

Book Reviews

Organizational Trust: A Cultural Perspective.

Mark N. Saunders, Denise Skinner, Graham Dietz, Nicole Gillespie, and Roy. J. Lewicki, eds. New York: Cambridge University Press, 2010. 430 pp. \$110.00, hardback; \$48.00, paper.

"Trust falls between hope and certainty," is a familiar premise. But how do we develop trust in the others we transact with? Which aspects of this process are universal, and which are a function of culture, including our national, occupational, and organizational cultures? How do we transcend differences to bridge cultural divides? Given that we all have multiple cultural legacies that provide conflicting imperatives in some cases, which of these cultural facets dominate to shape our behavior? How do our multiple cultural facets interact and change over time? These important and timely questions are addressed here by an international and interdisciplinary cast of authors.

The volume succeeds far more than most culture books because trust is such rich terrain for exploring cross-, inter- and multicultural dynamics. Trust consists of social signals: a trustee's behavior, reputation, and social positions are read as signs of trustworthiness by the trustor. While some signals may be universal legacies of biological evolution, cultural evolution favors distinctive signals that enable preferential trust of ingroup over outgroup others (Richerson and Boyd, 2005). Hence the challenge of earning trust as an outgroup member, whose signals may be missed or misinterpreted. Developing intercultural trust challenges both trustee and trustor to become mindful of their cultural differences and craft a common language, either by finding cultural facets that they share or by identifying universal signals of trust. The dynamics of cultural knowledge activation are critical to how we manage these challenges, as the book conveys through myriad examples of how managers' multiple identities fluctuate, in concert with those of others, as they navigate business interactions and how managers' prevailing cultural identities and habits evolve over time as a function of their experiences.

Bookended by the editors' introduction and conclusion, the fourteen contributed chapters portray trust formation, maintenance, and repair in many pockets of business around the world, varying in the industries, professions, and societies involved. The foundational chapter by Dietz, Gillespie, and Moon builds a coherent and circumscribed framework that is referenced throughout the volume. Trust is defined, not controversially, as a psychological state of accepting vulnerability toward another based on positive expectations. These expectations arise from both the trustor's propensities and the trustee's perceived ability, benevolence, and integrity (Mayer, Davis, and Schoorman, 1995), evidenced by the trustee's prior behavior and, more indirectly, by third-party reports (whether via credit agencies or casual gossip), social category and network affiliations, social-role obligations (a minister's propriety, a physician's Hippocratic oath), and external institutions and regulations (norms and laws). In this view, trustors weigh the evidence from these various sources to

judge their level of trust. With each successful exchange and fulfillment of expectations, the evidence accumulates and trust is strengthened.

Next Ferrin and Gillespie provide a comprehensive review of the largely quantitative literature on the effects of national culture on trust. They find evidence for differences, particularly in generalized trust, which varies widely across countries (65 percent of Norwegians say most people can be trusted, compared with only 3 percent of Brazilians), associated with country-level measures such as wealth, education, and ethnic homogeneity (Delhey and Newton, 2005). This chapter also reviews trust's determinants and consequences and its role as mediator and moderator, finding evidence on each point for both universals and differences. For instance, while non-Western studies of adjudged trustworthiness replicate the factors of ability, benevolence, and integrity, they also identify additional predictors (e.g., thriftiness, deference) specific to some cultural groups. The remaining two chapters of part 1 present familiar critiques of the foregoing positivist approaches and advocate attention to managers' personal constructs and narratives. These break the flow of the book, however, and might have been better relegated to its final section.

The chapters in parts 2 and 3 resume the empirical approach yet feature qualitative rather than quantitative data. Avakian, Clark, and Roberts analyze extended interviews with English management consultants. Dibben and Rose contribute a similar study of auditors, charting changes with seniority in the centrality of occupational versus organizational identities. Möllering and Stache use interviews as well as personal observations to portray fledgling German-Ukrainian partnerships during the Orange Revolution. Yousfi presents a long-term ethnographic study of a private French firm working under contract to a public Lebanese firm. Lyon and Porter use similar methods in a study of traveling produce traders in Nigeria and Ghana. These chapters are chock-full of telling details. A Russian proverb holds that to trust a man you need to first eat with him a *centner* (about 100 pounds) of salt—a lot of lunches. A Lebanese maxim enjoins partners to work together like “one hand”—an emphasis on unity of purpose perhaps needed in such a diverse society. Nigerian traveling produce traders develop trust in different ethnic communities by staying as guests in their trading partners' houses; Ghanaians do so by attending their family funerals. This all-too-rare emphasis on qualitative studies serves to fulfill the editors' commitment to balance emic (native view) and etic (outsider) cultural analysis. Descriptions of managers' trust dynamics in experience-near constructs may reflect the volume's origins in a seminar series on the theory *and* practice of trust, funded by the UK's Economic and Social Research Council. It is a tribute to the book that readers will wish they had attended the seminars.

The editors seek to illustrate how emic and etic approaches inform each other. This succeeds most in regard to trustworthiness, where Mayer, Davis, and Schoorman's factors are seen to be identifiable across cultures, albeit weighted and manifested differently. Emic studies of cultural

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misunderstandings spur hypotheses that can be tested in etic studies. For example, managers' descriptions of the strained French-Lebanese partnership are interpreted in terms of the French subcontractors' insistence on being trusted for expertise (ability) clashing with the Lebanese managers' need for gestures of openness and partnership (benevolence). A comparison of French and Lebanese samples could test the implied hypotheses about emphases on ability and benevolence in French and Lebanese business cultures.

