

Book Reviews

Deregulating Telecommunications: U.S. and Canadian Telecommunications, 1840–1997

Kevin G. Wilson

Lanham, Boulder, New York and Oxford, Rowman & Littlefield Publishers, 2000, xxii + 309 pp., US\$70, ISBN 0-8476-9824-6 hbk, US\$24.95, ISBN 0-8476-9825-4 pbk

Kevin G. Wilson's study of the United States and Canadian telecommunications industries succeeds admirably in its stated purpose of making the complex, interdisciplinary knowledge of telecommunications policy accessible to students of communications. Wilson's approach is one which seeks to understand the policy-making institutions in the two countries studied at an appropriate level of detail which does justice to the distinctive historical, political, economic, and cultural circumstances in which they have developed and operated. At the outset Wilson acknowledges the importance of the disciplines of law and economics for the study of telecommunications, but takes a critical perspective on their scholarly and policy dominance. His study may be regarded as an important contribution which utilises the tools and optics of political economy, in seeking to provide an alternative history to those plethora of accounts of telecommunications policy which take the ascendancy of pro-competitive approaches for granted.

Wilson's book is divided into two parts. Entitled 'From Competition to Monopoly', part one examines the consolidation and regulation of US and Canadian telecommunications in the years 1840–1946. The first chapter provides an account of the US industry, the second chapter considers how the Canadian 'telecommunications mosaic' was built, and the third chapter discusses the history, theory and practice of the regulation of the telephone industry as a public utility. Largely relying on standard histories, part one provides a useful overview of these early years of North American telephony, as well as a helpful account of how regulation emerged. The lineaments of Wilson's critical theory of telecommunications policy begin to emerge in chapter three, where he provides a long historical genealogy for modern theory and practice of public utility regulation. Wilson invokes St. Augustine's fourth century Christian Era (CE) doctrine of *justum pretium*, or just price, that challenged the concept of *verum pretium*, or natural price, which prevailed in Roman law. The concept of just price was reiterated by St. Thomas Aquinas in the thirteenth century, who elaborated the factors which may be taken into account when calculating this. The Church fathers are not often called up in the age of dot.com capitalism, but doing so allows Wilson to posit a key

assumption of his position: 'there is a Western tradition of treating exchange as more than a simple economic relation, as *exchange also entails a social relation with ethical dimensions*' (p. 44). For Wilson, the implication of this foundational statement is that 'exchange occurs under conditions of coercion, society has a legitimate right to impose controls', hence one of 'the bases for the social control of economic activity has been established' (p. 44).

This thread of understanding and recognising social control of economic activity is pursued through a discussion of the operation of the medieval guild as a local monopoly, through the emergence of the nation-state as economic system and the widening of markets in the mercantile period (from the 1500s to the late 1700s), the ascendancy of the laissez-faire economic policy of the eighteenth and nineteenth centuries, to the birth of the modern regulatory agency in the late nineteenth and early twentieth centuries. Here Wilson draws on Robert B. Horwitz's three-phase typology of US regulation in his influential 1989 book, *The Irony of Regulatory Reform: the Progressive Era (1900–1916), the New Deal Era (1930–1938), and the Great Society Era (1965–1977)*. Wilson sees the emergence during the 1970s of a regulatory regime in which economic efficiency was given pride of place, as a response to conditions of high inflation coupled with economic stagnation. Wilson proceeds to theorise the US Federal Communications Commission (FCC) and the Canadian Radio–television and Telecommunications Commission (CRTC) in the light of a mix of the two modes of the regulatory agency, administrative-judicative versus policy making, and then considers the productive tensions inherent in the problems of regulatory agency independency.

Having provided in part one a solid treatment of the history of the telecommunications industries in the US and Canada and the regulatory institutions, including the courts, which saw the emergence of monopoly as centre, in part two Wilson tells the story of the slow, uneven, but steady dismantling of monopoly and the intensification of competition. It is here that Wilson provides a distinctive and especially useful account of the process of 'deregulation'. There are many accounts of the US experience of deregulation of telecommunications, which, not least due to the economic and political dominance of the US *imperium*, often holds pride of place as a grand narrative. There are two things to my mind which are most instructive regarding Wilson's approach: firstly, his critical focus on how change in the telecommunications sector needs to be understood in terms of larger historical contexts of change in the nature of state power, policy-making institutions, contests among different groups of citizens and corporations, and economic shifts; secondly, his comparative method, juxtaposing a study of US telecommunications with that of another country, which, though geographically contiguous, has quite different characteristics. Less well-known outside its borders, the Canadian experience is an alternative model of telecommunications reform to that of the US one. What is especially interesting is the strong emphasis in Canada on telecommunications as part of a communications system which would, in the words of a 1973 government Green Paper on telecommunications, meet national objectives such as 'safeguard, enrich, and strengthen the cultural, political, social, and economic fabric of Canada', 'contribute to the flow and exchange of regional and cultural information', 'reflect Canadian unity and the diversity of Canadian cultural and social values' (p. 179), desiderata which remains active today. Wilson gives a clear account of US and Canadian deregulation, summarising the complexities of key policy moments while providing sufficient detail and information for the reader wishing to further research the topic. His endpoint in

