case Study of an Emerging Social Movement and its Relation to the Policy Process*. New York: Longman, 1975.
 6. Lenin, V.I. What is to be done? In: *Selected Works*, Vol. 1, Part 1, Moscow, 1950. (Transl. from Russian. London: Lawrence & W., 1964.)
 7. Mannheim, K. *Ideology and Utopia*. London: Routledge Kegan Paul, 1936.
 8. See: Michels, R. *Political Parties*. Glencoe Ill.: Free Press, 1949; Gerth, H.H. & Mills, C.W. *From Max Weber: Essays in Sociology*. New York: Oxford University Press, 1946.
 9. This example is taken from Section 294 of Eliade, M. *A History of Religious Ideas*. Vol. 2. Chicago: University of Chicago Press, 1982. Bogomil missionaries fostered the formation of the Cathar Church whose "ideal was the disappearance of humanity, by suicide and by the refusal to have children" (p.185). In relation to the Inquisition, Eliade notes that "the manner in which [these heretics] were annihilated constitutes one of the blackest pages in the history of the Roman Church. But the Catholic reaction was justified." (p.188).
 10. See the discussion of culture (G-4³: Ch.10); and cf. Kinston, W. *Strengthening the Management Culture: Phasing the Transformation of Organizations*. London: The SIGMA Centre, 1994.
 11. Note that an authority may be referred to by a wide variety of names: as a commission, a committee, a board, a council, an office &c. The title does not clarify whether or not the authority is statutory or self-regulatory. No title in itself makes it clear that the authority is regulatory rather than an department of government (e.g. the status of regulators of privatized monopolies like OfTel or Ofgas is not obvious) or a public agency (Q: is the grant-maintained National Consumer Council an authority or a campaigning body? A: The latter.). Scrutiny of the principal objects and the associated structures and powers, especially appointments to the board, is essential to clarify the nature of the body.
 12. This account is extracted from a series of three papers in *New Community*, Vol. 14, Parts 1/2 1987: Peppard, N. The Community Relations Commission 1968-1976: A note on its formation and role. pp.9-11; Lane, D. The Commission for Racial Equality: the first five years. pp.12-16 Newsam, P. The Commission for Racial Equality: 1982-1987. pp.17-20.
 13. A key recommendation of the Monopolies and Mergers Commission's Report involved reducing the number of brewery-owned public houses (*The Supply of Beer*. London: HMSO, Cmnd. 651, 1989). Tied ownership restricts consumer choice of beers and inhibits competitor entry into the market. The Brewers' Society, representing the industry, lobbied vigorously against the MMC recommendations (*Report of the Monopolies and Mergers Commission on "The Supply of Beer": A Critique*. London, 1989). In its Beer Orders laid before Parliament in subsequent years, the government imposed some restrictions on ownership but significantly less than the MMC recommendation. To reassure public opinion, it required a subsequent review of competition by its own Office of Fair Trading. This review was expected to occur in 1994, but it was cancelled in 1993. The relevant documents are: House of Commons Paper #402. *Effects of the Beer Orders on the Brewing Industry and Consumer*. 4th Report of the Proceedings of the Agricultural Committee.

- Session 1992-1993; House of Commons Paper #870. *Third Special Report: Response by the Government to the 4th Report of the Agricultural Committee*. Session 1992-1993.
14. The Royal Commission on Environmental Pollution. *A Guide to the Commission and Its Activities*. November, 1992.
 15. The initial inquiry advocated disbanding the existing Press Council and replacing it by a more satisfactory and responsive body 'to give [the industry] one final chance to prove that voluntary self-regulation can be made to work': Home Office. *Report of the Committee on Privacy and Related Matters* (Chairman: David Calcutt QC) London: HMSO Cmnd. 1102, 1990. *The Press Complaints Commission First Annual Report, 1991* summarized its own origins and performance in a self-complimenting way. A further review then took place in 1993 as planned and in the wake of further scandals: Department of National Heritage. *Review of Press Self-Regulation*. (Sir David Calcutt QC). London: HMSO Cmnd. 2135, 1993.