Emic studies can also provide evidence for the generalizability and completeness of etic models. Ethnographic interviews and observation are useful in correcting the limitations of "imposed etic" studies that simply export Western instruments, missing distinctive aspects of the local psychology. When open-ended methods in non-Western settings reveal patterns that correspond to a Western model, this provides important evidence for its generalizability. When they also identify additional constructs, this points the way toward more complete models to be tested in a "derived etic" study (Morris et al., 1999). This is illustrated by Wasti and Tan's chapter on an interview/content analysis study with managers in Turkey and China. Most of the managers' statements about trust could be coded into Mayer, Davis, and Schoorman's ability, benevolence, and integrity categories, which supports the model's generalizability. Yet Turkish and Chinese managers described affectively deeper benevolence behaviors than those discussed in the Western literature. Wasti and Tan note that this might reflect more paternalistic role expectations. Or it may reflect that this is an overly rational/evidentiary account of trust, which leaves out affect-based processes that are part of trust everywhere, even in the West (McCallister, 1995). Further, Wasti and Tan's interviews illustrate novel ways that trust emerges from multiplex relationships, which characterize business relationships in different kinds of collectivist societies (Morris, Podolny, and Sullivan, 2008).

The brief concluding chapter by Saunders, Skinner, and Lewicki integrates the quantitative and qualitative evidence to address the ambitious questions raised in the introduction. A strong point is their discussion of intercultural trust, which synthesizes insights from Kramer about the Cuban Missile Crisis negotiations and from Möllering and Stache about German-Ukrainian relationship-building meals. Consistent with the emerging cultural intelligence literature (Imai and Gelfand, 2010), the editors emphasize that intercultural trust develops when parties bring "openness to the other culture and a willingness to deal reflexively with cultural differences" (p. 414). It does not require that the two sides become alike, only that they make themselves more understandable and predictable to each other. This analysis follows from the book's trust models and entails concrete recommendations that would be valuable to practitioners. To invoke Lewin, there is nothing so practical as a good theory.

If the book falls short, it is in elucidating the dynamics of cultural multiplicity and malleability. Starting from the introduction, the editors approach these issues eclectically, drawing chiefly on three prior accounts that draw on

metaphors, respectively, to spheres, mosaics, and codes. Schneider and Barsoux (2002) use the term “spheres of influence” in its political sense to describe regional cultures and then invoke the notion of the spheres more loosely to describe industrial, organizational, professional, and functional cultures. Schneider and Barsoux represent these shifting spheres as akin to a bin of bouncy Pilates balls (Figure 1, p. 52). While heuristically useful in connecting their book’s many examples of identity flux in international business, this spheres model doesn’t predict *how* different cultural legacies interact; it merely suggests that they are very dynamic.

Chao and Moon (2005) described an individual’s multiple cultural facets as a mosaic, constituted of tiles reflecting demographic, geographic, and associative features. While prosaic in relation to societies, the mosaic metaphor applied to individuals is novel and thought provoking. It directs attention to how multiple identities combine; that is, just as mosaic tiles contribute to emergent patterns, a given cultural facet (engineer) may combine with another facet (French) to affect behavior and trust dynamics beyond the additive effects of each facet. Building on this idea, Dietz, Gillespie, and Chao speculate that a manager with a merged Italian-American identity would be behaviorally consistent across contexts and hence more trustworthy than a manager with separate Italian and American identities. While this is an important and neglected question, the mosaic metaphor may be too simple to yield accurate predictions. The above prediction, for instance, conflates integrated cultural identities with integrated cultural habits, and research on biculturals cautions against this. Merged identities typically are associated, not with cross-situationally consistent behavior but with chameleonlike adaptation to situational cultural cues, and divided identities are associated with contrarian resistance to such cues (e.g., Mok and Morris, 2010). Chao and Moon assert that the emergent patterns of mosaics illustrate nonlinear dynamics, such as attractors, which underlie the interplay of cultural facets, yet they refer only to pop chaos books (Gleick, 1987) not to prior cognitive anthropology on cultural attractors (e.g., Sperber, 1998: chap. 6). Overall, the mosaic metaphor is more “promising” than “theory” at this point, as it doesn’t distinguish the psychological processes involved in the play of multiple identities.

Code switching occurs when conversation partners intentionally and jointly switch languages or dialects (e.g., parents switching to French to prevent their children from eavesdropping). Molinsky (2007) suggested that managers similarly switch between behavioral codes and that they self-consciously enact the patterns of a foreign culture while suppressing their ingrained native-culture impulses. This seems a more self-conscious strategy than would plausibly fit most of the book’s examples of managers dealing with culturally different others. Furthermore, whatever the prevalence of deliberate behavioral code switching, one can wonder about its role in trust development. Trust depends on perceived integrity, and effortful switches in a person’s style would seem in tension with perceived integrity.

As the spheres, tiles, and codes metaphors each have limitations, the editors try combining them. They represent a person's overall identity as a mosaic of spherical tiles (Figure 1.2, p. 22). They suggest that a person's mosaic evolves with experience, such as an auditor's mosaic evolving in its center "from a professional cultural tile of skepticism to an organizational cultural tile of client-friendly values" (p. 414). They also suggest that the tiles within a person-mosaic would be in flux and that the person-mosaics on opposite sides of a business meeting would seek alignment of tiles such as through code switching. While these images of waltzing mosaics are rhetorically engaging, I find the metaphorical *mélange* scientifically murky. More useful for integrating insights about the multiplicity and malleability of cultural identities and habits would have been social psychological models such as self-categorization and dynamic constructivist theories. Self-categorization describes how identity-related frames depend on the contextual salience of ingroup and outgroup actors as well as on the actor's level of subjective uncertainty (Hogg and Terry, 2000). Dynamic constructivism research elucidates how the cultural influence on trust-related judgments depends on motivational states such as the need for closure (Fu et al., 2007) as well as on contextual images and sounds that prime cultural schemas (Wong and Hong, 2005). These models also offer insights about how a person's culturally grounded trust propensities are changed over time by social experiences (Savani et al., 2011).

An incomplete analysis of the tricky workings of cultural multiplicity and malleability, however, should not deter readers from this important work. The book succeeds in analyzing cross-cultural differences and breaks new ground in identifying pitfalls and pathways in intercultural trust.

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Flexible Firm: The Design of Culture at Bang & Olufsen.

Jakob Krause-Jensen. New York and Oxford: Berghahn Books, 2010. 318 pp. \$85.00 / £50.00, hardback.

