The first assumption this thesis makes is that for a true understanding of economic development, an inter-disciplinary approach becomes essential. Imprisoned in its own water-tight compartment, each discipline seems to look at only one aspect of reality. It is my belief that looking at economic development through a study of the dynamics of power cuts across disciplines and gives us an integrated and whole picture.

Looking at government from the viewpoint of power is not new to India. Kautilya in his "Arthasastra", which some claim was written between 321-296 B.C., said that he who is possessed of power overreaches by the sheer force of his power another who is merely enthusiastic. Powerful kings, whether women, lame men, young or blind, conquered the earth by winning over or purchasing the aid of merely enthusiastic persons. "He who has no power", said Kautilya, "loses his kingdom as sprouts of seed in drought vomit their sap".

* All references at the end of each chapter.
Another name traditionally linked with power is that of Machiavelli, philosopher and statesman, who lived in Florence from 1469 till his death in 1527 and who dealt with the use of power in his famous treatise "The Prince". Machiavelli believed that success is a supreme law of politics and expedience is justified in place of the moral law. Governance, he felt, is a problem of strength and skill and not of ethics and law, and it is to be judged not by notions but by the fruits of its policies. He believed that the striving for power and possession is a primordial instinct as strong in the individual as in the community.

First among the modern thinkers was Bertrand Russell (1938) who in "Power - A New Social Analysis", makes the point that the orthodox economists as well as Marx who in this respect agreed with them, were mistaken in supposing that economic self-interest could be taken as the fundamental motive in the social sciences. The desire for commodities when separated from power and glory is finite, said Russell, and can
be fully satisfied by a moderate competence. The really expensive desires are not dictated by a love of material comfort. Such commodities as a legislature rendered subservient by corruption or a private picture gallery of old masters selected by experts are sought for the sake of power or glory, not for affording comfortable places in which to sit.

When a moderate degree of comfort is assured both individuals and communities will pursue power rather than wealth; they may seek wealth as a means to power or they may forego an increase of wealth in order to secure an increase of power. But in both cases their fundamental motive is not economic. This error, argued Bertrand Russell, in orthodox and Marxist economics is not merely theoretical but is of the greatest practical importance. It is only by realising that love of power is the cause of the activities that are important in social affairs that history can be rightly interpreted. In fact, Russell's main contention was that "the fundamental
concept in Social Science is Power in the same sense in which Energy is the fundamental concept in Physics”.

Broadly, power is regarded as man’s influence over man (Frey: 1979) while it is true that it has been a deep and self-conscious human concern for centuries, there is certainly no unanimity about what power truly is. Thanks to the work in the last few years, the concept of power has been widely studied in all the Social Sciences. Anthropologists study power, authority and leadership in small communities. Sociologists since Max Weber looked at the elite status groups and bureaucracies, psychologists look closer at power as a human motive and a relationship between and among people, management specialists have developed theories about power in organisational settings, and political scientists insist that the study of power is the very focus of their discipline. It seems as if Bertrand Russell’s pioneering effort was not in vain. It has helped the study of power to come of age.
It is not that Economists have totally ignored power. Some economists have analysed power in the market - monopolistic, duopolistic and oligopolistic and perfectly competitive - as well as the influence of international firms and economic forces. But a systematic and deeper study of power has been slow in coming. K.W. Rothschild (1971) points out that power should be a recurrent theme in economic studies of a theoretical or applied nature; yet if you look at the main run of economic theory over the past hundred years, you find that it is characterised by a strange lack of power considerations - more or less homogeneous units, firms and households move in more or less given technological and market conditions and try to improve the economic lot within the constraints of these conditions. This model has been explored in great detail by modern economists since, and very important insights into the working of the market mechanism have been gained, but that people will use power to alter the mechanism itself, that uneven power may greatly influence the outcome of market operations, that people may strive for economic power as much as economic wealth - these facts have
been largely neglected. Economics as a special science, therefore, would become unrealistic unless it is concerned as it is with a certain section of human relationships.

Some topics dealing with power in economics that have received attention include J. Penn (1959) who has talked about bilateral monopoly bargaining and concept of economic power. His concept of power is that it is a relationship between subjects - a social relationship. He defines the concept of power as power which originates in economic relations or a power which is directed towards economic relations, and while he believes that both definitions are possible, the second he admits is not a suitable starting point for economic analysis. Economic power therefore originates in economic relations. The typical economic situation, the starting point of economic science is that in which the subject who has a series of unsatisfied wants is faced with the relatively scarce means of satisfying his wants. In this situation, economic power can be exercised
if the means on which the subject must rely for the satisfaction of his wants is in the hands of another. The needy person is the dependent one while the other who can satisfy his want is the powerful one. In this view, the concept of power is a bargaining relationship. Stichter (1940) who also wrote on 'bargaining power' defined the concept as the cost to A of imposing a loss upon B. Here the cost to A is the dependence felt by the powerful subject, and the loss the dependence felt by the subject to be overcome on the opposite party.

Other economists who have dealt with power include E. Pricer (1952) who has discussed property power and the distribution of income. He developed the theses of Bohm-Bowark that power exerts its influence not outside and against, but within and through economic laws and that its effects are not lasting. Reagan has discussed business power and influence. (1963) He argued that corporate decisions on wages, prices, dividends and investment directly affect important public economic goals such as economic growth, full
employment and price stability. These decisions, he felt, are made on criteria of the firm's welfare rather than of the whole economy. He went further and talked of the more subtle types of business influence in shaping the directions taken by non-business institutions such as schools and colleges, churches and charitable, cultural and civic organisations. But greatest of all, he believed, is the influence exerted by the corporation through the communications media.

Arguing that an economic approach to international politics must deal with the economic aspect of national power, Hans Morgenthau (1967) says that power is man's control over the minds and actions of other men. Drives to live, propagate and dominate are common to all men. Similarly, the struggle for power is universal in time and in space and an undeniable fact of experience. Whenever economic, financial, territorial or military policies are under discussion in international affairs, says Morgenthau, it is necessary to distinguish between
say economic policies that are undertaken for their own sake and economic policies that are instruments of a political policy - a policy whose economic purpose is but the means to the end of controlling policies of another nation.

Kindleberger (1970) feels that the important distinction is between the means and the use of the means for ends. Economic strength is a means and exists independently of whether it is used to assert or achieve control over policies of other countries; whether economic strength is the equivalent of economic power is presumably a matter of definition. Kindleberger then defines power in the sense of strength, but strength capable of being used efficiently - his definition does not imply purpose. He gives the example of Standard Oil Company of New Jersey which has economic power, even economic dominance, so when it introduces a new product or process, other firms in the industry have to decide how to respond, although when these firms undertake an innovation, the Jersey Company need not necessarily take notice.
Hence, Standard Oil Company of New Jersey can have power without having dominance as a purpose. It can want merely to get along.

Kindleberger's concept views power defensively instead of offensively. If a country or a Company has the capacity to resist attempts by others to control its decisions, it has power even though it has itself renounced any attempt to assert a positive influence. This requires economic strength. In military intelligence, says Kindleberger, it has long been recognised that what counts is capability, not intentions.

The British Economist R.G. Hawthrey (1952) defines power as economic productivity capable of being applied as force and represented primarily by output of movable goods and capacity to move them. Hawthrey asserts that he does not neglect the imponderables of power - military skill, administrative competence and loyalty of adherents, etc. - but he regards them as subordinate to economic productivity and mobility of output.
Power has been defined (Dahl - 1957) in terms of a relation between people and has been expressed in a simple symbolic notation. It has also been defined (Tannenbaum - 1969) as any process in which a person or a group of persons determines, that is, intentionally affects the behaviour of another person, group or organisation. Power has been seen as synonymous with control and influence. Some writers prefer to think of power as an exclusively coercive form of control. Weber (1947) was the first of the classic authors on organisations to reject this limited notion of power and many social scientists such as Etzioni (1961) think of power as having bases in addition to, but by no means excluding, coercive ones. Parsons (1961) feels that power is an actor's ability to induce or influence another actor to carry out his directives or any other norms he supports. Goldhamer and Shils (1939) state that "a person may be said to have power to the extent that he influences the behaviour of others in accordance with his own intentions. In organisations, enforcing the collectivity norms is likely to be a
condition determining the power-holders access to the means of power. According to Weber (1947), "Power (macht) is the probability that one actor within a social relationship will be in a position to carry out his own will despite resistance". Tawney's definition (1931) similarly centres on imposing one's will on others, except that he explicitly directs attention to the asymmetry of power relations. He defines power as the capacity of an individual or group of individuals to modify the conduct of other individuals or groups in the manner in which he desires and to prevent his own conduct being modified in the manner in which he does not. "Power", he says, "is both awful and fragile and can dominate a continent only in the end to be blown down by a whisper. To destroy it, nothing more is required than to be indifferent to its threats and to prefer other goods to those which it promises. Nothing less, however, is required also".

