



Tsibi Geva, **Keffiyeh No. 38**, 1987, oil on Canvas, 178x178,
Collection of Crown Plaza Hotel, the Dead Sea

BOOK REVIEWS

Manufacturing Rationality:

The Engineering Foundations of the Managerial Revolution

by Yehouda Shenhav, Oxford University Press, 1999. pp. 245

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Why do capitalists need hired, professional MBAs to manage workers? For many people in the west, the answer is simple and straightforward: Employers hire professional managers to increase rationality, efficiency and productivity. For Shenhav, the taken-for-granted terminology of “rationality”, “efficiency”, “management” and “productivity” needs to be questioned and deconstructed and to unearth its meanings and separate its practices from rhetorical facades. Shenhav thereby joins a long and established school of critical thought that encompasses labor history, neo-Marxism and the sociology of knowledge, while producing an original and thought-provoking study.

How did management become a legitimate body of knowledge? Mainstream industrial history portrays managerial rationality as a natural outcome of modernization and ignores workers’ resistance to the importation of rational practices into their factories by engineers. Such a portrayal also overlooks the less known, but no less vociferous resistance of capitalist-owners. Eventually, however, management systems were institutionalized to become part and parcel of legitimate industrial conduct everywhere. The written history of management that examines this institutionalization, Shenhav argues, is an “authorized version”, produced by early management activists themselves, and not an independent inquiry. According to Shenhav, mechanical engineers, not business schools and managers pioneered the development of management systems and their experimental implementation. This book, however, is much more than a historical description of the role of engineers in the evolution of management. Shenhav’s analytical focus includes politics and ideology which makes the argument engaging. A major objective of this book is to offer an alternative historical analysis of managerial rationality to present it as contested ideology and practice.

Shenhav reads his alternative history in the engineering literature which served as a primary forum of management from the 1880s until the 1920s. Specifically, he uses data from two popular engineering periodicals: *The American Machinist* (established in 1877), and *The Engineering Magazine*

(established in 1891), the first specialized periodicals to provide a voice to industrial management as it evolved as an autonomous field. These are primary sources, often missing in many other studies of 19th century organization practices. Shenhav describes these magazines as actors in the political field, contributors to establishment of the legitimacy of management. "Systems" and "systematization", perhaps the key ideological tropes of management, were constructed as such within the pages of these journals and Shenhav shows how these seemingly scientific and neutral terms have interacted with the realities of labor unrest, American Exceptionalism and, later, Progressivism.

By focusing on the period 1880-1932, Shenhav documents what he calls the ideological phase of the managerial revolution. The gospel of rationalization, preached by mechanical engineers during this time, became the backbone of American management. Quantitative data presented by Shenhav show that while labor unrest intensified over time, its coverage in the engineering literature gradually declined. He further argues that the severity of industrial unrest was overlooked within the ideological bounds of American Exceptionalism. Strikes were considered foreign to the American experience, anarchism was attributed to European subversive philosophies and the possibility of class struggle was denied. Later, during the Progressive era, the severity of industrial unrest was recognized, and engineers established themselves as arbiters of industrial conflicts. They perceived themselves as gatekeepers situated at the junction between politics and economics and offered management systems as a solution to political instability. "System discourse" thus gradually replaced the explicit ideological (political and labor) discourse, ultimately resulting in the depolitization of the labor struggle.

Shenhav argues that while "management" is presented today as a necessary and universal outcome of the complexity of modern organizations, it is actually a very recent American invention. The historical contingencies of management can be thrown into relief through cross-cultural comparison. In Japan, for example, "Japanese-style management" is a well-established cultural institution that nevertheless hinges on in-house education and promotion rather than on hired MBAs. The book is an excellent point of departure for future comparative studies on the cultural framing of management.

Perhaps because of the thrust of its argument, this study leaves us with several open questions. Perhaps managers (or capitalists) are to be blamed for using "rationality" as a means of control. But as far as the engineers were considered, they were developing what in their view was a functional implementation of their expertise to labor problems. It is an open question whether Shenhav's analysis represents the engineers' story, or whether it is a specific version of another author.