Organizational ethnographies are a strange genre. Unlike the travellers' tales that bring back accounts of the exotic, whether in other lands or the underworlds of the city, these are stories that take the mundane work organizations next door and try to enchant them. Well, if not enchant, at least make them interesting enough to read to the end. This book sits in a tradition that reaches back at least to W. Lloyd Warner in the Anthropology Department of 1930s Harvard. Trained by the English anthropologist Alfred Radcliffe-Brown, Warner attempted to apply his anthropological insights to the later phases of the Hawthorne studies (Parker, 2000: 33). From the 1940s onwards, studies by Warner and Low, Dalton, Gouldner, Blau, and many others have made book-length descriptions of single organizations into a rare but enduring form. More than any other style of research on organizations, ethnographies try to tell us about "being there," about the sounds, smells, and feelings of a workplace, which makes it all the more welcome that *Flexible Firm* can be added to the list.

The slow and detailed production of an ethnography somehow sits uneasily with fast academic practice, particularly in the business school. The rush to 8,000-word articles in journals with high impact factors, the drive to get "results" from funding bodies, and the need to build a long curriculum vita quickly all mitigate against spending years getting in, staying in, and writing a book, even if you could find a publisher willing to publish it. Three cheers then for the Danish anthropologist Jakob Krause-Jensen and to Berghahn Books for taking the risk. The book tells us about six months spent at the headquarters of an archetypal Danish brand, the ultra-modern glass box that houses the electronics company Bang & Olufsen (B&O). Importantly, it is located in Struer, on the northwest coast of Jutland, and about as far from cosmopolitan Copenhagen as you can get before falling into the grey North Sea. The site is important, as it always is when you get down to the detail. According to the anthropologist Andrew Buckser, a stereotypical Jutlander "is strong and silent, plain in manners, and reserved in expression" (p. 182). A few black and white photographs of "the farm" show us Scandinavian modernism at its most democratically austere—curtain glass, light wood, and designer chairs—and seemingly discouraging the clutter of personalization. Like B&O products, it's all straight lines and minimalism here, hiding sophisticated engineering with modest but high-quality finishes. So minimal in fact, that one B&O manager suffered a concussion from walking into a glass wall.

Dismissing the post Peters and Waterman corporate culturalists, as well as Edgar Schein's three-layer trivialization of cultural symbolism, Krause-Jensen constructs B&O's glass box as a "showcase" that allows us to see the world (p. 16). No organization is an island, and so B&O reflects a sense of the global marketing of Danish design as modest and democratic and part of the Protestant sense of an egalitarian "culture for the people" that eschews socially divisive

ostentation on the basis that “less is more.” Over a decade before *In Search of Excellence*, B&O was already responding to its own globalization by touting its corporate values. The powers that be had decided that there were seven of them—empty signifiers such as “authenticity,” “autovisuality,” “credibility,” and so on. The perceived dilution of cultural intensity that followed from B&O’s growth and dispersion in the 1960s then leads to a whole series of subsequent attempts to capture the symmetry between designing boxes for audio-visual equipment and designing boxes for the people who make them.

Krause-Jensen’s story of the 1980s and ‘90s ties together B&O’s experiments, like “Idealand,” “Storylab,” and the “Young Talents Programme,” with the rise of Japanese competition and the rise and fall of stock prices and management regimes. Management gurus and academics from Copenhagen Business School come and go, paid for their fleeting insights into a company that has been going since 1925. The paradoxes abound. The “Chief Designer” works in Copenhagen and rarely visits Struer, and the corporate newsletter is shameless enough to claim that “When it comes down to it, what we sell is values rather than electronics” (p. 163). Simultaneously, the employees in Jutland, particularly in the factories, speak bluntly about the empty rhetoric of “the farm” and the need to get back to real engineering. Most importantly, I think, the author captures the sense that B&O was trying to articulate supposedly timeless Danish values of understated taste but, at the same time, frantically reorganizing the contents of its glass box in order to do so. The located legitimacy of “then” and the turbo-managerial urgency of “now” then evolve into a whole series of corporeal and religious metaphors for talking about culture and values. Bodies and beliefs—versions of “fitness” and “vision”—become ways to articulate the paradox of continuity and change. At the same time that B&O is pushing toward the breathlessly new and different, there also seems to be a centrifugal pull back to the stable past and the same.

Krause-Jensen tells us about a whole host of theorists along the way, including many interesting anthropologists, but his most sustained engagement is with Foucault, whose work on governmentality is applied to some effect. Krause-Jensen doesn’t have time for the idea that the inhabitants of the box are dupes of corporate ideology. In B&O, he argues, employees are engineered to be self-managing, but this doesn’t mean that they are only employees, or that they are uncritical concerning the limits of their freedoms. Indeed, the everyday texture of the organization, the engineers and the Jutlanders, the meetings and coffee breaks, the “networking” and stories about who said what to whom are also accounts of voluntary incarceration in a stylish glass box. Not a bad prison, you might think, given that it demanded only (high) fidelity to a mere three values by the late 1990s—“poetry, excellence and synthesis.”

Flexible Firm most clearly echoes Gideon Kunda’s *Engineering Culture* (1992) in its analysis, but it’s a shame that some of the clutter wasn’t moved out of the way to make the

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message clearer. There are too many nods to different bodies of theory here, which sometimes gets in the way of the ethnographer showing rather than telling. Interdisciplinary work is always tricky in this regard, with a sense in this text that anthropological legitimacy was at the forefront of the author's mind, rather than getting an audience in studies of organization. It's also an endearingly messy text, with missing references, odd fragments of Danish English, and occasional flashes of brilliance in the writing. It doesn't really pay off on Warner's long overdue promise of an engagement between anthropology and organization studies (Wright, 1994) but certainly deserves to be added to the pile of worthy organizational ethnographies that should be around for longer than the latest issue of a journal.