Taking off from both these definitions, Peter M.
Blau (1964) adds his own. "Broadly defined", he says, "power refers to all kinds of influence between persons or groups, including those exercised in exchange transactions, where one induces others to accede to one's wishes by rewarding them for doing so. Neither Weber nor Tawney, however, used the term as broadly as that. Blau gives the example of the customer who technically imposes his will upon the jeweller when he makes him surrender a diamond ring by paying for it. This situation clearly should not be confused with that of a gangster who forces the jeweller to hand over the ring at the point of a gun. Physical coercion or its threat is the polar case of power. Other negative sanctions or the threat of exercising them are usually also effective means of imposing one's will on others. There is a differentiation in the power used to make people do this; they could do it for fear of losing their jobs, of being ostracized, of having to pay fines or of losing social standing. There is a clear distinction between coercive power which depends on the deterrent effect of negative sanctions and
influence based on rewards as that characteristic of exchange transactions. This corresponds to John P.R. French Jr. and Bertram Raven's (1959) distinction between coercive and reward power. In addition to this, French and Raven also identify three other types of power which were not dependent on external sanctions. These were legitimate power, referent power and expert power.

Blau says that defining power as control through negative sanctions implies that an individual exercises power when he gets another to perform a service by threatening to take $100 from him if he refuses, whereas he does not when he gets the other to perform the same service by promising him $100 for it. One might say that the net difference is the same in both cases but this is not true. The crucial factor, Blau points out, is the base line from which an individual starts when another seeks to influence him, and the only difference between punishment and rewards is in relation to this initial base line whether he is worse or better off than he was before
the transaction started. Blau argues, therefore, that the definition of power should be amplified to read that it is the ability of persons or groups to impose their will on others despite resistance through deterrents either in the form of withholding regularly supplied rewards or in the form of punishment in as much as the former as well as the latter constitute in effect a negative sanction.

Three further implications should be noted. First, following Parsons (1963), the concept of power is used to refer to an individual's or group's ability recurrently to impose his or its will on others, not to a single instance of influencing a decision of others, however important. Second, the punishment threatened for resistance, provided it is severe, makes power a compelling force. Yet, there is an element of voluntarism in power - the punishment to be chosen in preference to compliance, and it sometimes is - which distinguishes it from the limiting case of direct physical coercion. Finally,
power is conceptualised as inherently asymmetrical and as resting on the net ability of a person to withhold rewards from and apply punishment to others - the ability that remains after the restraints they can impose on him have been taken into account. Its source is one-sided dependence. Interdependence and mutual influence of equal strength indicate a lack of power, or balance of power.

Many definitions go back to the etymology of the term 'power' whose Latin root (potere, potesse or posse) essentially means "to be able to, to have the capacity to do something" - hence one common usage of power is "ability to act" or "capacity to produce a result" or simply "strength".

David V.J. Bell (1975) argues that words and concepts serve as the perceptual lenses through which we view the world. He defines and elaborates on what he sees as distinct differences between the terms 'Power', 'Influence' and 'Authority', each of which
he believes refers to a distinct linguistic mode. To describe a man as powerful, says Bell, is not the same as calling him influential, and neither term captures the connotation of the adjective "authoritative". He would not, he points out, find appropriate a book entitled "How to Win Friends and Overpower People"! Nor would we speak of an armed robber as "exerting authority" to obtain money from the bank clerk. Power, influence and authority, he feels are not perfectly congruent synonyms. Power, influence and authority refer to certain forms of human relations, i.e. these phenomena exist only in a plural setting where two or more people interact with each other. Power relations are built of repetitive, durable patterns of action (E.V. Walter - 1964), but micro-sociological, taxonomic schemes, when stretched beyond their useful limits, tend to dissolve relations into individual acts. Perhaps, says Bell, because our language is virtually choked with a plethora of nouns rather than verbs, we tend to assume that power especially is a concrete thing that an
individual can somehow "possess", like a fast car or a lot of money. As Eric Hoffer says, (Bell:1975) "Power does not come in cans - to talk about power as a possession is therefore elliptical". What is really meant by the assertion "A possesses power" is that A possesses the potential for exercising power effectively. Bell therefore carefully distinguishes between potential power and power, the former implying the existence of certain power resources that may be used in the attempt to exercise power.

As Wrong points out (1969) unfortunately power lacks a verb form which in part accounts for the frequent tendency to see it as a mysterious property or agency resident in the person or group to whom it is attributed. The use of such terms as influence and control which are both nouns and verbs as virtual synonyms for power represents an effort (not necessarily conscious) to avoid the suggestion that power is a property rather than a relation.
The differences among writers can be classified, as Frey has done (1979), along the following dimensions: potentiality, breadth, intention, target and number of actors. Some writers define power as an ability or potentiality to affect others' behaviour while different writers define it as the actual production of such behavioural changes. However, both concepts are necessary in studying power. For if power is defined as a potentiality, then a concept referring to its actual exercise is necessary. Similarly, if power is defined as an actual behavioural relationship, then a concept referring to the ability to enter such a relationship is required.

Some authors prefer to distinguish power from control by defining power essentially as the ability or capacity to exercise control, i.e. as "potential control". One could compare for example Goldhamer and Shils' definition (1939) to that of Etzioni (1961). According to the former "a person may be said to have power to the extent that he influences the
behaviour of others in accordance with his own intentions". According to the second, "Power is an actor’s ability to induce or to influence another actor to carry out his directives or any other norms he supports". Both these definitions are consistent in essential respects with Tannenbaum’s although Etzioni’s statement implies what we should prefer to call potential control. For most authors the term authority usually refers to the formal right to exercise control and this general convention is usually followed in this thesis.

Etzioni also defines power positions as those positions whose incumbents regularly have access to means of power. Statements about power positions imply a particular group or groups, who are subject to this power. For instance to state that prison guards have a power position implies the subordination of inmates. Etzioni focuses on power relations in organisations between those higher and those lower in rank. He refers to those higher in rank as elites or as organisational representatives.
He refers to those in subject positions who are lower in rank as lower participants. Etzioni says that power differs according to the means employed to make the subjects comply. These means may be physical, material or symbolic.

Coercive power rests on the application or the threat of application of physical sanctions such as infliction of pain, deformity or death, generation of frustration through restriction of movement or controlling through force the satisfaction of needs such as those for food, sex, comfort and the like. Remunerative power is based on control over material resources and rewards, allocation of salaries and wages, commissions and contribution, fringe benefits, services and commodities. Normative power rests on the allocation and manipulation of symbolic rewards and deprivations through employment of leaders, manipulation of mass media, allocation of esteem and a prestige symbol and administration of ritual and influence over the distribution of acceptance and positive response. Most governments employ all
three kinds of power, whatever 'ism' they happen to belong to. But the degree to which they rely on each differs from organisation to organisation, from society to society, from State to State. Most States tend to emphasise only the use of coercive power, relying less on the other two. Evidence to this effect is presented by Etzioni in what he calls the compliance structures of various organisations. The major reason for power specialisation, he says, seems to be that when two kinds of power are emphasised at the same time over the same subject group they tend to neutralise each other.

In a now-famous article on the concept of power, Robert A. Dahl (1957) has stated that the main problem is not to determine the existence of power but to make comparisons. Doubtless, he says, we are all agreed that Stalin was more powerful than Roosevelt in a great many ways. That MacCarthy was less powerful after his censure by the Senate than before, and so on. But what precisely do we mean? Evidently, we need to define the concepts "more power than", "less power than" and "equal power". Suppose we wish to compare
the power of two different individuals, we have at least five factors that might be included in a comparison:

1. Differences in the bases of their power
2. Differences in means of employing the bases
3. Differences in the scope of their power (i.e. in type of response evoked)
4. Differences in the number of comparable respondents
5. Differences in the change in probabilities.

The first two of these may be conveniently thought of as differences in properties of the actors exercising power and the last three may be thought of as differences in the responses of the respondents. The pay-off, according to Dahl, lies in the last three - the responses. When we exercise the first two in order to compare the power of individuals, rulers or States, we do so on the supposition that differences in bases and means of actors are very likely to produce differences in the responses of
those they seek to control. On these bases Dahl developed an elaborate formula to conceptualise power, but ran into some operational difficulty.

The concept of power relationships has also been developed initially by Harold D. Lasswell and Abraham Kaplan (1952). A power relationship has five essential aspects: an influencer, an influencee, an influential behaviour by the influencer, a scope (or response) by the influencee and a setting in which the relationship occurs. Scope can be defined as the alteration in the state of the influencee produced, at least in part, by the influencer.

Another contribution to the concept of influence or power has come from March (1965) and Simon (1957) who argued convincingly that power is simply a special instance of causality namely, the modification of one person's responses by the actions of another. If this is true, the study of power then becomes part of the larger study of the determinants of human behaviour. The basic issue is dramatised by Dahl in
the paper referred to earlier (1957) where he admits to two "suspicions" arising from his ruminations about the concept of power. First, if so many people at so many different times have felt the need to attach the label 'Power' to some Thing they observed, one is tempted to suppose that the Thing must exist; and not only exist but exist in a form capable of being studied more or less systematically. Second, a Thing to which people attach many labels with subtly or grossly different meanings in many different cultures and times is probably not a Thing at all but many things. Dahl adds that some students of the subject think that the whole study of power is a "bottomless swamp".

Arguing that the study of power is not a "bottomless swamp", although the terrain does have its soggy spots, Dorwin Cartwright, in his study of influence, leadership control (1965) identifies three major aspects of the influence process upon which attention could be focused. These are: (a) the agent exerting influence, who for convenience is denoted '0', (b) the method of exerting influence, and (c) the
agent subjected to influence, denoted 'P'. When an agent, '0', performs an act resulting in some change in another agent 'P', we say that '0' influences 'P'. If '0' has the capability of influencing 'P', we say that '0' has power over 'P'.