 16. A special Report on the role and lapses of the Bank of England is provided in: House of Commons Paper #198. *Inquiry into the Supervision of BCCI: The Bingham Report*. October, 1992.
 17. *First Report from the Home Affairs Select Committee on the Operation and Effectiveness of the Commission for Racial Equality, 1980-1981*. London: HMSO, 1981.
 18. Gower, L.C.B. *Review of Investor Protection. Part 1. The Gower Report*. London: HMSO Cmnd 9125, 1984; and Non-Parliamentary Report of the Department of Trade and Industry. *Review of Investor Protection. Part 2*. 1985. These reports drew on the recommendations of two other working parties set up by the Bank of England and the Government respectively to examine similar issues.
 19. The relevant documents are: Committee of Advertising Practice. *The British Code of Advertising Practice. 8th Ed.* London, 1988; the account by the Chairman in the *Annual Report of ASBOF, 1975-1976*; and *The Advertising Association's Annual Review, 1992-1993*. Details were also obtained by personal communication with the Advertising Standards Authority and the Advertising Association.
 20. Although legal, economic, political and, especially, sociological study of organizations has been sustained since the 1930s, practical research has been comparatively meagre. Policy studies in business and government, for example, did not become a serious object of study until the 1960s. Practical organization within the voluntary sector has been relatively rarely examined (cf. Harris, M. & Billis, D. *Organising Voluntary Agencies: A Guide Through the Literature*. London: Bedford Square Press, 1986). Many organizational studies geared to the practicalities of managing operate by raising awareness among those involved (e.g. Morgan, G., *Images of Organization*. London: Sage, 1986). Relatively few are deliberately design-oriented and these focus almost exclusively on just one compartment, the executive structure (e.g. Jaques, E. *A General Theory of Bureaucracy*. London: Heinemann, 1976; Galbraith, J.R. *Organization Design*. New York: Addison-Wesley, 1977; Mintzberg, H. *The Structuring of Organisations*. Englewood Cliffs, NJ: Prentice Hall, 1979).
 Relevant reflections on organizational design are to be found in some governmental commissions of inquiry. Such commissions are stimulated by periodic needs to review legislation by re-examining the purpose of organizations of different types and the comparative rights and obligations of relevant groups and the community. The resulting reports facilitate comparisons of design principles for organizations between different countries (cf. Hoghton, C. de (ed.) *The Company: Law, Structure and Reform in Eleven Countries*. London: Allen & Unwin, 1970). Such accounts generally confirm the overall picture as one of theoretical confusion.
 Current organizational theory tends to treat organizations as essentially unitary executive things — like 'hierarchies', 'cooperatives' or 'matrix organizations' — and it is true that it is executive work that most needs organizing because this is where the operation is located. One or more of the other compartments are sometimes noted, but (to my knowledge) little effort outside the present research has gone into developing an unambiguous and effective model of the integrated working of the whole.
 As a result, there is no widely agreed framework which shapes or indicates what, in principle, to expect of enterprises, nothing which aids clarification of the duties people (insiders or outsiders) should perform, nor how the main socially-recognized compartments should interact. In practice, designing compartments other than the executive body and developing inter-relations among compartments are based almost wholly on a mixture of expediency, intuition, custom and fashion. Self-control by those involved depends largely on obeying the law, current conventions and personal preference rather than any real sense of what is required.
 21. The limited but important role of hierarchy and accountability in the total picture is provided in: Kinston, W. op. cit. [10]. A framework for participation in organizations has been developed which recognizes the claims of the individual and the institution. It derives from an ethically designed hierarchical framework for specifying work and structuring organizations: Kinston, W. *Management Processes and Participation in the Ethical Organization*. Unpublished Discussion Documents, The SIGMA Centre, 1992.
 22. For more specific details of duties and tasks, see the Appendix in: Kinston, W. Designing the four compartments of organisations: Constituting, governing, top officer and executive bodies. *Journal of Applied Systems Analysis*, 18: 3-24, 1991. Note that the labelling, analysis and understanding here has moved on slightly from that publication.