Ethnography doesn't have "findings" really, apart from endlessly gnawing away at the divide between "us" and "them," between the familiar and the strange. The fieldwork for this book was done in 1999, which given my remarks about the urgency of now, might suggest that the data were too old to be useful. In one sense yes, because when Krause-Jensen visited the farm again in 2005, most of the people he worked with on the third floor had gone, leaving empty desks and a "ghost town" with splendid views across the Danish countryside (p. 279). In another sense, there is something timeless here. The book is itself a "showcase" for a particular attitude to interdisciplinary academic work and a reminder that rushing to judgment is not the same as trying to understand. As Krause-Jensen, the anthropologist of the everyday mundane, puts it, "'strangeness' does not start on the other side of the ocean, but at the tip of the nose" (p. 168).

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The Power of Framing: Creating the Language of Leadership.

Gail T. Fairhurst. San Francisco: Jossey-Bass, 2011. 266 pp. \$40.00.

Readers are familiar with the emergence of discourse-centered perspectives in organizational studies over the last few years but are probably less familiar with how the challenges presented by such perspectives are playing themselves out in the more specific corners of the field, such as leadership. Gail Fairhurst is an internationally renowned leadership scholar and one of the very few North American scholars of discursive, social constructionist, and meaning-centered approaches to leadership. Her book, *The Power of Framing*, is the first available scholarly treatment of the practice of meaning-centered leadership thoroughly grounded in the discursive perspective. As such, her book provides a provocative contrast with the dominant behaviorist and psychological leadership approaches more familiar to mainstream readers, as she details how today's leaders lead best by co-creating a meaningful reality with their followers.

First and foremost, Fairhurst has written a translation of research into practice, which makes the book markedly different from the plethora of practitioner books that prescriptively and perfunctorily engage leadership, language, and persuasion. And in writing a research translation, Fairhurst has been very careful and exact in grounding her claims on empirical evidence and recent conceptualizations. What is necessarily missing from the book, though, is an overt contrast with the dominant behaviorist perspective, as making such a contrast would distract the reader from the book's core purpose, which is to articulate and guide the discursive practice of leadership. Thus Fairhurst's positioning of the book as oppositional to behaviorist approaches is both subtle and embedded.

The dominant behavioral (also called psychological) approach to leadership centers on individual agency and cognition. Behavioral leadership assumes a leader either has or can develop a clear mode of operation and performance. Communication for the behaviorist exists to transmit information from the leader to the led; the role of culture and social context recede into the background. The discursive approach to leadership takes a more social constructionist and meaning-creationist standpoint. Here the focus moves away from the individual's psychological cognitions and behaviors and centers on the leader's ability to sense relational context and then use communication skills to create both collective meaning about and movement toward a positive, co-created outcome within a now foregrounded social and cultural environment. For example, the behaviorist approach will naturally concern itself with romantic actions and outcomes, as seen in the case made for transformational leaders. The discursive leadership focus is more in the present moment and the need for effective and ethical immediate action: What has to happen next to keep the organization going in a positive direction? While the behaviorist perspective is deeply rooted in North American research traditions, the discursive approach is more global, currently finding much traction in

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regions such as Europe and Australasia. The two views are certainly complementary and indebted to each other in many ways, and the discursive approach, with its emphasis on persuasion and rhetorical principles, arguably has the longer history. But the reader must know that Fairhurst is shifting our dominant leadership mindset here and should be prepared to find her detailing of leadership practice simultaneously familiar and different.

With this point in mind, the reader, especially the North American reader, will need to start with the preface, in which Fairhurst provides just enough of an overview of the social and meaning-constructionist perspectives to position the reader for engaging the book. The eight chapters that follow cohere together well into four parts. In the first two chapters, Fairhurst presents the essence of framing and how it shapes our organizational practice. Framing is a structured way of thinking about collective engagement that then leads to effective organizational action. If a manager “frames” guidance to a worker as “The customer comes first,” then the worker uses that frame to create meaning for dealing appropriately with customers’ inquiries and complaints as they arise. More importantly, though, Fairhurst uses chapter 1 to help the reader become comfortable with the intentional construction of meaning via a six-step “frame” of reality-construction rules. The accounting of these rules, each supported with examples and research findings, position the reader to see leadership as a design problem. The leader guides and facilitates coworkers in designing the reality to which the leader, followers, and organization then respond together. If framed effectively, the new reality will lead the organization in a positive direction; the right action will happen right now. The second chapter then gives an overview of the philosophical foundation of the discursive approach by helping the reader come to grips with the social and cultural forces that shape what are and are not appropriate ways for a leader to frame work situations. I should note again that this is a practitioner-oriented book. The conceptual foundations are present, but only discussed in a “just-enough” manner so that the reader can stay focused on practice. Fairhurst also provides a set of framing tools (downloadable from the book’s Web site) that serve as a practical guide for readers to begin applying her framing principles to their leadership practice. Fairhurst subsequently presents a refined set of framing tools for the reader as each chapter progresses.

Having provided the background concepts, Fairhurst introduces the reader to the science and art of framing in chapters 3 and 4. Chapter 3 explores how people make sense of the reality around them and helps the reader understand how to create and shape that reality. A key element of this chapter is the concept of priming, mentally preparing ourselves as leaders to shape and steer reality construction in that spontaneous everyday moment. The “science” aspect of this chapter lies in Fairhurst’s ability to draw on the science of persuasion to help us understand how we reason discursively and in relationship to each other. The artistic side of framing, presented in chapter 4, takes the reader into more rhetorical territory by linking argumentative forms and processes to the

practice of framing: the leader leads by framing good arguments for consensus building as to what needs to be done and how to do it.

Chapters 5 and 6 explore two critical forces that affect a leader's effectiveness in framing: emotions and ethics. With its indebtedness to rhetoric, Fairhurst's focus on meaning construction naturally considers emotional arguments on an equal footing with rational arguments for what is the right action. Again, a leader can only frame appropriately if that leader correctly senses the ambient emotions in a particular leadership situation and acts to account for those emotions in the subsequent framing. Including a chapter on ethics is absolutely essential for a book on leading by creating meaning. One of the first reactions that a reader might have, particularly a reader coming from the behaviorist perspective, is to see framing as simply a manipulation of followers' sensemaking and emotions. Fairhurst again turns to research and examples here to help the reader gain confidence in approaching framing as an ethical practice.

