



Governance of the American Economy.

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the historical lock-in of technical choices generally occurred much later than most analysts recognize. His case is especially damning to the technocratic efficiency theorists, since they argue that Chicago Edison was both leader and representative case of the wave of rational electrical development.

Platt does not fully consider the political and economic context, leaving many important questions unanswered. Despite rampant political corruption in Chicago, Edison continuously received favorable outcomes, apparently without participating in corruption. The unprecedented amounts of capital required by Edison seemingly appeared as needed and without any strings attached. Despite noting that questionable business practices resulted in the indictment of executives after 1929, and having tables and footnotes which indicate price mark-ups and watered securities three decades before that, he pays no attention to the effects of such practices. Thus, while Platt's argument about the role of electricity in city building breaks new ground, his explanation of that growth as driven by load-balancing concerns is in part predicated on not considering the effects of political and financial relations on the course and conduct of firm development. This also precludes considering whether electrical development was used by an organized power elite to build the city consistent with their interests.

These authors remind us that complex and diverse social processes are affected by the distribution and application of crucial resources. While sociologists recognize this point in relation to capital flows and politically generated opportunities, we do not consider enough the influence of concrete resources which make modern social life possible. These books bring that lesson into the foreground.

Governance of the American Economy, edited by **John L. Campbell, J. Rogers Hollingsworth, and Leon N. Lindberg**. New York: Cambridge University Press, 1991. 462 pp. \$65.00 cloth. ISBN: 0-521-40257-3. \$21.95 paper. ISBN: 0-521-40827-X.

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This edited volume is the outcome of a long collaboration among its nine contributors,

who participated in a two-year workshop at the University of Wisconsin organized by Rogers Hollingsworth and Leon Lindberg. It is surprisingly coherent for an edited collection, in part because the authors embrace a clear theoretical framework that is well articulated in two theory and background chapters at the outset and then further developed in two concluding theoretical chapters.

The task is to explore the various governance mechanisms in American industry and to ascertain how, and why, industrial governance changes over time. By governance mechanism, the authors mean the system of control in an industry. The book examines the diverse forms of governance that have been described in the work of such authors as Alfred Chandler, Neil Fligstein, Paul Hirsch, Chalmers Johnson, Charles Lindblom, and Oliver Williamson—associations, hierarchies, markets, monitoring systems, obligational networks, and promotional networks. Whereas previous works have generally focused on one sort of change in governance (e.g., from markets to hierarchies in the case of Williamson), this book steps back to explore the larger phenomenon. What catalyzes governance transformations? What determines the nature of new governance mechanisms?

Governance of the American Economy has a wide theoretical purview. In contrast to existing studies of industry structure, which generally stress a single cause (e.g., economic efficiency in the case of Chandler), this book considers the effects of efficiency, technology, power, culture, and state structure. The model of governance transformation developed here is straightforward: a crisis provokes a search for a new form of **governance**, different actors struggle to find an appropriate form, and a new governance mechanism is selected and institutionalized. In the eight industry histories that compose the empirical core of the book—examining telecommunications, nuclear energy, railroads, steel, automobiles, dairy products, meatpacking, and hospitals—we learn that the crises that elicit governance transformations are usually economic in nature and that it is usually power relations that determine the shape of new governance mechanisms. Of the remaining privileged causal variables, changes in *technology* tend to produce economic crises and *state structure* often delimits the governance mechanisms that are practicable. *Culture* ap-

pears to have been thrown in as an afterthought.

The eight empirical chapters show this multifaceted framework to be flexible and useful for understanding diverse situations. As the theoretical chapters suggest they should, the causal factors play very different roles in different cases. Technology may be the cause of a crisis, or it may undermine the effectiveness of an appealing new solution. The state may show up in the form of an interest group pushing for a particular outcome or as an administrative structure that is incapable of supporting a certain governance mechanism. Each chapter shows how the interplay of these forces leads to new governance outcomes. While the multicausal framework allows for complex arguments, one weakness is that in practice the authors often make fairly traditional arguments. There is more than a tinge of functionalism in the contention that industries only begin to search for new governance mechanisms when the old ones become inefficient, and interest-group theory shines through when the authors argue that power struggles determine outcomes.

Governance of the American Economy is a welcome fifth addition to Mark Granovetter's series *Structural Analysis in the Social Sciences*, published by Cambridge University Press. It should be considered essential reading for students of political economy, industry structure, and organizations. In recent years evidence has mounted that industries do not, as some analysts had believed, move ineluctably in one direction—from market structures to hierarchical structures, for instance. This volume provides rich historical evidence that industries frequently shift back and forth between different governance structures, and it provides an important first stab at trying to understand those shifts.

Architecture: The Story of Practice, by **Dana Cuff**. Cambridge: MIT Press. 1991. 306 pp. \$24.95 cloth. ISBN: 0-262-03175-2.

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Dana Cuff's book examines in detail how the ideology of design that animates the profession of architecture is at the same time

contradicted by and integrated with its practice. The professionals who lead and staff the architectural offices studied by Cuff carry into the culture of practice an image of excellent architecture learned in schools.

Ultimately, Cuff is interested in how that image becomes real. In the book's best chapters she portrays vividly, which is to say concretely, how excellence emerges not from the solitary strivings of "the genius architect" but from a constitutively multiple and collaborative enterprise. For outstanding architecture to emerge, neither the multiheaded client nor the architectural office with its "hands on" leader can lose sight of budgetary and functional requirements (normally assumed to be the client's main concern) or of the quality desired in the final product. An outstanding building is for her one which the public, the participants in the design process, and the architectural profession all recognize as excellent. By this standard, outstanding buildings are rare indeed; until very recently, contemporary architects almost seemed to avoid subjective agreement with the public or even the clients. Moreover, as the rest of this book shows, the objective opportunities for architectural excellence are uncommon.

Cuff's description of the architect's collaborative practice is based on long years of experience, participant observation, and hundreds of interviews. She emphasizes that nothing taught in architectural school prepares apprentice architects for their average pay (the lowest of all professional workers) or the tedium of work which only in a small part (jealously guarded by the principal designers) focuses on the conceptual development of design. Nothing in the unambiguous dyadic relationship of student and teacher in the studio prepares architects for the unmanageable number of participants in real projects, with their enormous complexity. As for the professional organization, the American Institute of Architects' handbooks claim control over the construction process for their constituents, thus projecting a powerful and unambiguous professional image.

In practice, dependence on clients and the contingencies of construction dispose quickly of these illusions. Practice engenders endemic frustration, which looks for consolation in a persistent ideology of architecture as art. A hard-to-abandon belief that good design emerges from the single-minded purpose and