A natural starting point in the analysis of influence is to identify the agent exerting influence. Theories differ considerably in their permissiveness as to the variety of social entities that may be conceived as exerting influence. The formalisation of power proposed by Dahl (1957) represents one extreme. He speaks of influence as being exerted by "actors", which may be "individuals, groups, roles, offices, governments, nation-states, or other human aggregates". The term "actor" is also employed by Lasswell and Kaplan (1952), but they insist that this must refer ultimately to specific individuals. "An act is always that of a single person, and when we speak of 'group acts' a pattern formed by individual acts is to be understood. With this qualification, the terms 'act' and 'actor' are to be taken in the
broadcast possible sense as comprising all deeds and doers. In the analysis of influence proposed by March (1957), the basic elements are "roles" and the behaviour of persons in them.

Accounts of the determinants of the agent's ability to exert influence and readiness to do so differs somewhat, depending upon the conception employed. Most theorists agree, however, that a major base of power is the possession or control of valued responses provided these can be used to facilitate or hinder the goal - attainment of another agent. Economic resources have this property and these have been specially stressed in analyses of power in society and economic institutions. But as we have shown earlier, because psychologically-oriented theorists have maintained that many human needs require resources other than economic ones, the
concept of resources is now given a very wide range of referents.

Another synonym for power, apart from influence, has been 'control'. The meaning of control, as defined by Tannenbaum (1968), can be seen in the simple prototype in the following figure, which represents control as a cycle beginning with an intent on the part of one person, followed by an influence attempt addressed to another person, who then acts in some way that fulfills the intent of the first.
The figure presents the control process in its simplest form. There are, of course, many elements in addition to those indicated that are important in understanding this process (Cartwright - 1965). These include the assumptions and values of the actors, the "bases of power" that help explain B's response, and the great variety of means by which A attempts to influence B. Such means may be direct or indirect (through a chain of command, through the use of groups, through written communications, or through the intervention of technological devices); they may include orders or requests, threats or promises, and so forth. The behaviour of B may involve relationships with other persons or it may involve actions in relation to technological elements, such as tools, computers or production lines. Thus technology may enter into the cycle at various points, creating what has been called a "sociotechnical" system (Emery and Trist, 1959; and Trist et al., 1963). For example, computers may provide A with information that leads him to request B to do one thing rather than another. Or A may
simply use the computer to tell B. A may also speed up a production line, which illustrates another form of influence attempt on B.

The intentions of A may be initiated by him, or they may be the intentions of others that are acquired by A (Etzioni - 1961). These intentions may imply quite specific actions for B, as when a supervisor gives detailed instructions to a subordinate; or they may be very general, although no less real, as in the formulation of organisational policy. The behaviour of B, which is the object of A's intentions, may, in our definition, be covert as well as overt. A, for example, may have intentions regarding the intentions of B, and vice versa.

Thus the cycle in the figure, although simplified, represents the essence of the control process, as we define it. Such a cycle includes essentially what Etzioni refers to as "compliance" (1961). The control cycle is a basic unit of organisation structure; organisations are composed of large numbers of such
cycles in inter-relationship. If a cycle breaks down at any point, for whatever reason, control cannot be said to exist. For example, A may have conflicting intents that lead to confusing influence attempts and hence to a breakdown in the cycle; or B may be incapable of fulfilling A's request, even though B may wish to; or B may dislike A and so refuse to do A's bidding; or B may be included in two or more cycles that involve contradictory influence attempts; and so on. Chronic breakdowns of such cycles imply a breakdown in the organisation itself.

It can be seen from the preceding discussion that despite over 2000 years of experience, and at least occasional attempts at systematic analysis, scientific understanding of the power phenomenon is yet to develop fully. The topic has been as elusive and formidable as it is vital. In very fundamental terms, analysis of power have been confronted by three initial problems:

1. The concept of power itself (what should be meant by the term "power").
2. Subordinate conceptualisation (what aspects and types of power and power structure need to be distinguished).

3. How can power so defined and elaborated be located and measured.

The major conceptions of power, as we have seen, vary in relation to breadth, intention, target and dyadic relationships. Frey (1979) has made an excellent summation of these conceptions:

**Breadth:** Some writers define power very comprehensively and include within its scope any kind of interaction whether among individuals or groups. Others restrict power to specific kinds of interaction such as coercion, force, authority, control or decision-making. A very broad conceptualisation of power would require extensive sub-concepts such as aspects and types of power in order to permit precise analysis.

**Intention:** Writers differ in their conceptual approaches on the dimension of intention. Some
restrict power to relations intended by the influencer, others believe that a crucial aspect of power is negative power as in the example of boomerang effects in propaganda.

Target: Again, concepts of power differ in regard to the target planned for the power relation. The major difference is between power which affects social outcomes (community decisions, budgets, legislative votes, etc.) and power which has influence over specific other actors (people, roles, groups, etc.) In many instances the two concepts can be reconciled, but influence over social outcomes may encompass phenomena not included in power viewed as actors influencing other actors and vice versa.

Dyadic: Some concepts of power restrict the notion of dyadic or two-actor relations while other concepts admit polyadic, that is, many-sided relations.

Finally, it must be pointed out that for several years the causal nature of power was taken for granted -
a power relation exists, it was believed, when one actor's behaviour causes even partially another actor's behaviour. However, ever since David Hume's celebrated attack on causality, the notion of cause has presented a number of difficult logical problems. The analysis of power thus is concerned with clarifying power's causal status and with the idea of causality more generally.

In addition to distinguishing important aspects of any power relation, analysts have noted different types of power relations. Probably the most common typology sees power, like so many other phenomena, divided into economic, social and political categories. Unfortunately, the underlying basis for most typologies is not made clear. This crude classification seems essentially institutional. Political power pertains to the state or government, economic power to the economy and social power to remaining institutions. Similar but more elaborate classifications have been suggested by many writers who include religious, military, judicial, informational and international power along with economic, social and political power.
From another perspective, these various types of power can be regarded as referring to control over different types of valued resources. Lasswell and Kaplan pursue this line of thought most explicitly. They list eight types of human values: power, respect, rectitude, affection, well-being, wealth, skill and enlightenment. Power can be based on perceived control over any of these values; hence they see eight basic types of power ("forms of influence"): political power, councilorship, mentorship, personal influence, violence, ecopolitical power, expertness, and advisory influence, respectively.

Insight into the various typologies of power comes from the basic power model previously outlined. Any power relation minimally involves four components: an influencer (R), an influencee (E), the influential behaviour of the influencer (X), and the scope or response of the influencee (S). Moreover, the relation occurs in some specified setting or context (see diagram on the following page).
Etzioni's analysis of complex organisations is an example of a typology of power based on influential behaviour. The question here is essentially, "What kinds of things can actors do to influence other actors?" Etzioni discerns three main types of power; coercive (the use or threat of physical sanctions), remunerative (the use of material resources as rewards and punishment), and normative (the use of symbolic resources as rewards and punishments).

The last fundamental approach to classifying power relations is through a focus on the scope of the relationship - the response of the influencee. It asks the question, "In what ways can any actor's behaviour be affected by other actors?"
Many typologies of power are based on such an analysis, either explicitly or implicitly. Bertrand Russell, for example, suggests three main types of power: direct physical power over the bodies of individuals, rewards and punishments, and influence on opinions. Within this framework he notes further subtypes such as priestly, kingly, naked, revolutionary, and economic power. But the basic typology centres on the scope of the power relationship, suggesting that human actors can be influenced physically, or through rewards and punishments, or through opinion change.

It is possible to be more clear and systematic in developing a scope-based typology of power. A more refined version (Frey - 1979) might assume the following form:

I. Physical Power (operating on actors as physical entities in a physical world).

II. Psychological Power (operating on actors by first affecting their psyches).
A. Cognitive Power (changing actors' perceptions of their world and the way in which they organise those perceptions).

1. Value Denial (the threat of deprivation of something valued - punishment).

2. Value Satisfaction (the promise of something valued - reward).

3. Informational Power (providing currently evaluatively neutral information about the world).

B. Motivational Power (Changing actors' impulses to action rather than their perceptions).

1. Normative Power (inculcating ethical imperatives, ideas of what ought to be done - conscience).

2. Cathetic Power (instilling non-normative wants, desires, drives, impulses, etc.).
Such a typology starts with the classic mind-body distinction of the mental from the physical. Within the mental realm it then makes the basic distinction between cognition or perception, on the one hand, and motivation, on the other. Both cognitive and motivational change are precursors of actually observable physical changes (e.g., perceived threat of death leads to the actual physical act of surrendering one's arms). Different subtypes of cognitive change and motivational change related to power are then introduced, at which point the typology is arbitrarily terminated. Actually, it is still at an extremely general level, and needs to be elaborated to several deeper levels before it begins to cope with the empirical richness of real power relations. Nevertheless, even at such an abstract level, application of the typology to power situations reveals several important points, such as the relative rarity and weakness of physical power and the great frequency of cognitive power relations. Except for a small number of situations, physical power is employed mainly as a means of creating credibility for threatened value denial (threatened punishment).
One outstanding problem with all attempts to classify power is that the categories developed are not mutually exclusive in an empirical sense. In other words, a given concrete power relationship rarely falls exclusively into any single category. If the government imprisons a man, it is simultaneously using physical power, cognitive power and probably motivational power. Hence, for the typology to be useful, the analyst must determine, at least roughly, how much of each type of power is involved - and that is often a very difficult task. Considerations of this type appear to have led Russell to enjoin that "... power ... must be regarded as continually passing from any one of its forms into the other... The attempt to isolate any one form of power... is a source of errors of great practical importance". However, the difficulty is surpassed by the need of typologies of power, so that efforts in this direction will assuredly continue.