1997 allows him to include the landmark 1993 Canadian *Telecommunications Act* and 1996 US *Telecommunications Act*, and to have at least observed a little of subsequent developments in order to offer thoughts on their effectiveness.

Through most of his book, Wilson attends closely to the task of accurately describing and analysing telecommunications regulation, deregulation, and reregulation in the century and a half under study. It is his short 'General Conclusion' where he makes some broader, polemical remarks about his approach to studying telecommunications and its theoretical implications. Wilson identifies seven defining characteristics of the new global regulatory regime evident in telecommunications, which are demonstrated in his study: tolerance of vertical and horizontal concentration, and preference for antitrust solutions to market power; opposition to service segmentation based on industry segregation; commitment to pro-competitive regulation; discretionary regulatory forbearance; interrelatedness of all national policy; a new universality open to the preservation of traditional public service values; and use of technology policy in traditional public sectors (such as health and education) as a lever for the development of information and communications industries. Having established these elements, Wilson turns his gaze to the limitations of the new regime, and the future directions of policy and availability of service. Recognising that the new regime for telecommunications, and the broader regulatory regime of economic efficiency, is still very much in the ascendancy, Wilson nonetheless questions the relevance of this and its orienting assumption that 'vigorous competition will establish itself and will be sustainable' (p. 279). Instead, Wilson suggests that the 'stage will soon be set for a major reassessment of the new policy regime for telecommunications'. In the short to medium term the inability of the competitive regime to achieve its own stated objectives will become evident, with firms refusing to compete in markets for network facilities, and in the emerging inequality thematised in North America under the rubric of the 'digital divide'. Wilson signals his assent to the notions that measures should be taken to protect residential consumers against market failure (the failure of firms to compete) and that access to services should be based on open models, such as the open approach to network architecture and usage represented in the growth of the Internet.

It is in his concluding paragraphs that Wilson telegraphs and takes up once more a more substantial challenge to the present regime of telecommunications, a critique which provides a deep structure to his study:

It is difficult to imagine how public policy for the telecommunications sector will be able to escape its enslavement to neo-classical dogma. In fact, policy for the telecommunications industry will surely be caught in a conceptual no-man's-land between the alleged promise of neo-classical economics and the hard reality of the facility providers' near categorical refusal to compete with one another, all the while eliminating competition whenever it emerges in the margins of their industry (p. 281).

For Wilson, what is needed is a new paradigm to supplant impoverished neo-classical economics that dominates telecommunications policy:

the policy debate will remain stale and sterile until a new enlightened economics of network industries emerges from the shadow of neo-classical dogma, an economics that takes into account historical patterns of corpo-

rate behaviour in the industry, and breaks away from the premise that these markets are essentially like any other (p. 281).

Wilson's plaint here is a much needed one, and I would certainly agree with his analysis concerning the lack of alternative economic perspectives in the study of telecommunications, something quite striking in comparison to other areas of communications and technology. Obviously the invention of a 'new enlightened economics of network industries' will not occur overnight, but I would have been interested to hear further discussion about what such a novel economics might look like, and to see him prefigure some aspects of these throughout his study. There are resources for such a project in dissenting neo-classical economics, political economy, post-Keynesian economy, Marxian economy and institution theory. His analysis is careful and precise throughout, but some more speculative, adventurous framing of the history under consideration would have been useful to give some body to his conclusion earlier in the piece.

Wilson's book can be fruitfully brought into dialogue with Milton Mueller's revisionary 1997 *Universal Service: Competition, Interconnection, and Monopoly in the Making of the American Telephone System*.¹ Mueller is a weighty advocate of the pro-competitive position, because of his grasp of neo-classical economics, but also because of his original research and reconstruction of the origins of US telephony, arguing for the importance of competition in the spread of a universal service, rather than monopoly and government regulation. Wilson, on the other hand, is very strong on parts of the period which Mueller neglects, not least post-1945. It would have been very interesting here to read Wilson engage Mueller's argument, particularly as both turn to detailed, strong readings of telecommunications history to argue quite opposed positions on the future of telecommunications policy.

