All three of these books have a lot to say about the state of modern society as well as about the organisation of work. They differ in some obvious ways: Sennett and Putnam – both academics – are profoundly critical of modern life while Welch offers an unapologetic, autobiographical celebration of the way we live now. There are, however, some rather surprising similarities. Sennett and Welch rely heavily on personal observation and anecdote, while Putnam bombards the reader with a staggering range of data. All have illuminating things to say about work, business and social relationships.

Four Concerns about Modern Capitalism
The many critics of modern society have been especially concerned with four features of modern life that, in their opinion, restrict or prevent the full expression of humanity. Each of these derives in some way from classic social theory and finds modern expression in the books reviewed here.

The first concerns the negative consequences of the triumph of individualism. Apart from residual stalwarts of the ancien regime, few deny that modern life has increased the scope for human choice. But many, in the spirit of Durkheim’s Division of Labour, have cautioned against the rise of excessive individualism. Several dysfunctional symptoms follow from this. Modern life is seen as characterised by a lack of moral regulation in which work loses its meaning as an ever more extensive division of labour fragments and separates. Durkheim calls this the “anomic division of labour”. Further, modern life is described from this perspective as not just allowing for expression of self but as being simply selfish, with little or no concern for others or for society. In the psychological context this symptom has led to modern culture being described as “narcissistic”. As we shall see, both Sennett and Putnam draw on this tradition in their books.

The second negative feature of modern life concerns the demeaned nature of work in modern society. Work becomes a means to the satisfaction of other ends – paying the mortgage, buying designer-label goods – rather than having intrinsic meaning. This critique, deriving from Marx’s analysis of a specifically capitalist form of the division of labour, describes individuals in modern societies as being profoundly alienated from their true human selves. They find themselves struggling to act as humans in their leisure time, while at work they act only in their selfish animal natures. In management writing, this state is celebrated in F.W Taylor’s 1911 establishment of scientific management and condemned by H. Braverman’s Labour and Monopoly Capital and those that followed him. For the former, the worker is paid not to think; for the latter, the separation of the labour of conception and execution represents the most extreme expression of alienation. Both Sennett and Welch – no Marxist! – write with these concerns in mind.
The third feature, deriving from Max Weber, concerns the domination of a particular form of rationality. Weber calls this “technical” rationality. In more modern parlance, it is “instrumental reason”. It is defined as the rationality of an act being judged by the connection between means and ends, where the ends are given. In other words, rationality is stripped of morality. For Weber the triumph of this way of thinking constitutes the nightmare of modern life; he speaks of mankind trapped in “an iron cage” from which it cannot escape. This theme has been elaborated many times in the critique of modernism. In medicine, it is claimed that the application of technology has demeaned and dehumanised the patient. In the workplace, the ruthless application of cost-output analysis has degraded work and treated workers and managers as just another kind of input, to be “downsized”, “delayed” and discarded. The domination of technical rationality is manifest even in language itself. We witness the use of apparently technical, value-neutral terminology – “pacification”, “active defoliant”, and most recently “collateral damage” – to describe acts with huge moral implications.

There is one further element of this critique that is of relevance to all of our authors. For Weber argues that one form of organisation, more than any other, embodies technical rationality – namely, the bureaucracy. Today, this term is associated with inefficiency and slowness but, for Weber, what is frightening about bureaucracies is not their inefficiencies but their efficiencies: their capacity to simply process people, to take unique individuals and treat them merely as a type. Remember Eichmann’s defence – “I was just a good bureaucrat”. This grim picture of a world dominated by soulless giant bureaucracies finds a chilling echo in the novels of Franz Kafka. All of our authors have something to say, either directly or indirectly, about the power of bureaucracies.

The final feature of modernity that has persistently attracted the attention of its critics has been collapse of a properly functioning democratic life. The inspiration for this view comes from de Tocqueville, who fears the rise of “soft” despotism – a society in which individuals decline to engage in acts of self government in exchange for a government that meets their material needs. Alongside this withdrawal from formal institutions of political power he predicts a withering of civil society – of the myriad organisations which could provide social “glue”. This picture of atomised, apolitical individuals obsessed with the world of things is frighteningly captured in David Reisman’s The Lonely Crowd and is at the root of much of Putman’s argument in Bowling Alone.

Four issues therefore characterise the critique of modern society: excessive individualism, the degradation of work, the domination of technical rationality and the collapse of civil society. What do our authors have to say about them?