To sum up one might say that an understanding of power brings us closer to reality because:
1. Power is what propels economic growth, for without power there is no manifestation of economic development.

2. Power is essential to achieving results for it is what gives life to organisations, institutions, corporations, governments and society.

3. Power generates historical action and this is the fundamental motive in the social sciences - power: cause; socio-economic growth: effect.

We have also seen that power is both awful and fragile, and the tyrant of yesterday whether in society or in organisation can be a harmless citizen today. The awareness of this truth can have a very positive effect on behaviour.

Frey's classification along the dimensions of potentiality, breadth, intention, target and number of
actors is useful. In the succeeding chapters we have this classification in mind when arguing that effective power must be shared between management and its employees through the decision-making process. Also, the intentions for a change are many and are dealt with in the chapter on Conceptual Approaches to Participation.

Another relevant contribution is Etzioni's differentiation of power based on means employed: coercive, remunerative and normative. My argument for participation will plead for moving away from the use of coercive power by employers and employees to solve industrial disputes and for a move towards greater use of remunerative and normative power. The staggering number of man days lost through the use of coercive power in industrial relations in a poor country like India has indeed reached criminal proportions. It is my belief that a participative approach will help to end this sorry state of affairs. I will build my case on conceptual premises and support it with experience from other countries and case studies from India.
References


While the previous chapter was devoted to discussing the concept of power, it is one quite particular form of power - power in human society or social power - that is the main objective of this chapter. I will have to start with definitions of power in society and how it all began. I will then go on to the differences in power and how it occurs. Next, I will move on to the political arena and the theories of Karl Marx and others on power in society and include in it a discussion of the elitist theories. Finally, I will discuss bureaucratic power and present my own model for looking at power in India.

It is one quite particular form of power, power in human society or social power that is the main objective of this chapter. Out of sheer necessity, man had to follow the road to power because he was
physically unarmed and unprotected as compared to other animals. But man soon learnt to be more powerful than the lion or the elephant, because he had efficient know-how; he was the knowing one, the contriver, the manipulator. He possessed power.

By power is meant, as MacIver defines it, the capacity to control, regulate or direct the behaviour of persons or things. The power inherent in external nature regulates the universe, working in the laws all things must obey. The power possessed by men controls or commands the behaviour of men and manipulates the energies inherent in things. This is the beginning and the basis for power in society.

George Homans (1961) defines the processes of social association as an exchange of activity, tangible or intangible and more or less rewarding or costly, between at least two persons. Following this, Blau (1964) says that people are continuously involved in social exchange everywhere, neighbours exchange favours, children exchange toys, colleagues
render assistance to each other, acquaintances
exchange courtesies, politicians are involved in
trading all kinds of concessions, intellectuals
trade ideas, and housewives recipes. The pervasiveness
of social exchange, he says, makes it tempting
to consider all social contact in terms of social
exchange, but this would deprive the concept of
its distinctive meaning. As we have seen in
the earlier chapter, people might do these things
for fear of God or for fear of their conscience
and nothing is gained by trying to force such
action into the conceptual framework of exchange.

Even in primitive societies, as Mauss (1954) has
pointed out, there is great significance attached
to the prevalence of the exchange of gifts and
services. In theory, he says, such gifts are
voluntary, but in fact they are given and repaid
under obligation. Further, what they exchange is
not exclusively goods and wealth, real and personal
properties and things of economic value; they also
exchange courtesies, entertainments, rituals,
military assistance, women, children, dances, feasts
and fairs in which the market is but one element and the circulation of wealth but one part of a wide and enduring contact.

The institutionalised form that this exchange of gifts takes in simpler, specially tribal societies, emphasises the point that the function it is meant to serve is not strictly economic, but rather meant to establish power relations, specially superordination over others (Blau - 1964). The basic principle is simple - an individual who supplies rewarding services to another obligates him. To discharge this obligation, the second must furnish benefits to the first. The concern here is with extrinsic benefits, not rewards intrinsic to the association itself although the significance of the social commodities exchanged is never perfectly independent of the inter-personal relationship between the exchange partners, even though, as Humans points out, the profits from exchange decrease with the number of exchanges. The most blatant example of exchange as a power relationship is that of the Mafia character in Mario Pone's "The Godfather" (1969) who says, "Make him an offer he cannot refuse."
The imbalances of obligations incurred in social transactions, says Blau (1956) produce differences in power. Unreciprocated recurrent benefits obligate the recipient to comply with the requests of the supplier and thus give the latter power over the former. The conditions of power in society, says Emerson (1962), are defined by the four basic alternatives to it. One method is to exchange benefits based on the needs of both parties. This naturally raises the problem of the exchange processes that develop and the distribution of resources in a community that governs them and is modified by them. A second possibility is to obtain the benefits from another source. This leads to the study of competitive processes, of the exchange rates that become established in social structures and of monopolisation. Thirdly, benefits can be secured by force. This fact calls attention to the differentiation of power in society, to the organisations in which power is mobilised and to political processes and institutions. Finally, benefits can be renounced and the need for them can be overcome specially through sublimation. This points towards the analysis of common values, changing needs, and the emergence of ideologies.
in various social situations. Again, as Blau points out, the four conditions of power are circumscribed by the absence of these four alternatives. If men have insufficient resources, if no satisfactory alternatives are available to them, if they cannot use coercive force and if their needs are pressing, a person or group who can supply benefits that meet these needs attains power over them. Under these conditions, their subordination to his power is inescapable, since he can make the fulfillment of essential needs contingent on their compliance.

Differentiation of power also arises in the course of competition for scarce goods. These goods may be tangible or intangible and may include such intangibles as time, recognition or affection.

The most glamorous power arena commanding greatest attention is usually the nation. There are both historical and practical reasons for this. In earlier centuries, the state was actually a city-state but the concern was with the largest unit of effective power. Hence, says Frey (1973), the transfer to the nation-state was made quite readily when that unit emerged. One cardinal concern regarding national
power structures involves their relationship with other analytical structures, particularly the tri-fold relationship among the state (political power system), the economy, and the structure of prestige, rank or status.

Karl Marx viewed the power structure of the nation as deriving essentially from the economic structure. According to Marx, in a capitalist society, the distribution of property in production (control over the means of production) determines the distribution of power. The state or government is the instrument of the bourgeoisie class because that class controls the means of production as its private property. As Dahrendorf notes (1959), for Marx "... authority relations in production determine the authority relations of society in general". Furthermore, the prevailing political ideology is also seen as dominated by the ruling bourgeoisie class whose intellectual power is used to legitimize its control. Each class basically pursues its own class interests and there is fundamental and unavoidable class conflict between the classes (bourgeoisie and proletariat); each is a "class for itself".

Other writers such as Karl Wittfogel (1957) with his hydraulic theory of "oriental despotism", supported
the view that the modes of production and the
dominate economic motivations of people presumably
determined the main patterns of power for entire
societies. More recently, Lenski (1956) has
offered a macroanalytic theory which rather
explicitly exemplifies the opposite viewpoint.
At least superficially, he gives precedence to
political factors and makes economic patterns
relatively derivative. Lenski argues that indivi-
duals and groups are primarily self-oriented rather
that altruistic in their motives; that humans are
at the same time prevarious social beings, unable
to survive in isolation and that they live in a
world of perpetually scarce values and resources not
merely because of physical limitations, but also
because of relative status concerns. People tend to
compare themselves with others and want relatively
more or better regardless of the absolute level of
affluence. Once there is a surplus above what is
necessary for mere maintenance, questions of distrib-
ution arise which involve economics and politics;
and stratification becomes crucial. These distribution
patterns are primarily determined by power. Power is
used by those who have it to garner wealth and
economic control, status and privilege.
Another theory of power in society includes the elitist theories of political power at the national level which have been the precursors to the present "elitist - pluralist" controversy of today. An elite was basically defined as a group of people who rank highest within a system in the possession of some value or skill. A power elite were those persons having the greatest amount of power in the system. Elitist theories went on to perceive nations as bifurcated into two main groups - rulers and the ruled, the elite and the masses. The same elite actors were seen to be at the apex of all structures or stratification. This viewpoint is essentially that of Pareto (1935). Mosca (1939) emphasised in addition that the rule of the elite depends basically on the fact that it is organised and coordinated as against the unorganised masses. The elite is organised largely because it is an elite, i.e. because it is a superior minority small enough to be well organised and possessing greater esteem and ability. Pareto saw two major types of governing elites: those which ruled by guile and those which ruled by force, very much after Machiavelli's images of lions and foxes. Such a distinction was reintroduced later by Lasswell's
(1966) "Specialists in Persuasion" and "Specialists in Force". The current view is that all modern states are similar prisoners of large scale organisation and bureaucracy, regardless of their dominant ideologies. However, even though elites are replaced either individually or as a group, because of individual deterioration or major social change, the highly concentrated, agglutinated structure of power in society remains essentially the same.

The best known work on the power elite is that of Mills (1959). He asserts that key national decisions in the United States are controlled by a power elite. The three main components of the elite are economic, military and political. Each of these three components has a highly concentrated power structure. The economic component is controlled by the presidents of the largest corporations, the military by the generals and the political by the top officials in the executive branch of the Federal Government.