One of Wilson's concluding remarks is the observation that the 'principal irony of pro-competitive regulation is that it exists at all' (p. 281). Here Wilson borrows Horowitz's trope of choice, namely irony, to describe regulation. Irony is significant here, as Wilson's view of regulation leads him to an *aporia*, a contradiction difficult to work through. In Wilson's case pondering the ironies of regulation is very instructive, not least because, like fellow Canadian scholars Vincent Mosco and Robert E. Babe whom he cites at the outset, he takes seriously the shaping of markets by regulatory institutions, a rarity in telecommunications studies. It is moving beyond the *aporia* of pro-competitive policy which proves difficult, as Wilson remarks, and here his work may point towards the need for deeper exploration of the theories of regulation (one exemplar of which is John Braithwaite and Peter Drahos's 2000 study *Global Business Regulation*)² and yet further studies of the reregulatory nature of what masquerades as deregulation at the inception of twenty-first century telecommunications.

Notes and References

1. The MIT Press, Cambridge, MA, London, England, and The AEI Press, Washington. See my review of Mueller's book in *Prometheus*, 17, 4, 1999, pp. 455–58.
2. Cambridge University Press, Cambridge.

Gerard Goggin
School of Humanities, Media and Cultural Studies
Southern Cross University

Voice and Vision: A History of Broadcasting in New Zealand, Volume Two

P. Day

Auckland University Press in association with the Broadcasting Trust, 2000, 456 pp.

The Radio Years: A History of Broadcasting in New Zealand, Volume One

P. Day

Auckland University Press in association with the Broadcasting Trust, 1994, 352 pp.

The Remaking of Television New Zealand: 1984–1992

B. Spicer, M. Powell and D. Emanuel

Auckland University Press in association with the Broadcasting Trust, 1996, 207 pp.

Gadfly: The Life of James Shelly

I. Carter

Auckland University Press in association with the Broadcasting Trust, 1993, 339 pp.

These four books give a good overall account of the way in which New Zealand has developed and implemented broadcasting problems over the 80 years, with Day's two-volume history providing an overview, Carter's biography of James Shelly describing a Reithian-like prime mover in the development of non-commercial broadcasting up to 1950, and *The Remaking of TVNZ* relating the commercialising of the public owned TV channels in the late 1980s.

Like each individual, every country's broadcasting is unique and yet faces the same universal problems. New Zealand's uniqueness arises partly from a country as big as the British Isles with a much more difficult topography and a twentieth of the population. This is compounded by New Zealand being physically isolated—the nearest significant land mass, Australia, is three-and-a-half flying hours away—but culturally it is a part of the English-speaking world which provides programs for much larger audiences far more cheaply per viewer. Thus, there are physical and funding problems of providing national coverage in both the geographical and cultural senses.

All broadcasting systems face the problem of the balance between commercial and non-commercial provision. New Zealand's solution until the late 1960s was to have a publicly owned monopoly with some parts funded by a broadcasting fee and others by advertising, but with the two intricately mixed up in the technological provision and financial accounts: the sole television channel had advertising-free days each week.

The monopoly first broke down in the late 1960s with the establishment of private radio (precipitated by an offshore floating pirate broadcaster), and in the 1980s a third privately owned television channel was established competing against the now almost entirely advertising-funded publicly owned pair.

The story is well told (with numerous pictures) by Day, although the overseas reader may find the anecdotes humorous but distracting. (May they remind her or him that broadcasting has played an integral role in community cohesion, and so the New Zealand reading public will find the books a repository of part of its collective memory.) His history provides an excellent background for those with an interest in contemporary broadcasting policy.

For in the 1980s the government commercialised broadcasting. There were a few concessions: two advertising-free radio networks providing approximate equivalents to the BBC Radio 3 and Radio 4, the establishment of a Maori-based radio network (see below), and limited public subsidisation of some television production, but the nation's broadcasting system became dominated by commercial interests and competition. Licences to use the radio frequency spectrum were auctioned off liberally, so today there are more radio stations in Auckland than there are in Sydney with four times the population. The government-owned two-channel Television New Zealand was put onto an entirely commercial footing with its prime purpose to make profit and so it became ratings driven. There was even talk of TVNZ being privatised. The story is detailed in the book by Spicer, Powell and Emanuel which nicely captures the flavour of the reforms by almost totally ignoring such indicators of broadcasting performance as program quality and mix, and audience satisfaction.