The last two chapters refocus the reader on the practice of framing. Chapter 6 considers how the leader can sense context and then begin to gauge appropriate methods and words for framing. Fairhurst reminds the reader that the social and cultural context is always at the foreground for the leader and that much of a leader's potential success hinges on effectively sensing and responding appropriately to that context. To help the reader practice effective framing, she details a set of steps for assessing the context and then framing effective actions that the reader can apply to a variety of leadership problems and situations. Chapter 8 gives the reader the opportunity to practice these steps by setting out eighteen common workplace scenarios that are especially effective for both individual and group training applications. Fairhurst concludes by bringing the reader back to the consideration of leadership as a design problem that requires considerable contextual and relational sensitivity, as well as a keen ability to say what needs to be said to cause an organization to move forward effectively.

As a practitioner book, *The Power of Framing* will find its best reception with practice-focused audiences, such as M.B.A. program or other graduate program students who desire practical methods for leading by engaging with coworkers and who will resonate with the examples and learning scenarios. The book can also work for a senior undergraduate audience but would need a skilled instructor to help shepherd students through the shift in mindsets from behaviorist to social creationist, which brings up the first issue that the book faces. As noted above, readers unaccustomed to discursive approaches will naturally struggle to get their heads around the concept of creating a shared reality, especially as a leadership practice. In particular, readers will probably struggle with comprehending how to perform the delicate leadership dance between manipulation and legitimate forward action in framing. Though Fairhurst makes great strides in helping readers see how to bring ethics into discursive practice, the process is still difficult for us, as we are well programmed to look to individual agency as the

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source for our guiding values. We will need considerable practice in framing to reach a good level of comfort and confidence in managing the social construction of ethical action. Second, the book is quite U.S.-centric in its writing and approach. Certainly, Fairhurst's primary audience is North American, and for many good reasons. But the true power of social and meaning-constructionist frameworks for leadership lies in connecting us globally and enhancing our ability to account for contextual differences. Future iterations of this and other discursive-practice translations should continue seeking to engage with such broader audiences.

Last, at several points in the book we see reasons why the discursive perspective needs to create its own language of leadership. For example, when initially defining leadership, Fairhurst frames it within the well-known behaviorist dogma of leadership as being oppositional to management. Such a move is unfortunate, as it powerfully limits the ability of discursive scholars to frame their ideas as having their own utility and importance. To move forward effectively, discursive scholars must see this issue as their own leadership design problem and work to reframe leadership in their own terms and context.

Such complaints notwithstanding, *The Power of Framing* is an important research-based text that carries the agenda for social constructionist and meaning-centered discursive studies forward considerably. Fairhurst establishes an effective and tested practitioner-focused method for leading by creating a meaningful organizational reality, which helps move leadership studies into a more global knowledge marketplace and provides us with a how-to manual for conducting an effective translation of discursive research and concepts into situated practice.

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The Entrepreneurial Group: Social Identities, Relations, and Collective Action.

Martin Ruef. Princeton, NJ: Princeton University Press, 2010. 306 pp. \$35.00.

The Entrepreneurial Group is an important book-length sociological treatment of entrepreneurship that challenges conventional assumptions about the nature of entrepreneurship, questions the appropriate unit of analysis with which it should be studied, and redefines the outcomes that ought to be of interest. It is both conceptual and empirical—the product of the author's decade-long engagement with the topic. It is a worthy accomplishment that is both thought-provoking and engaging. Ruef's close collaboration with Howard Aldrich, and their joint work on the second edition of *Organizations Evolving* (Aldrich and Ruef, 2006) is evident, but *The Entrepreneurial Group* is Ruef's elaboration and extension of evolutionary ideas to the micro-level. This book synthesizes his own efforts over the past 10 years to develop a unique sociological perspective on entrepreneurship, and I expect it to become a part of the canon of the sociology of entrepreneurship.

Not surprisingly, *The Entrepreneurial Group* focuses on entrepreneurial groups as opposed to solo entrepreneurs or new ventures. In conceptualizing entrepreneurship as a process of group formation, Ruef usefully emphasizes both the social and temporal dimensions of entrepreneurship. Entrepreneurial groups are formed, evolve, adapt over time, and may or may not result in the formation of a new venture. He directs attention to the people involved in new ventures, their relationships and their identities. Notably, he rejects the idea that solo entrepreneurs or the self-employed are a useful analytic unit in the study of entrepreneurship, instead suggesting that entrepreneurship involves collective action and necessarily involves others who may be more or less invested in the endeavor. His theoretical approach draws on core sociological constructs such as social networks, homophily, and identity. His analytic approach emphasizes group boundaries, organizational emergence, and the evolutionary process by which individual actors come together and create an entrepreneurial venture.

The book is organized in 10 chapters. The first three lay out the conceptual framework and illustrate its utility; the concluding chapter offers implications and extensions. The main body of the book is in the six substantive chapters that apply the framework to questions of entrepreneurial group membership, behavior, and performance. These chapters are intriguing in that they each offer a wide-ranging set of empirical analyses and creative graphical displays of complex statistical models. Most of the empirical work is based on the Panel Study of Entrepreneurial Dynamics (PSED I and PSED II) and owes an enormous debt to Paul Reynolds, who has for many years championed this longitudinal data collection and made the data publicly available (<http://www.psed.isr.umich.edu/psed/home>). Ruef's arguments are original and thought-provoking. His empirical displays lend credence to his claims, though the analyses tend to be cross-sectional and descriptive rather than explanatory models. While some of the

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empirical work presented in these chapters replicates and updates analyses that have appeared in Ruef's earlier published articles, many are novel and might well be the seeds of future articles.