 23. For a short general essay on the issue of shareholder duties, see: Pennant-Rea, R. *Capitalism: Punters or Proprietors*. The Economist, May 5th 1990. The situation in the USA is analysed in: Jacobs, M.T. *Short-term America: The Causes of Business Myopia*. Cambridge, MA: Harvard Business School Press, 1992.
 24. Numerous texts testify to the malfunctioning of boards. Board failure is the commonest cause of business failure according to G. Mills in his *On the Board*. (London: Gower, 1981). This clear account by an experienced consultant accords well with the basic principles provided here. Businessmen regularly complain about boards, saying things like: 'The fact is that we haven't got in this country enough people to man our boards with the type of people whom we would love to have, ideally' (Brown, C.C. & Smith, E.E. *The Director Looks at His Job*. New York: Columbia University Press, 1957, p.123). For a brief trenchant view on boards in

- academic bodies, see: Anthony, R.N. & Herzlinger, R.E. *Management Control in Non-profit Organizations (Rev'd Ed.)*. Homewood, Ill: Richard D. Irwin, 1980, pp.47-48. For the position in public agencies, see: Nachmias, D. & Greer, A. (eds.) *Self-governance in the interpenetrated society. Policy Sciences Special Issue*, Vol.14, Part 2. Amsterdam: Elsevier, 1982.
25. See, for example: Mintzberg, H., *The Nature of Managerial Work*. New York: Harper & Row, 1973; and Jaques, E. op. cit. [20].
26. For some classic accounts of the emergence of powerful executive-run organizations, see: Russell, B. *Freedom and Organization. 1814-1914*. London: George Allen & Unwin, 1934; Berle, A.A. Jr. & Means, G.C. *The Modern Corporation and Private Property*. London: Macmillan, 1932; Boulding, K.E. *The Organizational Revolution*. New York: Harper & Row, 1953.
27. Sovereignty, government and citizenship are essential concepts within judicial and political studies and their intricacies and historical evolution will not be deeply explored here. The tendency of societies to move irreversibly to the condition of popular sovereignty (which is assumed as requisite by my analysis) is well argued by David Beetham (*The Legitimation of Power*. London: Macmillan, 1991) despite his reluctance to take an ethical perspective. Beetham points out that regimes based on mobilizing people, are rather vulnerable to policy failure and difficult circumstances. For an explanation of how a modern liberal-democratic nation-state can be sustained and changed, see: Kinston, W. *Creating a Strong Society: A Guide for Social Reformers*. London: The SIGMA Centre, due for publication 1996. The argument of that book uses the framework of approaches to ethical choice. For a summary of standard ideas oriented to the importance of the citizenry, see: Heater, D. *Citizenship: The Civic Ideal in World History, Politics and Education*. London: Longman, 1990. For a readable account of the value of representative democracy in relation to alternatives, see: Dahl, R.A. *Democracy and its Critics*. London: Yale University Press, 1989.
28. Quote from the 1793 version. See: Stewart, J.H. *A Documentary Survey of the French Revolution*. New York: Macmillan, 1951.
29. Note that the present analysis takes for granted a well-developed, thriving civil society which exists apart from government and its bureaucracy — in short, the realm of autonomy (G-5). The absence of this condition in most Third World countries is one of the main reasons for economic disarray and the replacement of popular sovereignty by authoritarian regimes. The government in these cases, for good reasons and bad, becomes the source of power and wealth and distances itself from (and exploits) the mass of the people.
30. Elsewhere, using a framework of change, I have begun to clarify relationships between the various political ideologies and forms of government, trying to show how these two aspects of ruling are linked: Kinston, W. *The Hierarchy of Change*. Unpublished Discussion Document, The SIGMA Centre, London, 1988.
31. Marx, Lenin, Pareto, Gramsci, Mosca, Michels and others seem to have taken the rather mundane observation that a minority comes to dominate civic life and social opportunities and used it to generate a conspiracy theory.
32. A wide variety of democratic arrangements are possible: cf. Held, D. *Models of Democracy*. Oxford: Basil Blackwell, 1987. For a robust defence and explanation of representative democracy, see: Dahl, R.A. op.cit. [27].
33. Cf. Beetham, D. op.cit. [27]; and Kinston, W. op.cit. [27].