In fact, audience satisfaction has not been high for television, although there has been more approval for radio because the diversity of stations has met the needs of the increasingly heterogeneous community. As a result the recently elected Labour–Alliance government is trying to reorient TVNZ to a more public purpose focus. Day's history only goes up to 1999, so it provides a historical foundation for the new developments. It does the same for the technological challenges that now face the industry from satellite, Internet, and so on. Indeed, his book shows that broadcasting has been far more technologically driven in the last 40 years than one might at first suppose.

The other great challenge to broadcasting policy has been the demands of the Maori, the indigenous people of New Zealand (15% of the population are of Maori descent, but most of them are of European descent too). They have acquired a government-funded radio network and are shortly to have a government-funded television channel. Of course the issue is particular to New Zealand but it also reflects the wider problem of how to respond to the broadcasting needs of minorities. Again Day's history sets the background for current developments.

So while the peculiarities of New Zealand may suggest that these books are of local interest, probably one of the most promising areas for the development of understanding of broadcasting policy is by way of cross-country comparisons as each country faces the same problems but adopts different solutions. The world's broadcasting scholars are fortunate that New Zealand's Broadcasting History Trust has been able to support so many studies and that Professor Pat Day, in particular, has done such a fine job in responding to the opportunities that it created.

Brian Easton
Stout Research Centre
Wellington

The Governance of Science

Steve Fuller

Buckingham, Open University Press, 2000, xii + 167 pp., ISBN 0-335-20234-9

Reviewing this book was not easy, not least because the style notes supplied by this journal require me to minimise my use of direct quotations from a book which is

packed full of lively and provocative statements guaranteed to brighten up even the duller of reviews. In what follows I will therefore do my very best not to overuse Fuller's own words, despite the temptation.

Steve Fuller is a historian and philosopher of science by training and temperament, and a professor of sociology by trade. *The Governance of Science* is concerned with the spread of 'big science', which Fuller suggests has become both the model to which all forms of inquiry aspire and the criteria by which all forms of inquiry are judged. This stance explains the attention given in the book to the ill-fated US Superconducting Supercollider project, which seems to fascinate Fuller as an exemplar of the 'big science' enterprise.

The book is short but dense, and consists of three sections. The first discusses the political and material conditions under which scientific knowledge is produced. Fuller talks a great deal about the extent to which science really represents the 'open society' it is often claimed to be, and outlines his 'republican' philosophy for an open science. The second deals with the institution of the university as the location for the production and governance of science. The final section deals with the 'secularisation' of science and proposes a 'new deal for science policy'.

Fuller's core argument is that, over the past century, the social character of science has changed substantially, becoming 'a diversely interested, materially invested enterprise that reproduces both the strengths and the weaknesses of contemporary democratic society' (p. 97). However, he concentrates entirely on the weaknesses. In this respect the book provides an opposite perspective to *The New Production of Knowledge* by Gibbons *et al.*,¹ another short and dense work that was much concerned with the changing social character of science. That book (perhaps more than its authors intended) seemed to emphasise the virtues of a new mode in which knowledge is produced 'in the context of application', which the authors categorised as 'Mode 2' in opposition to tired, conservative, disciplinary, old 'Mode 1' science, as exemplified by the traditional model of university research.

Fuller critiques the Gibbons' model and confronts the more generally held assumption that more and bigger science is inevitable in an increasingly complex world. He insists that the ever-growing complexity of science is, in fact, an effect produced by the social institution of science itself. This complexity is constructed in four ways: first, through growing expenditure on ever more capital-intensive research, society becomes 'locked in' to particular trajectories of research simply because of the high sunk costs associated with them. Second, continued growth in the numbers of working scientists, together with the way in which scientific reward systems tend to encourage researchers to distinguish themselves from their peers, leads to a baroque proliferation of different viewpoints and perspectives, which is then mistaken for an inevitable increase in complexity. Third, an ever-growing gulf exists between science which is promoted as socially useful on the one hand, and the social and political processes by which societies reproduce themselves on the other, a disconnection which is interpreted as a symptom of the complexity of science, and which, Fuller contends, has 'opened up a space for all manner of people to broker the difference through activities ranging from the writing of pop psychology to the conduct of so-called "policy-relevant" research' (p. 79). The final way in which complexity is constructed within the scientific sphere is through the self-fulfilling nature of a 'before and after' view of science policy, which over-emphasises the

discontinuity between little and big science, Mode 1 and Mode 2. (Here Fuller argues that Mode 1 existed for only a relatively short space of time before Mode 2 appeared on the scene, and thus represented much less of a traumatic shift than 'Modist' accounts might portray.) At the centre of Fuller's argument is the failure of the institution of the university to play its part in the processes by which democratic societies reproduce themselves. Instead the academy has become an industrial district—'capitalism's final frontier'—where the meaning of academic labour has become ever more identified with its products rather than with any wider social responsibilities.