Sennett

Let’s begin with Sennett. This long essay has a straightforward claim: that the new forms of work organisation characteristic of modern capitalism inhibit the proper construction of self. It is a work short on data but which draws from a wide range of social scientific, philosophical and fictional literature. It is written elegantly and persuasively, and, like his earlier work, is based on first-hand observation, workplace interviews and anecdotes. His target is the allegedly new world of “flexible” capitalism in which workers and managers are seen as wholly and readily dispensable. The consequences are severe and go beyond any sense of increased economic uncertainty. They threaten our general sense of psychological wellbeing. For central to Sennett’s argument is the claim that routines and the prospect of a more or less predictable career are the very stuff from which we create a sense of self. This is a humane book written from the perspective of those at or near the bottom of the social ladder. Such concerns are rare indeed in books broadly concerned with work or business. But there are problems.

First, like many “left” critiques of capitalism, this book is permeated with a deep sense of nostalgia. The “old” nostalgia was for the world of the artisan, the “new” nostalgia is for stable hierarchies, predictable bureaucracies, deferred gratification and long organisational careers. Through the lens of another paradigm this looks like wage slavery. Second, Sennett’s emphasis on the organisational context of work under-emphasises the extent to which individuals performing all kinds of tasks derive meaning and significance from the task itself (remember the tuna
fish gutter in Studs Terkel’s *Working*). The human capacity to derive happiness and wellbeing from productive processes themselves, independent of context, is surely one of the most significant discoveries of 20th century social science. It is precisely these observations which fuel Robert E. Lane’s masterful critique of conventional market economics (1991). It is therefore curious that Sennett’s book has relatively little to say on the subject of individuals’ direct experience of work itself. Finally, there is Sennett’s perverse citation of Max Weber (perverse, for it surely cannot be a mistake). Weber’s greatest fear for modern man was the “iron cage” – with the bureaucracy embodying technical rationality and crushing the expression of individuality. Here, Sennett’s “hero”, Enrico the janitor, who had spent twenty years “cleaning toilets and mopping floors” before Sennett first met him, positively requires an iron cage: “a bureaucratic structure which rationalised the use of time”.

I found myself responding in the same vein as one of Amazon.com’s reader reviewers. The response is entitled “Corroded and proud of it” and begins as follows:

“According to Sennett I am one of those ‘soulless, employees with no stability and no career. I never worked anywhere for more than eighteen months and in fact cannot remember offhand how many times I have changed jobs. Some of my former companies no longer exist; others have turned over completely, with no original people left. And guess what? I like it this way. I enjoy what I do, and love to learn new things. I make no long-term career goals, and it would be folly to try since nobody knows what the world will be like in twenty years. ..... Does it make me selfish and disloyal? Not at all, because my loyalty is to individuals – colleagues – not to an abstract entity called a ‘company’.”

Which is more attractive image – the loyal company man or the latest recruit to “free agent nation”?

**Putnam**

The interactivity, via the internet, which produced this reader’s response leads us directly to Putnam’s work. For, in a work of outstanding scholarship, data collection and analysis, he claims that the sense of community has declined dramatically and dangerously in American society. He produces a barrage of statistics to bolster this claim – declining membership of parent-teacher associations, less attendance at public meetings, less softball and, of course, despite the increased popularity of bowling, the collapse of bowling leagues. This matters for, as de Tocqueville has argued, informal associations are critical to a thriving civil society and a healthy democracy. This is an important book that will produce new research to test and stretch Putnam’s central claim.

Several of Putnam’s themes are relevant to this review. First, what explains this collapse in community? He lays much of the causal weight on the privatising experience of watching television. It was at this point that doubts crept in for this reviewer. Remember, about 20 million people in the UK watched the episode of *Eastenders* in which Phil Mitchell was shot (sadly, not fatally). This is surely a new form of social glue – perhaps a genuinely communal experience. We are back to a familiar methodological problem in social science. It is not enough to count the incidence of social events, it is essential to explore their meaning.

Second, Putnam attributes some of the decline in community to changes in the organisation of work. The growth of dual-career families has, in his view, taken women away from many of the informal associations in which they had been the drivers. Further, in common with Sennett, he believes that the downsizing and delayering of the 1980s has produced a chronic sense of economic uncertainty in which workplace sociability declines. People are more inclined to “keep their heads down” and concentrate solely on the immediate task in hand, rather than build networks at work. If this is true, it may have profound impact on the creativity of American business.

It is, therefore, clear that Putnam’s work raises disturbing and important questions. However, it too is heavy with nostalgia, in his case for the Progressive Era – approximately the first two decades of the 20th century. In some respects this represents a healthy activist conception of social order. We changed life in the past and we can do it again. There are no technological or economic determinants that are not mediated by the choices that social actors make. However, this reverence for the past may lead to a
tendency to under-explore new forms of interaction – chat rooms, texting, online book reviews. It may be that human beings are hard-wired for face-to-face contact but it ought at least to be a matter of empirical investigation to see if new forms of communication can add to our repertoire of sociability. Earlier experiences with the letter and the telephone suggest we should keep an open mind.