This is a scholarly book intended for a scholarly audience. Understanding the arguments and evidence presented in the chapters requires a deep knowledge of both organizational sociology and quantitative methods. Given the book's strong theoretical orientation and deep engagement with classical social theory, it is somewhat surprising that most chapters open with a brief "vignette" describing an entrepreneurial endeavor: John and Emily Koslowski's refrigerator repair business, the wholesale clothing business founded by Luis Hernandez, Diego Ramon, and Bill Shipley, Carl Whitaker's catering business. Entrepreneurship scholars are likely to find the vignettes disappointingly thin, but they do serve to ground the conceptual ideas in an observable reality and make the phenomenon of entrepreneurship theoretically relevant to sociologists.

By reconceptualizing entrepreneurship as a process of group formation, Ruef provides a much-needed bridge between entrepreneurial individuals and entrepreneurial organizations and usefully emphasizes the evolutionary aspects of entrepreneurial endeavors. But embedded in his approach are strong methodological directives that are likely to be more controversial. Ruef eschews what he terms "biased" samples of individuals and organizations (i.e., studies of venture-capital-financed start-ups or start-ups in a single region or sector) and instead champions representative samples. He also criticizes the rampant practice of equating conceptual definitions of entrepreneurship with empirically tractable definitions based on what is contained in administrative records (i.e., self-employment). But these critiques seem overdrawn, as most scholars recognize that there are advantages and disadvantages to all sampling strategies. Should we eschew studies of attainment that focus only on the college-educated or studies of inequality that focus on specific racial or ethnic groups? Moreover, rather than engage in definitional tussles, it seems more productive for researchers to clearly describe their working definitions and sampling frames and allow readers to make their own judgments as to whether the research design is appropriate to the question and whether the findings are useful, relevant, or generalizable.

On the book jacket, Arthur Stinchcombe, a distinguished organizational sociologist, describes this book as a "drop of sanity in an ocean of fraud about entrepreneurship, especially in teaching positions financed by corporations." In describing what is distinctive about his approach, Ruef makes a similar—although less polemically charged—claim in chapter 2 when he contrasts "business management" studies of entrepreneurship and "social science" studies of entrepreneurship. According to Ruef, "Scholars in the business field tend to focus on group performance in high-growth and high-capitalization enterprises. This sampling approach may appeal to an audience of practitioners and business school students, but limits the external and internal validity of empirical conclusions" (p. 36). But by dismissing the related work that has

been done by others, Ruef risks alienating the largest audience for his work, some of whom have done valuable research on “enterprises” that are not necessarily high-growth or high capitalization, and others who have a clear theoretical rationale for studying a non-representative sample.

Throughout the book, Ruef drives home his distinctive perspective. In doing so, he avoids in-depth engagement with the extant literature. Rather than relying on existing scholarship, he invents constructs and measures and redefines terms to suit his purposes. Readers steeped in the entrepreneurship and management literatures are likely to be surprised by this approach. For example, Ruef describes his theoretical framework as “relational demography” but does not connect it to the extensive literature on this topic. His group-level approach is inconsistent with both the traditional dyadic approach (Tsui and O’Reilly, 1989) and the emerging multilevel approach (Riordan and Wayne, 2007). While his expositional style highlights his own theoretical creativity and empirical ingenuity, its disconnection from related work may limit its potential to influence the broader community of entrepreneurship scholars. This is unfortunate, because there are many valuable insights and ideas in this book.

Princeton University Press categorizes the subject areas of the book as sociology, economics, and finance. Although the topic of entrepreneurial groups is clearly relevant to each of these fields, this is a sociology book written by a sociologist for other sociologists. As such, it is in no way an overview of the field or a representation of the existing entrepreneurship literature. For example, there is very minimal attention in the book to the expansive literature on transitions to entrepreneurship or entrepreneurial firm creation in the empirical economics literature. Similarly, there is almost no mention of key ideas and evidence about entrepreneurship from finance, and large areas of the sociological literature on entrepreneurship are also not considered.

Not so many years ago, Scott Shane published a book titled *A General Theory of Entrepreneurship* (2003) in which he proposed a new definition of entrepreneurship as the “individual-opportunity nexus.” Shane’s book set off a wave of research that attempted to understand entrepreneurial opportunities. Although Martin Ruef’s book title doesn’t advertise the fact, he seems to have a similarly grand ambition of proposing a general theory of entrepreneurship. Ruef offers a new definition of entrepreneurship whereby “entrepreneurs . . . are defined by their intention to form a social group” (p. 7) and points future entrepreneurship scholars in a new direction. But whether the definition will catch on and scholars will go in the recommended direction remains to be seen.

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Transnational Communities: Shaping Global Economic Governance.

Marie-Laure Djelic and Sigrid Quack, eds. New York: Cambridge University Press, 2010. 422 pp. \$110.00, hardback.

Does “community” exist? Is it an important level of analysis for those who study organizing and organization?

Organizational scholars have had a long-standing interest in the concept of community. As Djelic and Quack note, community has often been infused with a nostalgic positive glow: close bonds arising from geographic proximity and shared history that facilitate trust and cooperation. Social capital theorists built on this sense of community, creating a surge of interest in the concept in the late 1990s. Population ecologists, in contrast, have conceptualized community using a biological metaphor positing both symbiotic relations and the potential for intense competition for limited resources. Portes (1998) turned a more critical eye on the concept of community, considering how close ties can be associated with intense social control and xenophobia. The past decade, however, has seen a decline of interest in community among organizational scholars. Djelic and Quack’s book makes a persuasive argument for putting community back in the picture, and they make a particularly compelling argument that the concept of transnational community must be considered if we are interested in understanding the more global social space in which organizing now occurs.

Community is a deceptively simple concept. We all think we know what it is; however, capturing the phenomenon of community empirically has been much more challenging. Theoretical clarity has also been fraught with challenges. What are the differences among community, field, network, market, social movement, profession, or industry? How can the seemingly old-fashioned concept of community be reconceptualized to respond to social constructivist sensibilities? Critics of community, particularly positivist critics, have challenged whether there is any “there, there” (to paraphrase Gertrude Stein).