If Fuller's book is partly intended as an answer to Gibbons *et al.*, it also brings to mind Kealey's *Economic Laws of Scientific Research*,² which similarly questioned one of the basic tenets of the post-war settlement between science and society—the public funding of research. Leaving aside the merits of his analysis and prescriptions, this attempt to raise the question of whether public funds ought to be expended on basic scientific work earned the hapless Kealey—a Cambridge biochemist innocent in the brutish ways of science policy studies—a mauling from the self-appointed defenders of the faith. In fact, students of science policy should have been thanking Kealey for prompting them to revisit and to refine their arguments in support of public funding, rather than launching an all-out attack on his naivety and amateurism.

In much the same way I suspect that we should also be grateful to Steve Fuller for reminding us that it is possible, even desirable, to question the most basic aspects of the compact between science and society. Certainly, his critique of the baroque features of the modern scientific enterprise is a lively and thought-provoking one, and (much as with Kealey's book) to separate these useful stimulations from the provocative normative prescriptions offered by Fuller would leave the book both duller and weaker.

To conclude, it is very difficult to do justice to the originality of this book, both in terms of its ambition and in terms of its substantive content, without the use of extensive illustrative quotations. As others have noted, Fuller's prose style has to be experienced to be believed, and whilst the reader will have to struggle with it throughout the book, persistence—especially on the part of those of us involved in the teaching of science policy studies, or in the provision of 'so-called policy "relevant" research'—will be rewarded. It is no bad thing to be forced to question your assumptions from time to time—even if the result is simply to reinforce them.

Notes and References

1. M. Gibbons *et al.*, *The New Production of Knowledge*, Sage, London, 1994.
2. T. Kealey, *The Economic Laws of Scientific Research*, Macmillan, London, 1996.

Kieron Flanagan
PREST

The University of Manchester
Manchester, UK

The Springboard: How Storytelling Ignites Action in Knowledge-Era Organizations

Stephen Denning

Boston, Butterworth, Heinemann, 2001, 223 pp, US\$21.95 (pb), ISBN 0-7506-7355-9

In June 1995 a health worker in Kamana, Zambia, logged on to the CDC website in Atlanta and got the answer to a question on how to treat malaria (p. 81).

For Denning the above 29 words (or, as he points out, 200bytes), are the essence of storytelling. His book itself tells the story of how such a deceptively sparse account was the seed for a major initiative in a global institution.

To judge by the impressive testimonials incorporated in this book, it is an extremely well-received contribution to the field of knowledge management and organisational learning. These testimonials also reflect the widespread current interest in storytelling as a means of organisational communication and as a means of knowledge sharing. Two to three years ago this was an emerging area and was flagged as such by the practitioners contributing to the development of the Open University Business School's MBA elective in Managing Knowledge. In this course, stories are placed in the context of organisational communication and in an accompanying audio programme Elizabeth Lank of ICL and Victoria Ward of SPARK Knowledge describe their experience of the value of stories within organisations. The continuing growth of interest is strong evidence that consultants and practitioners are aware of both the limitations of the unproblematic view of knowledge and of the range of technical tools driven by that view (see an account by Lloyd¹ of storytelling in a hard-edged engineering context). It has become obvious that for change agents to achieve engagement with an issue, story is a far more effective medium than pious assertions of the goodness or correctness of a proposal.

Elsewhere, Yiannis Gabriel has provided an overview of the nature and occurrence of stories in organisations.² In conducting an extensive review of sociological literature on the nature of stories he distinguishes between myths and folklore. Organisational myths are about the uniqueness of circumstances and history. Folklore reflects common experience and embeds it in richly symbolic form. The persistence of 'urban myths'³ is testimony to the power of such embellishment of shared experience. Gabriel discusses the variety of issues and intentions revealed by stories through a typology of poetic modes. He classifies stories according to mode, ranging from comic to tragic, and identifies variation in protagonist, plot focus, predicament, poetic trope and emotions.⁴ For Gabriel, stories are a key means of achieving insight into an organisation or setting.

This anthropological approach is evident in the work of Charlesworth *et al.*⁵ who described the workings of a group of scientists who were investigating the human immune system in an Australian research institute. They viewed a scientific programme and the scientific method in the context of its social, political and economic constraints, including the Institute's setting, and the ethos of the 'new biology' emerging in the 1980s. More recently, Kunda⁶ took an ethnographic view of the claims made for the culture of one high-tech knowledge-based organisation.