Mills sees this tri-partite power elite as essentially cohesive in action and outlook which is the result of similar social backgrounds, close contacts and constant communication amongst them. He asserts that the power elite exerts its power deleteriously and that alternatives exist to such a power structure for the United States.
David Amsden (1965) on the other hand sees national power in United States society as quite fragmented. There is no dominant power elite. Distribution of power is through "veto groups" which cannot push through any positive programme of action, but have negative power to stop encroachement on their domains. Amsden asserts that power is highly situational and that actors do not tend to have power in all areas. He also believes that the masses have more power than Mills allows.

Similarly, there are studies and controversies over power in society in other nations. The controversial role of the trade unions in Britain and the Scandinavian countries is well known; so is the argument over how truly monopolistic or coercive is power in the Soviet Union and other communist countries. However, the current view (Cartwright - 1959) is that the topics are too complicated and the conclusions at best tenuous to reach a firm decision.

Perhaps the earliest attempt at dealing with power in society was in Plato’s "The Republic". Plato believed, it seems, in the possibility of a perfect human society and was willing in return to place
absolute and unrestrained power in the hands of a few special individuals. He did not leave any political function to be discharged by the governed. He did not trust men with power for he believed that all men have abused power and are the worse for having it. Lord Radcliffe (1952) pooh-poohs the whole idea that "all power tends to corrupt and absolute power corrupts absolutely". Like much folklore, he says, the legend is enjoyed but not necessarily believed. He thinks most men are the better, not the worse for having authority and the legend is best attributed to "that instinctive piety which leads men to denigrate what they dearly cherish".

The middle ages saw the ruler's power as God's direct representation on earth. The ruler's relation to the state was seen as a reflection of God's relation to the world. St. Paul's dictum seemed to haunt the medieval mind: "There is no power but of God: the powers that be are ordained of God. Whosoever therefore resisteth the power resisteth the ordinance of God: and they that resisteth shall receive to themselves damnation". The holder of power, then, could claim that he was in some sense Priest as well as King. However, as Lord Radcliffe points out, this
religious attitude was strong in its restraint of power, for absolute power would have been impious as well as an impossible conception. It was impossible because the feudal system itself diffused power and made of the king less a sovereign than a chief amongst his barons who in some countries actually elected him. Also, the physical conditions and the smallness of the economic scale impeded any supreme central power. With the break-up of the medieval system, there was a qualitative change. Monarchy was endowed with the theory of divine right and what had been before acknowledgement of duty became instead a claim to privilege.

As monarchies gave place to democracies, the range of sheer physical coercion was curtailed and the role of other forms of power increased. It is MacIver's (1964) view that where physical coercion is the prime instrument of authority, where authority owes no responsibility, no accountability to those whom it controls, the spiritual impulses and the intellectual drives within a people are suppressed. The fine arts are cramped because they must cater to the interest and the limitations of the patron masters.
and the functional capacities of many to the
service of society remain underdeveloped. The
greater the area of arbitrary authority, he asserts,
the less is the freedom available to the intrinsic
powers of man's minds and hearts.

Another kind of power in society with early beginn-
ings was bureaucratic power. Perhaps the oldest
bureaucracy was the famous Chinese Mandarin variety.
In the society as a whole, this stood virtually
alone. The individual had no alternative occupation
or career; yet, as Parsons points out (1961), there
was considerable risk in the process of qualificat-
on for office through the examination system; in
part as a direct consequence of its universalistic
rigor. Furthermore, once qualified, the individual's
career chances were still uncertain. The situation
influenced strongly the coexistence over so many
centuries of the bureaucratic system and the social
predominance of a landed gentry with full political
control at the local levels. It was a mutually
profitable symbiosis, but the functional necessity
of the security base was a fundamental barrier to
the further rationalisation of Chinese bureaucracy.
(61)

Today, the most significant aspect of the problem of bureaucratic power is its legitimation. This seems to depend on the relation of bureaucratic organisation to any generalised system of law existing in the society. Bureaucrats are meant to know what conduct is right and proper. Their expert status takes precedence over any standards of technical competence or even organisational effectiveness, thus providing a severe set of limitations on the rationalisation of the bureaucracy.

1947

It was Weber's dictum that bureaucracy is the most effective instrument ever developed. He believed that bureaucracy alone facilitated legal, rational authority. In his desire to highlight the importance of bureaucracy for facilitation of legal, rational authority, Weber tended to regard bureaucracy as more or less omniscient and omnipotent. Friedrich (1969) says such emphasis on the part of Weber almost smacks of authoritarian notions which make possible imperative control. He says that only an army, a business concern without any sort of employee or labour participation in management
or a totalitarian party and its bureaucratic administration would come nearest to Weber's model of bureaucracy.

Merton (1952) says that bureaucracy's over-emphasis on rules and regulations gives rise to displacement of goals. He observes that the twin goals of the civil service are self-preservation and efficiency. Blau (1956) describes bureaucrats as ritualists and explains their ritualisation in terms of their fear of the superior and a feeling of insecurity. Lipset (1952) observes in his discussion on bureaucracy and social change, the nature of the vested interest which bureaucrats have in the existing legal order and therefore their aversion to change.

It is here precisely, says Davis (1973) that the bureaucracy comes in for criticism as an impediment both to democracy and particularly to change. Modern democratic society, he says, faces the dilemma of making extensive grants of power without at the same time abdicating the right of the democratic constituency to change the policies and the personnel of the bureaucracy. But this remains
only a theoretical proposition because there is no two-way process of communication between bureaucracy and its clients and the plethora of rules and regulations becomes an impenetrable wall.

Radcliffe traces the growth of the Civil Service from the time it was founded by Lord Cornwallis who came out to India as Governor General at the age of 48. Cornwallis ensured that the civil servant was reasonably well paid and in return he required that they give up all connection with trade, though it was not until 1833 that the Company as a whole became a purely administrative service. He issued a set of regulations which formed, as it were, the outline of British Civil Government in India and finally, the decisive break with the 19th century was when Cornwallis ignored social or political influence in appointment to this Service. It was this firm foundation that ensured that the bureaucracy in India was separated from the other power groups.

Today, modern societies have given rise to other power groups, but the main ones continue to be
the military, the bureaucracy and the political power elite. I have shown on the following page my model for looking at power in India in comparison to Pakistan and the Ideal State.

The major power groups are the military, the bureaucracy and the political power elite. The minor ones are the judiciary, organised industry, trade unions, organised religion and the press.

In a democracy, the power groups are countervailing forces each jealously guarding the rights and freedom of those who form part of it, while in an authoritarian system their group boundaries are not clearly defined, and decision-making is monopolised by one or the other power group.

Obviously, some overlap of the power groups is inevitable - as when trade unions have political affiliations or newspapers are owned by industrialists - but the interface between power groups becomes contaminated if a group begins to lose its own identity and thereby its freedom of action. The darkened portions of the model illustrated indicate contamination.
IDEAL RELATIONSHIPS AMONG POWER GROUPS

IN DEMOCRACIES

DYNAMICS OF POWER IN INDIA

DYNAMICS OF POWER IN PAKISTAN
One has only to look at the many unsuccessful experiments in countries in Asia, Africa and Latin America. In most cases infighting has cost the political power elite their position as a major countervailing force. The military in alliance with the bureaucracy has simply moved in to fill the vacuum caused by them.

India has been amongst the few democracies to survive the pressures of change that rapid development engenders. Several reasons have been cited for this: the excellent traditions of the Civil Service, the strong rural base of the erstwhile Congress Party, the division of the military along regional lines, the size of the country and the wisdom of our people. There are too many variables actually, to come to any firm conclusion. The fact remains that India has had, by and large, a working democracy wherein the various power groups have been exceedingly well balanced. True, there have been periods of crisis. For instance, when Krishna Menon attempted to erode the power of the armed forces and was quickly rebuffed. (Whoever lost in the India-China war, our armed forces certainly gained
tremendously both in size and in financial and material resources). The latter years of Mrs. Gandhi's rule too were a blow to the democratic process. Not only were political organisations and institutions in the country weakened but the bureaucracy grew from strength to strength.

With the recent break-up of the Janata Party, we are moving into an era of even greater imbalances within and amongst the power groups in our society. There is an even chance that we might suffer the fate of other developing nations of Asia, Africa and Latin America but that is outside our scope.

This chapter and the previous one is the macro background which we must understand before we discuss power in basic units of society. For while my main concern in this thesis is with power in organisations, as my model shows, the dynamics of power in other groups in society such as trade unions, the political power elite and bureaucracy necessarily impinge on and affect organisations. Any action for change that
may be envisaged at the unit level of the organisation cannot afford to ignore these other power groups in society. Industrial organisations in India today are especially vulnerable to various social pressures and it is necessary to keep this in mind before we focus on our subject proper.
References


In the earlier chapters I discussed the concept of power and how power operates in society. These chapters were meant to be a backdrop for a discussion of my main concern - power in organisations, the basic units of our society. I will discuss the various attempts at defining organisations, their raison d'etre and characteristics. I will then present the two main approaches to the study of organisations - one is the formal traditional approach and the other, which led from the first, the informal human relations approach. In the latter, I will spend some time on the work of Elton Mayo (1933) who was responsible for the first break-through which made us aware of the importance of people at work and what motivates them. I will also discuss the more recent views of people and power in organisations as propounded by organisation development specialists. Naturally, wherever possible I will present the research being conducted and also include my own survey of motivation amongst Indian
managers. Finally, I will discuss the power motive amongst managers. Participation, which is distribution of power in organisations, will be discussed in a separate chapter.