Finally, Putnam is working with that most difficult of concepts – community. It remains a challenge to adequately define this term. For example, in Putnam’s discussion of connections in the workplace he switches between relationships of sociability (non-instrumental relations with an affective element, for example, amongst groups of co-workers) and relationships of solidarity (instrumental ties based on perceptions of shared interests manifest, for example, in Trades Union membership). While the relationships may be encountered empirically together, they need to be conceptually differentiated. One of the biggest errors of post-war British sociology was the romantic description of working-class life that confused these two relationships. Coal miners, steelworkers and deep-sea fishermen do not have to like each other, they merely have clear perceptions of shared interests (not least, staying alive at work).

Welch

To move from Putnam to Welch is to switch from batteries of closely-analysed data to a fusillade of strong opinions. Welch, perhaps the most successful and admired CEO of modern times, at least by shareholders, has produced a deeply personal account of his life and of his times at GE as he, more or less successfully, re-invented the corporation several times. It is a largely unapologetic defence of his many business maxims – “fix, sell or close”, “fast is good”, “it’s all about performance”. Perhaps the most revealing chapter, “The People Factory”, deals with the performance management system for GE’s senior managers. It requires differentiation into A, B and C type managers. The top 20% are the As who exhibit “energy”, “edge” and “execution”, the Bs are the “heart of the company” and the Cs “can’t get the job done” and are more likely to “enervate than energize”. The differentiation exercise takes place annually. So 10% at the bottom leave the company every year. Brutal? Jack does not think so. In his view, the real brutality is “false kindness” and keeping people who cannot grow and prosper. Indeed, one of the many things that make Welch angry is “false congeniality” – superficial sociability that gets in the way of addressing real performance issues. Managers in many large European organisations where subterfuge triumphs over candour will sympathise with this uncompromising view.

This is a passionate book, and, despite its length, a good read for all those interested both in the recent history of GE or in the inner drives of a widely-admired businessman. Welch is fiercely anti-bureaucratic, committed to “work out” and “town meeting” techniques that aim to capture ideas from anywhere in the organisation. But it is a book only for those who can succeed – life’s winners. This is true even of his own life. While he discusses the role that his wife played in providing a stable home while he built his GE career, he hardly mentions his divorce. It also has little time for anything other than full-blooded, cut-throat capitalism. If “new” capitalism needs an advocate, it has certainly found one here.

**Concluding Observations**

There are some fascinating similarities and contrasts between our three authors. For Sennett and Putnam, excessive individualism is a threat to social order; for Welch, ceaseless individuation is a positive good. Hence, his emphasis on the constant rank-ordering of his executives. For Sennett, routines are a source of meaning. Indeed, without them it is difficult to develop a stable sense of self. For Welch, habit and routine are the enemy – he is contemptuous of the “if it ain’t broke, don’t fix it” school. He is in favour of undoing routines and of breaking habits. Putnam argues that the reassuring routines of informal associations build community and that without them democracy itself is threatened. All three authors are committed to the power of reason – though in curiously different ways. Putnam uses his rationalism to stress the possibility of humans remaking their social order. This is cheery Enlightenment thinking and his optimism is infectious. In stark contrast, Sennett embraces the “iron cage” – bureaucratic structures out of which individuals can carve a meaningful personal narrative. Not optimistic at all. For Welch, like that most persuasive of rationalists, Hume, rationality must always be subsumed to the passions.
All of these books are well worth reading. There are big ideas in here which touch on many of the issues facing modern societies. Welch’s breezy, opinionated prose, Sennett’s angry essay and Putnam’s painstaking marshalling of data will all engage readers. This reviewer is left with the following axioms, prejudices and theories pretty well intact. First, sociability is an important element of healthy businesses and societies. This is an under-researched area of human behaviour – both conceptually and empirically, though recent work on networks may prove a rich vein of inquiry. Second, work, rather than any specific form of employment, remains a significant source of meaning. It is out of their productive activity that people create their sense of self. Third, there are close connections between the organisation of work and the organisation of society. This is why business schools must never become mere repositories of “techniques” about business. Their agenda should be larger and must embrace the ethical and political questions which political economy always implies. Finally, men and women can, and do, make and remake their organisations and their social relationships. But they do not do this in a vacuum. They do it under material and cultural conditions which are not of their own choosing.

References