David Snowden, in charge of IBM's Knowledge Institute, takes the same proactive approach to the use of stories as the carriers of knowledge as Denning.⁷ He is aware of the potential for stories released into an environment by management to be re-configured to carry different or conflicting messages and offers practical guidance on the use of Story (his capitalisation) in subsequent articles.⁸

The value of Denning's book is that it is a first person account of the discovery and refinement of effective storytelling techniques. The first chapter is entitled 'Stumbling upon the Springboard Story'. The 'Knowledge-Era' organisation of the subtitle could stand for any number of service and manufacturing organisations (in as far as such a clear distinction can still be made). The shift from a bank measuring success by value of loans advanced to, in Denning's terms, a knowledge-era organisation concerned with the effectiveness of interventions in subtly shifting circumstances is reflected in the 1998/99 *World Development Report*. This signalled a shift in focus at the World Bank and its self-redefinition as a 'Knowledge Bank'. Denning, an economist formerly based in Africa, found himself at head office with a remit to deal with information generally. The recasting of the institution as a knowledge bank and knowledge use shifted his understanding. In a well-resourced organisation, with ample technical tools for knowledge sharing and management, Denning discovered diminishing returns from the complex diagrams proposing formal knowledge sharing structures. His book is an account of the serendipitous discovery of the power of story to energise listeners and to achieve a life of its own.

In releasing the power of stories by leveraging tacit understanding through concrete examples, Denning explains the title of his book as follows:

By springboard story I mean a story that enables a leap in understanding by the audience so as to grasp how the organization or community or complex system may change.

A springboard story has an impact not so much through transferring large amounts of information, as through catalyzing understanding. It can enable listeners to visualize from a story in one context what is involved in a large-scale transformation in an analogous context. It can enable them to grasp the idea as a whole not only very simply and quickly, but also in a non-threatening way. In effect it invites them to see analogies form their own backgrounds, their own context, their own fields of expertise (pp. xviii–xix).

Denning's view echoes the synergy between tacit and explicit understanding set out by Cook and Brown.⁹ Denning employs the analogy of the common experience of self-assembly furniture: a utilitarian task, leaving no room for creativity. For him, the value of a story is that it can tap into the understanding of listeners, allowing them to fill in the missing links and to build on it:

The abstract way of thinking leaves us as perpetual spectators, self-conscious and eternal—turning us into voyeurs who observe the world as through an impenetrable glass screen. The universe of verifiable truth to which this type of thinking aspires can produce generalizations that are useful, but turn out to be inert.

By contrast, the narrative way of thinking is internal and immersive and self-forgetting and attached to the full richness of tacit understanding. Through a story, life invites us to come inside as a participant (p. 70).

The book is presented in three sections. The first, 'Practice', gives an account of the author's emergent understanding of the potential of storytelling. The second, 'Understanding', gives details of the difficult task of realising the perceived potential. The final section, 'Catalysis', reflects a growing maturity derived from Denning's experiential learning with the new tools. The Appendices contain a concise framework for analysing the stories introduced in the book, and for generating stories appropriate to the reader's purposes.

Denning provides an excellent example of participative action research: the hands-on construction, with a degree of trial and error, of an effective tool. With his approach Denning has empowered both himself and his colleagues. The World Bank is a key Bretton Woods institution of the second half of the twentieth century. In a period when the very legitimacy of these institutions is under challenge,¹⁰ Denning gives an indication of what it might become in the twenty-first century. Visitors to <http://www.globalknowledge.org>, an initiative of the Global Knowledge Partnership, can judge for themselves the way in which the actions ignited by Denning's stories have spread between the Bank and the community of NGOs.

Notes and References

1. P. Lloyd, 'Storytelling and the development of discourse in the engineering design process', *Design Studies*, 21, 4, July 2000, pp. 357–74.
2. Y. Gabriel, *Storytelling in Organizations: Facts, Fictions and Fantasies*, Oxford University Press, Oxford, 2000.
3. J. H. Brunvand, *The Vanishing Hitchhiker*, W. W. Norton, New York, 1981
4. See Gabriel, *op. cit.*, Chapter 3.
5. M. Charlesworth, L. Farrall, T. Stokes and D. Turnbull, *Life Among the Scientists: An Anthropological Study of an Australian Scientific Community*, Deakin University Press, Geelong, 1984.
6. G. Kunda, *Engineering Culture: Control and Commitment in a High-Tech Corporation*, Temple University Press, Philadelphia, 1992.
7. D. J. Snowden, 'Storytelling an old skill in a new context', *Business Information Review*, 16, 1 March 1999, pp. 30–37.
8. D. J. Snowden, 'The art and science of story or "Are you sitting comfortably" Part 1: gathering and harvesting the raw material', *Business Information Review*, 17, 3, September 2000, pp. 147–56; and 'The art and science of story or "Are you sitting comfortably" Part 2: the weft and warp of purposeful story', *Business Information Review*, 17, 4, December 2000.
9. S. N. Cook and J. S. Brown, 'Bridging epistemologies: the generative dance between organizational knowledge and organizational knowing', *Organization Science*, 10, 4, 1999, pp. 381–400.
10. See R. Kanbur, 'Economic policy, distribution and poverty: the nature of disagreements', *World Development*, June 2001.