March (1965) points out that a study of organisations has a history but not a pedigree. The distinction is simple. A pedigree suggests a series of casually connected events in time; history consists in a temporal ordering of events. There is scarcely a major philosopher, historian or biographer who has overlooked the management and perversities of organisations. The Church, the Army, and the State had to be managed. Aristotle, Ibn Khaldoun, Thucydides, Caesar, Marsilio, Aquinas, and Bentham were not reluctant to solve such problems in the course of determining the ultimate destiny and primordial nature of Man.

Organisations are not modern inventions. The Pharaohs used organisations to build the pyramids. The emperors of China used organisations a thousand years ago to construct great irrigation systems and the
first Popes created a universal church to propagate and establish a world religion. But modern society, as Etzioni (1964) points out, has more organisations fulfilling a greater variety of societal and personal needs involving a greater proportion of its citizens and affecting a larger segment of their lives.

A defining characteristic of the social entity known as an organisation is, as the name suggests, its state of being organised. According to common usage, an organisation, says Cartwright (1965) is an arrangement of interdependent parts, each having a special function with respect to the whole. Even casual observation of the behaviour of members of an organisation such as an industrial firm, a hospital or a university reveals its organised character. The members assemble on schedule, each person engages in a limited number of activities, the range of interpersonal transactions is restricted and stabilise over time, and the style of social interaction is patterned. Behaviour has a reasonably high degree of predictability, and people know rather well what
to expect of one another. Moreover, the activities of different individuals tend to combine in such a way as to result in organisational accomplishments. Industrial firms turn out products and make profits, hospitals provide medical care and universities create alumni. The regularity of behaviour and the coordination of activities are remarkable in view of the heterogeneity of the organisation's human elements, and several efforts have been made by social scientists to account for these phenomena.

Man's life in contemporary society, says Tannenbaum (1968) can be characterised largely as one of organisational membership. Man commits a major portion of his waking hours to participation in at least one, and more often several social organisations. His motivation, his aspirations, his general way of life, are tied inextricably to the organisations of which he is a part, and even to some of which he is not. Our society is an organisational society, says Presthus (1962). We are born in organisations, educated by organisations and most of us spend much of our lives working for organisations. We spend
much of our leisure time paying, playing and praying in organisations. Most of us will die in an organisation, and when the time comes for burial the largest organisation of all - the State - must grant official permission (Etzioni - 1964).

According to Parsons (1960) organisations are social units devoted primarily to attainment of specific goals. Some writers like Goffman (1957) and Janowitz (1959) have used "establishment" or "social establishment" to refer to the same phenomena. The term "institution" is sometimes used to refer to organisations and sometimes to designate a normative principle which organises behaviour from the viewpoint of some social function, as in Hughes (1942) and Elsworth (1952). Formal organisation refers to only one segment of organisational activities, says Etzioni (1961) such as regulations and formal control and hence should not be equated with organisations as a whole. According to Cooley (1915) and Greer (1955), social organisations refer to a different class of sociological phenomena encompassing all human behaviour that is socially regulated. Thus
social organisation is a characteristic of social units and organisations are a type of social unit. In this definition corporations, companies, armies, schools, hospitals, churches and prisons are included, while tribes, classes, ethnic groups, friendship groups and families are excluded. Organisations are characterised by divisions of labour, power and communication responsibilities and the presence of one or more power centres which control the concerted efforts of the organisations and direct them toward its goals.

Organisations are also constructed to be the most effective and efficient social units. The actual effectiveness of an organisation is determined by the extent to which it achieves its goals. The efficiency of an organisation on the other hand is measured by the quantum of resources used for goal achievement.

It is difficult to measure effectiveness and efficiency of an organisation because goals are not always concrete and given to quantitative measure-
ment. How does one measure the contribution to social responsibility for instance, or to community health? Again, while profit may be the major motive of most business organisations, improved technology and the welfare of the work-force may also be important goals. Often, as an organisation grows in size and over time, the original goals may be forgotten. Typically, large and well-established organisations will spend most of their creative energy in what they see as a major threat to their existence or growth. These may be government regulations or outdated technology or competition.

Because of the growth of large cities and the advance of technology, modern society has to depend on rational, effective and efficient units to produce goods and provide services. It has become a powerful social instrument combining material, financial and human resources and optimising these resources towards a stated objective.

Etzioni (1964) says that organisations are characterised by:

1. Divisions of labour, power communication
responsibilities divisions which are not random or traditionally patterned but deliberately planned to enhance the realisation of specific goals.

2. The presence of one or more power centres which control the concerted efforts of the organisation and direct them towards its goals; these power centres also must review continuously the organisation's performance and re-pattern its structure where necessary to increase its efficiency.

3. Substitution of personnel, i.e. unsatisfactory persons can be removed and others assigned their tasks. The organisation can also recombine its personnel through transfer and promotion. Organisations are much more in control of their nature and destiny than any other social grouping.

There are two main approaches to the study of organisations, two distinct schools. One is the formal Scientific Management School which Frederick W. Taylor (1911) and Henri Fayol are associated with.
The other school, the informal Human Relations School, was pioneered by Elton Mayo (1933) and has several proponents even to this day. We will explore both these approaches to organisation and motivation. Etzioni (1964) has already made an attempt to integrate them with some success.

The search for greater effectiveness and efficiency in organisations gave rise to the classical theory of administration which is also known as the Scientific Management School. In this approach to organisation, whose major contributor was Taylor (1911), workers were seen as motivated by economic rewards and perhaps better hygienic conditions such as light and air. The organisation was characterised by a clearly defined division of labour, with a highly specialised personnel and a distinct hierarchy of authority. The formal organisation owes its existence to this early beginning.

Henri Fayol who followed Taylor (his work was printed in French in 1916) was the other pioneer of formal organisations. Fayol enunciated five elements and 14 principles of administration. The five elements are
Planning, Organisation, Command, Coordination and Control. Each one of these organisations has grown to own a separate body of functional knowledge of its own. (Luther Gulick - 1937).

The traditional approach to men at work and what motivates them can be discerned from Fayol's 14 principles which he saw as essential to success. These are: (1) Division of Work (2) Authority (3) Discipline (4) Unity of Command (5) Unity of direction (6) Subordination of individual interest to general interest (7) Remuneration of personnel (8) Centralisation (9) Hierarchy (10) Order (11) Equity (12) Stability of tenure of personnel (13) Initiative (14) Esprit de corps.

Fayol was certainly ahead of Taylor in his understanding of human beings and it seems unfair that he is often bracketed with the father of the traditional school of management. For while Fayol insisted on hierarchy, discipline and the subordination of individual interests to general interests, he also believed
that, apart from pay, motivation depended on equal treatment of employees, stability of job, and freedom for initiative.

Frederick Taylor's approach to motivation, on the other hand, combined a study of physical capabilities of a worker, as is still being done by technically oriented people in the Time and Motion studies, with an economic approach which views man as driven by the fear of hunger and the search for profits. The central tenet of Taylor's approach is that if material rewards are closely related to work habits, the worker will respond with the maximum performance he is physically capable of.

Although Taylor originally set out to study the relationship between the characteristics of man and the characteristics of machines, he ended up focussing on a more limited target which was looking at the physical characteristics of the human body in routine
jobs such as shovelling coal or picking up loads. This led to the major error in Taylor's work for he looked at man as subservient to machines, as a mere appendage to machines, and therefore missed the totality of the work process. Another criticism levelled against Taylor is that he chose examples to illustrate his point from experience with the lower levels of management.

Taylor's students, the human engineers, searched for the physical limits of human performance, put in terms of loads, pace and fatigue. Fatigue was viewed exclusively as a muscular physiological phenomenon. Efforts were made to find motions that were less fatiguing and hence allowed the same human body to carry out more work with the same degree of fatigue in a given time limit.

Some typical propositions of scientific management are:

1. The two hands should begin and complete their motions simultaneously;

2. Smooth continuous motions of the hands are preferable to zig-zag or straight-line motions involving sudden and sharp changes in direction.

3. Proper illumination increases productivity.

4. There should be a definite and fixed place for all the tools and materials.
Further it was suggested that workers should be paid in closest possible association with output and various methods of measuring workers' output and ways of relating payment to it were devised.

In essence, Taylor and his followers believed that once the most effective procedure was taught to a worker and his pay was tied to his output, he could be induced to produce the maximum physically possible as calculated by the Time and Motion engineers. Charlie Chaplin's "Modern Times" is an apt critique of the Taylorian industrial paradise!

The first scientific breakthrough in our understanding of people at work in organisations came through the experiments conducted by Elton Mayo at the Hawthorne Works of the General Electric Company in Chicago between 1924 and 1927. Efficiency experts at the plant designed a programme to study the effects of illumination on productivity, based on the assumptions made by the classical organisation theory. As recorded by Rothlisberger and Pickson (1939), at first nothing about this programme seemed exceptional enough to arouse any unusual interest. After all, efficiency experts had long been trying to find the ideal mix of physical
conditions, working hours and working methods which stimulate the workers to produce at maximum capacity.

