fessors of what would now be called "economics" were called professors of "moral philosophy." This is true of Adam Smith, for example, and it may serve to recall that his first, if less famous, book was called The Theory of Moral Sentiments in 1759. Since that time many economists, and particularly is this true of classical liberal economists, have expressed the view that the goal of freedom is not, in itself, an all-embracing objective constituting the whole of life. Frank H. Knight's, The Ethics of Competition, Mises' Human Action, Hayek's Constitution of Liberty, J. M. Clark's The Ethical Basis of Economic Freedom, Röpke's The Humane Economy come easily to mind from contemporary literature.

To these great books Hazlitt's The Foundations of Morality must certainly be added. It is a serious, erudite, scholarly, well-documented, and well-indexed volume ranging over philosophical, moral, and legal literature in a way suited to use as reference work—or as the hackneyed phrase goes, it is a real contribution to the literature on the subject. But, more than this, it is also a thing "of grace and beauty" from which one can gain continuing, repeated, and enduring pleasure, intellectual stimulation, and wisdom. A few quotations may illustrate:

There is no irreconcilable conflict between the interests of the individual and those of society. If there were, society could not exist. Society is the great means through which individuals pursue and fulfill their ends. For society is but another name for the combination of individuals for cooperation. It is the means through which each of us furthers the purposes of others as an indirect means of furthering his own . . . .

For one best promotes one's own interest in the long run precisely by abiding by the rules that best promote the interest of everyone, and by cooperating with others to hold everyone else to those rules. If it is to everyone's long-run interest to adhere to and uphold the moral rules, it must therefore be to mine . . . .

The wealth of the rich makes the poor less poor, not more. The rich are those who have something to offer in return for the services of the poor. And only the rich can provide the poor with the capital, with the tools of production, to increase the output and hence the marginal value of the labor of the poor. When the rich grow richer, the poor grow, not poorer, but richer. This, in fact, is the history of economic progress . . . .

. . . . In a free economy every one is free to practice generosity toward others to any extent he sees fit—and better able to . . . .

Hazlitt examines so many topics (ranging from traffic rules, intuition, commonsense, asceticism, self-sacrifice, egoism, altruism to international ethics and religion) that it is difficult to pick a few "best" sections. This reviewer was particularly and favorably impressed with "Long Run vs. Short Run" (Chap. 7), "The Need for General Rules" (Chap. 8), and "The Ethics of Capitalism" (Chap. 30). On the other hand, I found those on "The Ethics of Socialism" (Chap. 31) and "Morbidity and Religion" (Chap. 32) unsatisfying and in many ways superficial. These are small flaws, but perhaps such topics could be better handled by those who have a more passionate belief in socialism or religion, or in both. Hazlitt clearly thinks that religion is neither a sufficient nor a necessary adjunct of morality, although it may contribute to it on some occasions and detract on others.

Has the author succeeded in providing the "metaphysics," the "teleological purpose" sought by John Davenport? The answer, as Hazlitt would be among the first to agree, is clearly no, but he has tried. It behooves the rest of us to contribute our five cents worth. And, as in any informed voluntary exchange in a free society, both parties will gain.

Reviewed by ARTHUR KEMP

The Vicious Circle


The dynamics behind the development of the rigidity of behavior and maladapted responses, which are unfortunately so characteristic of bureaucratic organizations, have often been the focus of some of the most rewarding efforts of students of bureaucracy. Generally, this problem has been confronted solely at the level of internal structural arrangements of bureaucratic organizations—the intent be-
ing to show how these arrangements interact with the human personality and human groups to produce the much-remarked-upon "dysfunctions" of bureaucratic structure. With the development of the field of comparative administration, however, a strong trend has arisen in the direction of broadening the perspective for the study of bureaucracy to include the cultural context in which bureaucratic organizations are set.

The Bureaucratic Phenomenon is an excellent example of a study of another kind. The chief purpose of this book is to explain, in terms of internal structural and cultural factors, the development of the dysfunctional, self-reinforcing patterns of action that one finds in bureaucracy—what the author of the book calls the "bureaucratic vicious circle."