S. E. Little
Open University Business School, UK

Religion and Economics: Normative Social Theory

James M. Dean and A.M.C. Waterman (Eds)

Boston, Kluwer Academic Publishers, 1999, 205 pp., US\$95, ISBN 0-7923-8373-7 hbk

Analysis of the interplay between economic activities and theories, religious belief systems, business ideologies and managerial practices has long preoccupied both sides of the perceived divide. Religious doctrines have often sought to provide commentaries on the morality of business practices and the underpinning economic theories; religious beliefs have been proposed as key to the development of economic systems;¹ economic arguments have been utilised in protests against the religious dominance of markets;² and religious and spiritual attitudes and beliefs have played and continue to play a key role in the management of the individual at work.³

However, there has also traditionally been a suspicion that business practices and economic concerns are somewhat 'dirty' in comparison with the purer concerns of philosophy, religion and theological debate.⁴ This set of cases and essays in part addresses this separation of God and Mammon. The collection is a sequel to an initial set of essays which began to address three key questions regarding economics and religion.⁵ In that volume the editors posed three questions: first, whether organised religion can contribute to public policy debate over economics; second, whether any theological contribution can be related to the secular knowledge of economists; and third, the relation of economics to the social values and ethics as manifest through religious systems. As this second collection demonstrates, these issues continue to concern both economists and theologians, both groups perceiving that each lacks understanding of the other. At least this volume brings together analysts who agree that this is a fundamental problem for both sets of thinkers. Nine economists and business administration academics, one legal scholar, and two religious studies researchers come together in this volume in an attempt to further gauge what, if anything, the two disciplines have to say to each other.

The book is organised into four sections. The editors' introduction sets up the basic questions the collection wishes to address. These include the issues around whether there can be any common ground between economists and theologians explored in the previous volume. However, this collection seeks to go beyond theoretical discussions of interconnection, and to establish a common normative framework for economists and theologians to work within. Such a normative framework is defined as a set of related doctrines which prescribe ideals for the governance of society, and allow a standard for the critical appraisal of present practices.

This rather ambitious programme the editors seek to develop through case studies which examine in detail whether economic analysis has formed an adjunct to or partner with theology. This section contains six chapters, each dealing with a different strand of religious belief. In the first case, Neusner examines Judaism, through a close reading of the Mishnah, a second century philosophical system in the form of a law code, heavily influenced by Aristotelian economic theory. He then traces the application of the Mishnah by the Talmud of the Land of Israel. The line-by-line hermeneutic reading of the Mishnah in the Yerushalmi Talmud, Neusner notes, lost the meaning of the integrated document, and transformed an economic philosophy into a set of rules and cases. In this case, it seems that theology may have

had something to contribute to economic theory, but that something was lost in translation into religious law.

The second case examines the appearance of economic theories in Papal Encyclicals emanating from the Roman Catholic Church. Yuengert concentrates on the treatment of neo-classical economics in Papal Social Teaching, in which a series of Popes have insisted that economic analysis ought to take into account the expertise and advice of Roman Catholic moral theology. He argues that encyclicals relating to labour relations, social economy, and consumerism do not accept the insights of economic analysis without first evaluating its normative content (which is commonly found to be lacking). Usefully, he attempts to see economics from within the framework of Roman Catholic teaching, rather than vice versa.

The third case addresses Protestant Anglican social thinking, with limited treatment of the Presbyterian Church of Scotland and the Lutheran churches of Scandinavia. Waterman's analysis focuses on the emergence of a Christian political economy through the seventeenth and eighteenth centuries, and the construction of Christian socialism in the nineteenth. Finally, he brings the account into the twentieth century with analysis of Keynes' economic legacy. Waterman notes three fundamental difficulties in bringing together Protestant theology and economics, which also have relevance to other religious traditions. First, Christian ethics are concerned with individual actions, not impersonal social rules; second, the profane language of economics can never be translated into the sacred languages of theological meaning-making; and third and relatedly, the values of religion and the facts of economics are transmitted in different and incompatible language games.