To their credit, the editors of this collection of primarily qualitative, empirical work confront these questions directly in their introduction, offering definitions and delineating the historical trajectory and debates regarding the concept of community. Djelic and Quack’s chapters (introductory and concluding) offer those who are wondering if the concept of community is still relevant a well-thought-out and wide-ranging response. The literature review itself makes the book worth reading. Djelic and Quack’s review takes us back over one hundred years to the original uses of the term and across multiple disciplines, ranging from anthropology, economics, and political science to sociology. Djelic and Quack go much beyond a review of the past literature; their introduction highlights how the concept of community is reemerging as a crucial concept for theorizing, analyzing, and understanding current, consequential social processes. Bringing together the concepts of community of practice (Wenger, 1998), epistemic communities (Hass, 1992), and “imagined communities” (Anderson, 2006) with concepts such as capital, regulation, and social movements, Djelic and Quack, and Renate Mayntz

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in her powerful chapter, outline why and how communities continue to be an important focus of study in a globalizing world. An important achievement of these introductory chapters is to connect recent use of the concept of community to the less positivist readings of early European social theorists.

These introductory chapters provide the bulk of the theorizing in the book, which otherwise focuses on empirical work, primarily case studies. The individual empirical pieces vary widely not only in empirical foci but also in the extent to which they seem to make a substantial contribution to a discussion of community. Varying from qualitative depictions of emerging and changing markets to social movements and virtual communities, each of the chapters offers a rich and interesting depiction of a different social context. The case studies introduced me to a seemingly endlessly diverse universe of social contexts ranging geographically from China to Europe to the USA and beyond into on-line communities and including temperance activists in the 1800s, software activists organizing in virtual space, and accountants, investment bankers, and trade unionists. One of my few reservations in reading this collection was the way in which some of the authors used case studies to make claims that seemed to extend beyond the reach of their data. It was also challenging in many of the chapters to see how the data reflected the phenomenon of community. While the chapters capture uniformly interesting social spaces, a few stood out for me: Ramirez describes the emergence of a transnational professional community as accounting firms have gone global; Harvey and Maclean compare the boards of directors in France and Britain, illustrating the tensions between local traditions and global pressures; and Bartley and Smith examine how certification regimes were originally constructed by communities of organic farmers and peace activists. The diversity of cases makes for interesting reading, but the sheer variety also inclines the reader to wonder again whether the often temporary, peripheral relations depicted warrant the term "community." Again, to their credit, the editors address this question directly in their conclusion: "Therefore, it is both methodologically and substantively difficult to isolate precisely the impact of transnational communities per se in the complex ecology of transnational governance. Still, as this volume has demonstrated, this is far from meaning that transnational communities do not make a difference. We have argued and provided illustrative evidence that they do! This volume, though, is only the beginning of the journey" (p. 408). I think this volume has much to offer organizational scholars, and I think most will come away convinced that Djelic and Quack's call for increased attention to transnational communities is a worthy endeavor.

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Darwin's Conjecture: The Search for General Principles of Social and Economic Evolution.

Geoffrey M. Hodgson and Thorbjørn Knudsen. Chicago: University of Chicago Press, 2010. 290 pp. \$ 45.00.

Philosopher Daniel Dennett (1995) famously likened Darwin's theory of evolution to a "universal acid" that has slowly but inevitably been eating its way through virtually all fields of human inquiry since the publication of *The Origin of Species* in 1859. A little over a century and a half later, there are few fields that have not in some way been affected by the theory of evolution through natural selection. For instance, philosophy, psychology, anthropology, and economics have all developed fruitful evolutionary research programs. In organization science, work that has taken inspiration from evolutionary theory includes the assimilation and extension of insights about organizational routines and capabilities from evolutionary economics and the research program of population ecology. Despite the obvious impact of evolutionary theory outside biology, however, there are still a lot of misunderstandings about what evolutionary theorizing in the social sciences could, or should, entail. In *Darwin's Conjecture*, Hodgson and Knudsen set out to clear up these misunderstandings and develop a meta-theory to ground explanations of socio-economic change.

The cover of *Darwin's Conjecture* shows four individuals in business attire with each of their faces replaced by the head of one of the species of finches that Darwin brought back from the Galapagos Islands. The message is clear: humans are biological organisms. Yet the book is not about the genetic basis of human behavior. It is rather about the application of evolutionary principles to social phenomena at levels of analysis above the individual, such as the evolution of firms. The conjecture in the title of the book refers to hints in Darwin's work that he thought his theory of evolution might also apply to social phenomena: he mentioned the evolution of language but also suggested that selection might operate on variations among the ethical principles of tribal groups. This invites the question of whether a similar logic also might apply to, say, the differing fates of banks during the financial crisis.

Over the last century and a half, many social scientists have followed up on Darwin's conjecture that the logic of his theory might apply more widely. However, as Hodgson and Knudsen show in their first chapter, the history of applying Darwinian ideas to social phenomena is rather unfortunate. In fact, for most of the twentieth century, the social sciences have been hostile to evolutionary ideas. Part of this hostility can be explained by the abuse of pseudo-Darwinian ideas in eugenic social policies in Nazi Germany and elsewhere. But the authors offer three additional explanations: first, a general weariness among social scientists in general, and sociologists in particular, to import ideas from biology; second, misunderstandings of what Darwinism entails; and, third, lack of a proper generalization of Darwinism, so that its application in the social sciences has been limited to constructing analogies between biological and social evolution. While the book addresses each of these three issues, it is primarily motivated

by the third. The starting point of the authors' endeavor is the assumption that evolutionary processes in the socio-economic sphere are not just analogous to biological evolution but that social and biotic evolution share fundamental "ontological communalities." The corollary of this assumption is that there must be general principles of evolution that apply equally to biological and socio-economic evolution. The main purpose of the book is to specify these principles by generalizing Darwin's theory of evolution.