Crozier begins his argument with the presentation of extensive case studies of two highly "bureaucratic" (in the popular pejorative sense of the term) public organizations in France, one a large unidentified "clerical agency" in Paris, and the other an extensive legal monopoly of the French state which produces a "very simple commodity." Both of these cases are interesting, but the study of the monopoly is especially intriguing in that it provides an example of a bureaucratic unit operating almost entirely apart from environmental pressures, so that its internal structural dynamics can be studied in a "pure" form, without having to take into account the impact that environmental constraints can have on organizational structure and action. An analysis of these cases from a perspective which poses the struggle for power among internal groups as the central problem for organization theory leads Crozier to the development of a distinctive model of the component elements of a bureaucratic vicious circle. The factors necessary to produce a maladaptive feedback loop of this type, Crozier posits, are four: the extent of the development of impersonal rules, the centralization of decisions, "strata isolation" and concomitant group pressure on the individual, and the development of "parallel power relationships around remaining areas of uncertainty." These elements, as I read his argument and grossly simplify it here, are articulated into a vicious circle (or, more exactly, a number of vicious circles) in the following manner: the proliferation of impersonal rules objectify and depersonalize authority so that members of the organization are afforded a degree of independence and protection from any kind of personal interference. This leads in turn to centralization, inadequate information for decisions at top levels, isolation of organizational strata with a consequent extraordinary peer-group pressure on members of the same stratum (resulting in ritualism, esprit de corps, and goal displacement), and the development of power centers outside the hierarchy around the inevitable areas of uncertainty in the structure of rules (resulting in dysfunctional decentralization of power). These patterns result in "difficulties," "poor work," and "frustrations" which then reinforce the pressures for impersonality and centralization, and the circle is thus completed.

There are themes in this model taken from the work done earlier by Robert Merton, Alvin Gouldner, and Philip Selznick on this same problem. What Crozier has added is an elaboration, extension, and synthesis of these themes under a unifying perspective which sees these patterns as the result, not of passive reaction, but of active participation for the purpose of avoiding interpersonal dependencies in the play of power relations within organizations.

The fact that Crozier's theoretic scheme is so closely related to the work of these American scholars makes the fact that he is able to work through data from his case studies of French organizations all the more striking. In spite of this, however, I had a growing feeling in following the description and analysis of the case data through the construction of the model that these patterns would not be so likely to occur in American society—especially in regard to the emphasis on the depersonalization of intra-organizational relationships. This feeling is reinforced if not confirmed in the concluding section of the book, where Crozier, although stating that he has attempted to work out a "general and abstract scheme" in his model, shows the correspondence between "a number of traits typical of French society" and the elements in his model. He proceeds to do so by focusing on several key problems in the French bureaucratic system of organization and presenting evidence indicating that these same problems are manifest in French culture generally. His argument is further bolstered by a subsequent discussion showing that the same bureaucratic patterns are reflected in the French educational, industrial relations, political, and colonial systems. Next, Crozier presents an analysis of the relation of the bourgeois entrepreneur in France to the French bureaucracy, with special emphasis on the problem of achieving change and innovation. The book is then concluded with a penetrating discussion of the phenomenon of "bureaucracy" in general, and the French form of it in particular, as they are set in the pattern of development of industrial society. The general argument here is that flexibility and bureaucratic rationalization are possible with-

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out bureaucratic dysfunctions, that the fear of technocracy is not founded in fact, and that the rigidity of the French system seems likely to break down (because of, among other things, increased environmental interaction and pressures), but will leave a positive contribution in the form of a traditional emphasis on personal independence and freedom.

This book is so richly filled with a wide range of stimulating and venturesome thinking that it is difficult to summarily in the brief space of a review. I had a number of somewhat quibbling reactions to a few aspects of the presentation (e.g., Crozier’s use of the word “model” and his summary evaluation of the research on permissive leadership), and I felt that the concept of power as a theoretic tool for analyzing intra-organization relations could have been more fully developed. Also, I was bothered by Crozier’s seeming ambivalence over the power of the cultural-analysis approach he used here. I could not clearly tell either how “universal” he deemed his model of the bureaucratic vicious circle to be in the light of his cultural analysis, or, concomitantly, specifically what his view was on how the cultural analysis replaced, supplemented, or generally related to his model as a theoretic instrument.

But in sum this is a study of the type and quality that should be warmly received and highly commended by those interested in understanding the workings of bureaucracy. Although, as was the case in this book, reliable data are presently scant and will be difficult to garner through research, studies such as this one indicate the great rewards in deeper understanding that can be reaped by undertaking this kind of comprehensive analysis—especially, as here, when it is done in conjunction with an examination of intrastructural dynamics. We can only hope that we will see more of the same in the future.

Reviewed by ORION WHITE, JR.