The fourth case deals with liberation theology, the foundation of much Latin American religious practice. According to Schuback, liberation theology attempts to relate God's reign to people partly mediated by theological sources, and partly by social scientific sources, thus bringing together hermeneutic and socio-analytic discourses. This dialectical method, Schuback argues, may help in the development of a more just society by constructing normative social theory *if* theologians and economists listen to each other, and appreciate that both individuals and social structures may need to be transformed.

The fifth case takes Kuyperian social theory as its subject. Tiemstra outlines its basis in Calvin's view of 'strong' God, as the central figure in a doctrine of divine election and reprobation. This was developed by Kuyper through the notion of 'sphere sovereignty', in which people in different spheres of social life have to account for their actions according to distinctively contextual God-given operational norms. Kuyper further proposed that Calvinist theology could be applied in a pluralistic, secularising society through the development of 'confessional communities'. This was intended in part to enable believers to explore the central issue of early twentieth century society, the divide between rich and poor in the capitalist structure.

The final case examines the various evangelical attitudes to economics, concentrating especially on the criticisms of utilitarian economic theory which have come from evangelicals in the US and Australia. According to Hawtrey, there have been four core criticisms. First, economic theory based on the consumption of goods may be flawed, as more goods need not equate to greater happiness; second, welfare economics ignores religious sentiment, and therefore excludes a key conditioning feature of decision making; third, Hawtrey notes that rationality as defined in economics is inherently value-laden, rather than value-neutral, as

often assumed; and finally, perhaps most importantly, evangelicalism can contribute to economics through questioning the questions being asked.

All of the case study authors emphasise the wide gap between a religious system developing a sustained, systematic, internally coherent economic theory, and occasional ad-hoc remarks regarding wealth and poverty in holy texts. They all enter into their chosen subject in detail, with authority, and for the most part engagingly. This section of the book seems to approach the crossover between religion and economics in such a way as to avoid alienating either a theological audience, or an economic theory reader (or indeed someone who is a specialist in neither discipline). It provides a very varied and coherent introduction to the nuts and bolts of the relation of theological concerns and economic preoccupations.

The third part of the book offers six interpretive essays which use the case studies to address the core question of this and the previous volume: whether there is or can be any fruitful interaction between two apparently very diverse disciplines. Dean examines the treatments of social and collective relations across the cases; Dow focuses on the differing epistemological standpoints of the two subject areas, with digressions on ethics; Elzinga offers a general overview of the six cases; Heyne argues that theologians have denied economic theory a place in religious practice due to a neglect of notions of justice; McChesney reads the cases as demonstrating that economics has little to offer theological social theory; and finally, Steedman argues that the cases provide little evidence or argument to clearly support either position.

Curiously, this edited collection almost reviews itself at this point. In the fourth and final section, the editors return to the fray with a 'Summary if not conclusions', to assess the arguments of the case study writers and their interpreters. Not surprisingly, their summary discussion does not indicate strong support for either pursuing or abandoning any project to bring economics and theology together. Three of the interpretive essayists think that there would be little future in working towards such a goal; two would support it; and one is undecided by the evidence and arguments in the second section of the book. The editors indeed leave the decision to readers of the collection to decide for themselves, a proposal wholly in keeping with the underpinning ethos of the book, to present and stimulate debate.

Clearly, it is impossible to definitively answer a question as blunt as that initially posed by the editors. The value of this collection lies in the question being raised, in going towards possible resolutions rather than attempting to arrive at conclusive arguments. Religion and spiritual belief is often suggested to be the most enduring, even defining, aspect of being human, and a primary means through which we can come to a better understanding of both ourselves and the societies we create.⁶ It now seems safe to assume that any process of secularisation in Western societies is a crisis past,⁷ and that religion and spirituality have endured and will continue to form a basis for individual and collective social action. Similarly, economic actions and theories form part of the everyday lives of most people around the globe. This book recognises this, and provides an informative and insightful analysis of the ways in which both of these disciplines can provide analyses of both individual actions and societal structures. Perhaps it could have addressed more recent religious movements than evangelicalism, or less mainstream approaches to belief, such as the New Religious Movements; perhaps it could have integrated a little more the case presentations and interpretive analyses; perhaps it could have leapt more into the dark in speculating on possible futures for the interplay of religion and

economics. However, overall, this collection has to be welcomed. Indeed, similar volumes which acknowledge the interplay between religion and religious beliefs and other areas of social analysis and action would be equally welcome.

Notes and References

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Scott Taylor
Open University Business School
UK