The efficiency experts at Hawthorne had assumed that increases in illumination would result in higher output (Hersey and Blanchard - 1972). Two groups of employees were selected; an experimental or test group which worked under varying degrees of light and a control group which worked under normal illumination conditions in the plant. As lighting power was increased, the output of the test group went up as anticipated. Unexpectedly, however, the output of the control group went up also - without any increase in light. Surprised by the results, the efficiency experts expanded their research at Hawthorne in order to explore some behavioural considerations, and this is where Elton Mayo and his associates stepped in. Mayo started with a group of girls who assembled telephone relays and, like the efficiency experts, got astonishing
results. For over a year and a half, Mayo's researchers improved the working conditions of the girls by implementing such innovations as scheduled rest periods, company lunches and shorter work weeks. The researchers then took everything away, returning to the original working conditions. This radical change was expected to have a tremendous negative psychological impact on the girls and to reduce their output; instead their output jumped to a new all time high.

How did this happen? The answers were found not in the production aspects of the experiment such as changes in plant and physical working conditions, but in the human aspects. The girls felt important because of the special attention lavished on them by the experimenters. They no longer viewed themselves as isolated individuals working together only in the sense that they were physically close to each other; instead they had become participating members of a congenial, cohesive work group. The relationships
that they got elicited feelings of affiliation, competence and achievement. These needs which had long gone unsatisfied, were now being fulfilled. The girls worked harder and more effectively than they had worked previously. Realising that they had uncovered an interesting phenomenon, the Harvard team extended their research by interviewing over 20,000 employees from every department of the Company. The interviews were designed to help researchers find out what the workers thought about their jobs, their working conditions, their supervisors, their Company, and anything that bothered them, and how these feelings might be related to their productivity.

The interviews proved valuable in a number of ways (Whitehead - 1938). First of all, they were therapeutic the workers got an opportunity to get a lot off their chests. Since many of their suggestions were being implemented, the workers began to feel that management viewed them as important, both as individuals and as a group. They were now participating in the operation and future of the Company and not just performing unchallenging, unappreciated tasks.
Second, the implications of the studies made manageme-
ment aware of the need to study and understand
relationships among people, and how these affect
productivity. When informal groups identified with
management (Homans - 1950), productivity rose. It
reflected the workers' feelings of competence, a sense
of mastery over the job and the work environment.

Mayo (1933) also discovered that when the group felt
that their own goals were in opposition to those of
management, as happened where the workers were closely
supervised and had no significant control over their
job or environment, productivity remained at low levels
or even further fell.

Mayo saw the development of informal groups as an
indictment of an entire society which treated human
beings as insensitive machines that were concerned only
with economic self-interest. As a result, workers
had been thought to look at work merely as an impersonal
exchange of money for labour. Work in American
industry, he said, meant humiliation - the performance
of routine, tedious and over-simplified tasks in an
environment over which one had no control. Mayo said
that management operated and organised work on the
basic assumption that workers on the whole were a contemptible lot. Mayo called this assumption the "Rabble Hypothesis". He deplored the authoritarian task-oriented management practices that it created.

The work of Mayo and particularly his exposure of the Rabble Hypothesis seemed to have paved the way for the classic concept "Theory X - Theory Y" of Douglas McGregor (1960). According to McGregor, traditional organisation with its centralised, decision-making, superior-subordinate pyramid and external control of work is based upon assumptions about human nature and human motivation. These assumptions are similar to the view of man expressed in Mayo's Rabble Hypothesis theory. Theory X assumes that people prefer to be directed and are not interested in assuming responsibilities and want safety above all. It assumes that people are motivated by money, fringe benefits and threat of punishment. Managers who accept Theory X assumptions attempt to structure, control and closely supervise their employees. These managers feel that external control is clearly appropriate for dealing with unreliable, irresponsible and immature people.
On the other hand, McGregor developed an alternate theory of human behaviour called Theory Y. This theory assumes that people are not by nature lazy and unreliable. It postulates that man can be basically self-directive and creative at work if properly motivated. Therefore, it should be an essential task of management to unleash this potential in man. The properly motivated worker can achieve his goals best by directing his own efforts for accomplishing organisational goals. Managers who accept the Theory Y image of human nature do not usually structure, control or closely supervise the work environment for employees. Instead, they attempt to help their employees mature by exposing them to progressively less external control, allowing them to assume more and more self-control.

Another major contribution to moving away from the traditional view of organisations was the model of social systems developed by Homans (1950). He saw 3 elements in a social system:

**Activities** which are the tasks which people perform;

**Interactions** which are the behaviours that occur between people while performing these tasks; and
Sentiments which are the attitudes that develop between individuals and within groups.

Homans argues that while these concepts are separate, they are closely related and in fact mutually dependent, as the figure below illustrates:

The change in any of these three elements will produce some change in the other two.

In an organisation, felt Homans, certain activities, interactions and sentiments are essential if it is to survive. In other words, jobs (activities) have
to be done that require people to work together (interactions) and these jobs must be sufficiently satisfying (sentiments) for people to continue doing them. The more positive the sentiment, the more people will tend to interact with each other. It can become a spiralling process until some equilibrium is reached. As this process continues, there is a tendency for the group members to become more alike in their activities and sentiments - in what they do and how they feel about this. Thus it is that a group develops expectations or norms that control behaviour.

Several other researchers followed Homans. They discovered (Athos and Coffey - 1968) that the group has at its disposal a variety of penalties ranging from gentle teasing to harsh ostracism to pressure deviant members into conformity. Asch (1963) reported that pressure can cause distorted behaviour and concluded that group pressure can induce highly subjective judgements. Sherif (1962) worked on conflict and competition among groups.
The Survey Research Centre of the University of Michigan found that supervisors of high production groups had the following common characteristics:

1. They were under less supervision from their own supervisors;

2. They placed less direct emphasis upon production as the goal;

3. They encouraged employee participation in the making of decisions;

4. They were more employee-centred;

5. They spent more of their time in supervision and less in straight production work;

6. They had a greater feeling of confidence in their supervisory roles;

7. They felt that they knew where they stood in relation to the Company.

Today, there is a veritable explosion of ideas, theories, research and experimentation in the fields of organisation behaviour, the management of human resources
and the Human Potential Movement. Whyte has written about the Organisational Man; Kurt Lewin on Group Decision & Social Change; Leavitt on Managerial Psychology; Cartwright and Zander on Group Dynamics: Research and Theory; Warren Bennis on Changing Organisations and so on.

Criticism against the Organisations Development specialists has been that they are idealists, that they suggest what organisations ought to be, thus entering into the foggy realm of ethics. The proponents of Organisation Development counter the charge with the argument that change begins with the idea. That one moves from what is, to what should be, and they also insist that they have techniques and a conceptual framework for the practical implementation of the changes they suggest.

Most specialists in the field of organisational behaviour believe that "democracy is inevitable". They agree that many business leaders who exalt the virtues of democracy on ceremonial occasions would
be the last to think of applying them to their own organisations. But they insist that democracy is the only system which can successfully cope with the changing demands of contemporary civilisation. They believe that organisations are losing some of their potentially best employees, because they do not provide enough freedom for people to grow. They quote case histories of several organisations which, because of their rigid structure and inability to adapt to change, simply went out of existence. Some of the ideas of behavioural scientists have indeed been used with varying degrees of success in organisations in the United States, Europe and Japan. The experience in India has been much less, and successful cases fewer.

Basically, the applied behavioural scientists suggest:

1. A new concept of man, based on increased knowledge of his complex and shifting needs, which replaces the oversimplified, innocent, push-button or inert idea of man.

2. A new concept of power, based on collaboration and reason, which replaces a model of power based on coercion and fear.
3. A new concept of organisational values, based on humanistic existential orientation, which replaces the de-personalised, mechanistic value system.

Dr. Steiner (1977) of Purdue University surveyed 1000 top managers and 6000 more middle management executives on "Factors which motivate me". There was general agreement on the following six factors as being important for managerial motivation:

1. Respect for me as a person
2. Good pay
3. Opportunity to do interesting work
4. Feeling my job is important
5. Large amount of freedom on the job (chance to work not under direct or close supervision).
6. Chance to turn out quality work.

I have attempted to validate Steiner's questionnaire
by using it on about 500 middle level Indian managers from June 1978 to December 1979. The Indian managers chose the same factors as the Americans with the exception of "Chance to turn out quality work". The Indian managers preferred "Opportunities for self-development and improvement" which confirms the general belief that Indian managers feel more constricted than their American counterparts.

One of the severest critics of the behavioural scientists is David C. McClelland (1975) who seems to believe he has some of the answers. For instance, he is fairly certain about the needs of the organisation. He dismisses with a casual air, the theories and findings of the entire human relations school. He says that the views about "democratic" organisations are just ideological and fanciful. He insists that the best managers are high in their need for power and low in their need for being close to people. They are not interested in human relations. They believe in an authority system and that the organisation is more important than the individual in it.
The issue that needs to be examined therefore is not the vague, general conflict between the individual and the organisation but between the top managers' need for retaining power and the need of the rest of the organisation to have a share in it.

As a source of power, the ownership of capital has become less potent as capital was concentrated into great corporate holdings, the ownership of which is diffused among numerous persons and groups. This change has greatly increased the role of management, making it a very significant form of power. The scale of the modern corporation is vast. A single corporation sometimes employs a whole army of workers. The legal ownership, which is the body of shareholders, is too amorphous, says MacIver (1964), too inexpert, and too remote from knowledge of the operations and the problems of organisation to exercise practically any power over it, and there are interlocking directorships that magnify the power of leading executives.