The book brings together and extends earlier work by the authors on generalized Darwinism, a project they launched some ten years ago in the field of evolutionary economics, where it has since attracted substantial attention and generated some heated debate. Evolutionary economists typically see their approach to studying socio-economic phenomena as a superior alternative to the equilibrium modeling that dominates mainstream neoclassical economics. This superiority derives from a more realistic view of human nature, a more explicit recognition of the importance of institutions, and a better appreciation of the dynamics, path dependence, and historical specificity of socio-economic change. At the same time, evolutionary economics has never developed a generally accepted theoretical framework to challenge neoclassical orthodoxy. At heart, the project of generalized Darwinism is an attempt to do just that. Yet not all evolutionary economists agree with the idea that evolutionary theorizing in economics necessarily should be grounded in Darwinism. Opponents fear that generalized Darwinism may replace the "physics envy" that led neoclassical economics down the dead end of general equilibrium modeling with a "biology envy" that ultimately also may do more damage than good to our understanding of socio-economic phenomena. Hodgson and Knudsen's book should first and foremost be understood as an attempt to convince skeptics within evolutionary economics of not just the value but also the inevitability of a Darwinian approach to understanding socio-economic evolution.

At the same time, it is clear that generalizing Darwinism to ground theories of socio-economic change is a project with a significance that extends well beyond evolutionary economics. In Hodgson and Knudsen's words, "We suggest that generalized Darwinism could become the backbone of a unified evolutionary framework for the social and behavioral sciences" (p. 3). In view of this ambitious claim, the book is targeted at anyone with an interest in evolutionary theorizing in the social sciences. The authors develop three main messages: first, that socio-economic evolution is a Darwinian process that involves variation, selection, and inheritance mechanisms; second, that these mechanisms can be defined in generic ways that abstract from specific biological content; and third, that the resulting generalization of Darwin's explanatory scheme can be meaningfully applied to the evolution of social entities above the individual level, such as groups, firms, states, and scientific institutions.

The first message of the book, that socio-economic evolution is a Darwinian process, is developed in chapters 2–4, in which the authors address a number of common misunderstandings about what it means to say that an evolutionary process is

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Darwinian. For instance, they convincingly argue that Darwinism does not imply genetic reductionism; that it does not necessarily lead to a view of cultural evolution in which “memes” are the analogue of genes; that notions of self-organization are compatible with Darwinism but fall short of offering an alternative explanation of adaptive complexity; and that insisting that social evolution is Lamarckian rather than Darwinian is a red herring on the road to rigorous theorizing about socio-economic evolution. Readers who think that applying Darwinism to the social sciences must be either biological imperialism in disguise or a blatant denial of the role of human intentionality in socio-economic evolution will likely come away bereft of these ideas after reading these chapters. The essence of Darwinism according to the authors is the recognition that complex entities evolve as the result of “the development, retention, and selection of information concerning adaptive solutions to survival problems faced by [these] entities in their environment” (p. 42). Whether or not intentional behavior plays a role in this process is an important empirical question but does not change the fact that the process is subject to the principles of evolution that were originally uncovered by Darwin.

Chapters 4–7 discuss the nature of these principles and develop the second message of the book, that Darwinian principles can be defined in generic ways that abstract from specific biological content. These various chapters take the reader deep into the philosophy of biology and will give those who are interested in foundational issues in evolutionary theorizing much food for thought. Chapter four includes a discussion of the logical imperative of the genotype-phenotype distinction for evolutionary explanations in biology and develops the notions of replicator and interactor as a way to generalize this distinction. Chapter 5 discusses the central role of selection in evolutionary explanations and builds on the Price equation to offer a generalization of this crucial concept. Chapter 6 discusses the concept of replication in relation to complexity and develops the authors’ novel concept of “generative replication.” Finally, chapter 7 offers a very useful discussion of group selection and applies this concept to socio-economic evolution.

By the end of chapter 7, the authors have offered their readers an impressive “tour d’horizon” of both the older and more recent history of ideas with respect to evolutionary theorizing in philosophy and the social sciences. Moreover, they have added their own insights and suggestions about what rigorous evolutionary explanations of socio-economic phenomena should entail. Up to this point in the book, much of their discussion is relatively abstract, although a number of boxes scattered throughout the different chapters make links to organizational phenomena. These various boxes, but especially chapter 8, go beyond abstractions and contain the authors’ third message: that a generalization of Darwinism can be usefully applied to explaining the evolution of social entities. They argue that generalized Darwinism offers a meta-theory that is a crucial foundation for evolutionary theorizing in the social sciences but that will always require auxiliary theories to fill in the details of the explanation of a

specific economic phenomenon. Chapter 8 is an exercise along these lines and sketches how social evolution has given rise to ever greater complexity as the result of the emergence of culture, tribal customs, symbolic systems, judicial law, and the institutionalization of science and technology.

Darwin described the *Origin of Species* as “one long argument.” His argument, of course, was that life evolved by way of variation, selection, and inheritance. *Darwin’s Conjecture* offers another long argument: that socio-economic evolution involves the same generic principles. Hodgson and Knudsen have written a thoughtful book that combines an impressive breadth of scholarship with provocative suggestions for an evolutionary turn in the social sciences. Of course, there is room for disagreement about the details of their suggestions. For instance, a generalization of Darwinism that would entirely avoid concepts with biological connotations like replication and inheritance may be more likely to convince skeptics of the value of generalizing Darwinism for the social sciences. Also, when they apply their evolutionary principles to socio-economic change, the connections between abstract principles and concrete real-world phenomena are still rather loose. But these are possible objections of which Hodgson and Knudsen are well aware. They emphasize that generalizing Darwinism is an ongoing project that has so far largely proceeded at the meta-theoretical level, the level on which they also focus in their book. As they note, the important contribution of the project to date is to offer an emerging meta-theoretical framework that serves as a powerful “positive heuristic” for rigorous theory development and empirical research about socio-economic phenomena. Using this framework to build middle-range theories of specific socio-economic phenomena like organizational evolution is an important next step, if only because it may in turn contribute to even more fruitful generalizations of Darwinism. This next step in the project of generalizing Darwinism may be especially interesting for organizational scholars, and those who are interested in moving beyond the analogical use of evolutionary concepts in theorizing about organizations may want to join the project of getting Darwin’s universal acid into sharper focus.

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