Like all fields of cultural production, management has developed and appropriated a terminology that became its own. This terminology gradually came to constitute a worldview. By going back to the engineering foundations of the managerial revolution, Shenhav was able to decipher a dominant element of

managerial thought, which has recombined and replicated itself in forms such as Taylorism, Human Relations, Open Systems, or TQM (Total Quality Management). As chapter 7 shows, much of management and organization theory is epistemologically infused with the ideological parameters that were born during the efforts to establish the legitimation of management. This is illustrated with a discussion of three key managerial concepts: “system”, “rationality” and “uncertainty” and their canonization in organization theory. Shenhav’s analysis goes back to the stem cells of that backbone and dissects the seductive flexibility that made it so successful over the years. The question, however, is not merely to expose the dominant terminology, but also to ask what alternative languages could have emerged, but did not. In Shenhav’s rendition, alternative discourses such as industrial betterment or welfare capitalism could not compete with the scientific prestige of rationality and the superior control it offered to capitalists-employers.

The power of Shenhav’s historical analysis hinges on its relevance to the study of contemporary management. I will illustrate this using the example he presents: In 1995, Shenhav tells us, the Israeli military occupation in the Gaza Strip implemented TQM techniques in its administration. The idea was imported by high-ranking military officers who had recently obtained MBA degrees in Europe and at Ivy League universities in the U.S. This was considered a calculated rational decision. After all, TQM was highly fashionable worldwide and had been adopted by all manners of organizations including schools, prisons, churches, art museums, and the U.S. Department of Defense. The documents prepared by the Israeli military officers depicted the administrative apparatus of the military occupation as a firm, while the Palestinians under occupation and the Jewish settlers in the occupied territories were likened to customers of the enterprise. Principles of “quality control” and statistical analyses were then “naturally” implemented. Needless to say, this bizarre characterization of reality, once institutionalized, de-politicized the military occupation and neutralized its language. According to Shenhav, it legitimized the adoption of deep control mechanisms and blurred the political and human meaning of the officers’ and soldiers’ actions.

This example bolsters Shenhav’s claims in several ways. First, it shows how easily management systems (i.e. TQM) transfer across cultures and situations, and proves Shenhav’s point regarding the universal and apolitical characterization of “rationality”. Second, the case is a blatant example of the rhetorical facade erected by managerial rationality – the conquered Palestinians cast as “customers”, the Israeli soldiers defined as “front-line service representatives”. A situation which is primarily about control and domination is turned into an “administrative encounter”.

While the irony of this analysis is compelling, it also has its limitations. TQM was used in the Gaza Strip in order to reduce the average waiting time while maintaining the quality of security inspections. This was indeed accomplished by re-organizing of the “queue system” to create many converging

queues with more check points, and reducing the pressure along the lines. The organizational change, described as “just-in-time” queuing,¹ was functional and effective. The system in point was implemented in a situation of military occupation, yet the Palestinians seem to have benefited from it. Moreover, it appears that precisely by separating politics from management, “Just-in-time queuing and checking” was able to pinpoint the problems of the system and offer a feasible and cost-effective solution. If politics were to remain superior to management, the queues in Gaza would probably remain as long .

This example clarifies the duality of managerial rationality. Rationality is both a functional instrument and a means of control, a hegemonic discourse of authority as well as a system for efficiency. I hope that by saying this I am not merely “buying into” managerial rationality. While remaining critical to the political uses and abuses of managerial rationality, organizational sociologists should not dismiss its practical benefits. There is more than one way to tell this story and Shenhav has provided us with a masterful telling of the critical narrative.

For those teachers who are looking for a supplementary monograph for graduate courses in the sociology of organizations or the sociology of knowledge, this volume will be highly welcome. This book is an exceptional intellectual endeavor that presents management and critical sociology in a clear and interesting package.

Roots and Routes: Ethnicity and Migration in Global Perspective.

Edited by: Shalva Weil, The Magnes Press, Hebrew University: Jerusalem, 1999. pp. 248.

Reviewed by: SUSAN PATTIE
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This volume considers important issues of continuing debate in the social sciences and government policy from a variety of experiences and perspectives. The theme tying these diverse studies together is movement and the ways in which the changing relationship to place in turn affects individual and group identity. As the chapters rightly show, this is not a unidirectional phenomenon, neither in terms of the movement itself nor in the related questions of

¹ See Arieli, S. (1996) TQM and Fighting Terrorism in Gaza, *Organizational Development in Israel* 2(9): 51-57 (Hebrew).