From the power point of view, obviously, the greatest of all organisations is the State, not only because
it is the sole legal repository of the power of physical coercion, but because whenever necessary it can mobilise the resources of the whole community and because while other organisations have limited power of control over limited areas of decision-making, the State has final regulative power over the whole range of human activity within it. Of course, the power of a government is often limited by constitutional law and by the will of the people, but, says MacIver, the State itself includes the will that limits the power of government. I have discussed bureaucracy and the organisation both in Chapter II and in my proposal for a national sector in Chapter VIII.

The subject of Power in organisations has also been dealt with by Herbert A. Simon (1945) who pointed out that organisations are based on not one but two modes of division of labour and specialisation. In addition to the recognised type of horizontal specialisation that is based on a particular task, there is a vertical specialisation. Here, division of labour is based on power rather than work; jobs
are more or less performance jobs or decision-making ones. Simon pointed out that the higher the rank, the more jobs consist of decision-making and fewer actual performances are carried out. In a typical factory, the total component of a worker's job is routine and performance-oriented. The foreman's job has some performance and some decision-making, and the Senior Manager spends nearly all his time making decisions, that is, telling the lower ranks what to tell their subordinates to do.

With this sophisticated analysis of March and Simon (1958), organisational theory came a long way from Taylor's rather limited studies of coal shovelling and fatigue, but as Etzioni (1964) points out, their major focus remained basically the formal organisation which, technically defined, is the pattern of division of tasks and power among the organisational position and the rules expected to guide the behaviour of the participants as defined by management.
Organisation, says Blau (1964) involves coordination of collective effort. Some form of social organisation emerges implicitly in collectivities as a result of the process of exchange and competition in which the patterns of conduct of individuals and groups and the relations between them become adjusted. Other organisations, however, are explicitly established for the purpose of achieving specified objectives. In these formal organisations, special mechanisms exist to effect coordination of tasks of various members in the pursuit of given objectives. Such coordination of efforts, particularly on a large scale, requires some centralised direction. Power, says Blau, is the resource that makes it possible to direct and coordinate the activities of men.

Stable organising power requires legitimation. Of course, men can be made to work and to obey commands through coercion, but the coercive use of power engenders resistance and sometimes active opposition. Power conflicts characterised by resistance and opposition have to be kept at a minimum and members of organisations must perform their duties and comply with directives from superiors willingly.
Only legitimate power commands willing compliance.

Legitimate power is authority which Weber (1947) defines as the probability that certain commands (or all commands) from a given source will be obeyed by a given group of persons. He adds that a basic criterion of authority is a certain minimum of voluntary submission although the specific motives for the obedience to commands may vary. An analysis of three types of authority centres on the value orientations that cause people voluntarily to submit to orders from an authority they accept as legitimate.

Blau (1964) argues that Weber's emphasis on voluntarism is misleading without further specification, since an authoritative command is one a subordinate cannot dismiss at will. He suggests that the distinctive feature of authority is that social norms accepted and enforced by the collectivity of subordinates constrains its individual members to comply with directives of their superiors. Compliance is voluntary for the collectivity, but social constraints make it compelling for the individual. In contrast to other forms of influence and power, the pressure to follow suggestions and orders does not come from the
superior who gives them, but from the group of subordinates. These normative constraints may be institutionalised and pervade the entire society or they may emerge in a group in social interaction. The latter emergent norms define leadership which, therefore, is considered a type of authority. The authority in formal organisations entails a combination of institutionalised and leadership elements.

John Commons (1924) says that the employment contract into which the management of an organisation enters with its members is a legal institution that obligates the members to furnish certain services and to follow managerial directives in exchange for a salary or wage. These obligations are reinforced by institutionalised norms according to which employers have a right to expect their employees to comply with their directives as well as to perform specified duties. The ultimate source of these obligations, says Blau (1964), and thus of managerial power is the organisation's resources that enable it to buy the services of employees and to make them dependent on it for their livelihood, the degree of dependence being contingent on employees' investments in their jobs.
and the alternative employment opportunities available to them. Management’s power over dismissals and promotions which is partly transmitted to lower managers and supervisors through mechanisms like periodic ratings or ad hoc reports on their subordinates makes the career chances of employees dependent on their performance and compliance. On the other hand, in organisations whose members are not employees, such as Unions and political parties, the power of the leadership rests on the commitments of the members, the benefits they derive from membership and coercive force.

The manager derives his power in the organisation in many ways. His official position gives him various opportunities to furnish important services to subordinates that obligate them to him. His superior knowledge and skill on the basis of which he presumably was selected for his position, enables him to train newcomers and advise oldtimers. His formal status gives him access to top echelons and staff specialists
In the organisation, making it possible for them to channel needed information to subordinates and to represent their interests with the higher administration.

Power is the resource that limits an individual or a group to coordinate the efforts of many others and legitimate authority is the resource that makes possible a stable organisation of such coordinated effort on a large scale. Whereas employees are compensated for their services and are not entitled to sharing of the profits, others who risk their investments receive a share of the profits. This distinction, however, breaks down in very strong organisations because its leaders get the needed effort from members without giving them a proportionate share of the profits. The powerless company shareholder and the powerless Union rank and file member are typical examples. This is why leadership is a key variable in understanding power in organisations.

The organisation of collective effort mobilises
power. The leadership's power over subordinates becomes the basis of the power at its disposal in relation to other segments of the society, and the successful exercise of its external power in turn increases its power within the organisation. However, says Blau (1964), the exercise of power generates conflict and opposition both within the organisation and in its external relations. The experience of relative deprivation by some groups in large organisations as compared to others is a source of dissatisfaction and opposition. Similarly, the commanding position that power leaders of strong organisations hold in the community finally is at the root of much social conflict and political opposition.

Leavitt (1958) defines authority as one kind of power, but is quick to note that there may be other kinds. He further narrows down the definition by describing it as formal, delegable, worn-on-the-shoulders power. Thus, authority is power that enters the two-party relationship through the organisation. It is an institutional mechanism that aims at defining which of
two members of a relationship will be the superior. Authority is potential extra power given by a third party (the organisation) to some of its members in order to guarantee an unequal distribution of power in order to distinguish between leaders and followers.

It is important to remember that an organisation or a powerful person cannot delegate all the power it/he possesses even if he wants to. A President can delegate only certain kinds of power by calling it authority. The forms of power over the satisfaction or frustration of another's needs are numerous. In organisations this could take the form of control over the terms of relationship. Both these can be delegated as authority. However, it may be power to provide status or prestige which is only partly delegable.

There are other sources of power that are even less transferable - the power that derives from an individual's competence and skill or from a person's sensitivity to the needs of others. Sensitivity cannot be delegated. In fact, says Leavitt (1958), only a fraction of the ways in which one person can control
another's needs is readily delegable as authority. The delegable forms are mostly external, non-personal kinds of power.

Leavitt's analysis suggests that a superior who turns immediately and exclusively to his authority is therefore ignoring many other kinds of power he may possess or else he derives his power from authority. In either case his effective range of control over other people will be narrow.

Another aspect is explored by Argyris (1964) who places at the door of formal organisations and the restrictive use of authority, the widespread work apathy and lack of effort in organisations. Organisations, says Argyris, prevent people from maturing by giving them minimal control over their environment and encouraging them to be passive, dependent and subordinate. And therefore, argues Argyris, they behave immaturely. The worker in many organisations is expected to act in immature ways rather than as a mature adult. According to Argyris, immaturity among employees is built into
the very nature of the formal organisation. The design of the organisation is based upon four concepts of scientific management: Task Specialisation, Chain of Command, Unity of Direction and Span of Control. Basic to these concepts is that power and authority should rest in the hands of a few at the top of the organisation and thus those at the lower end of the chain of command are strictly controlled by their superiors or by the system itself. Task specialisation often results in the over-simplification of the job so that it becomes repetitive, routine and unchallenging. This implies directive task-oriented leadership where decisions about the work are made by the superior with the workers only carrying out these decisions.

Like McGregor (1960), Argyris is disturbed by what he finds in many organisations and challenges management to provide a work climate in which everyone has a chance to grow and mature as an individual, as a member of a group, by satisfying his own needs while working for the success of the organisation. Implicit in this is the belief that man can be basically self-directed and creative at work, if properly motivated.
Argyris has shown through experiments dramatic increases in production and tremendous decline in costs due to errors and waste.

Amongst others who have done significant research in organisations and leadership is Rensis Likert (1967) and his colleagues of the Institute for Social Research at the University of Michigan, who emphasised the need to consider both human resources and capital resources as assets requiring proper management. As a result of behavioural research studies of numerous organisations, Likert implemented organisational change programmes in various industrial settings. These programmes were intended, as it were, to help organisations move from Theory X to Theory Y assumptions (McGregor-1960); from fostering immature behaviour to encouraging and developing mature behaviour (Argyris-1957) and from emphasising only hygiene factors to recognising and helping workers to satisfy the motivators (Herzberg - 1959).

Likert found in his studies that the prevailing management styles of organisation can be depicted on a continuum from System I through System IV. These systems could be described as follows:

**System I** - Management is seen as having no confidence
or trust in subordinates and they are seldom, if ever, involved in any aspect of the decision-making process. Subordinates are motivated to work with fear, threats, punishment and occasional rewards and need satisfaction at the physiological and safety levels. There is little superior-subordinate interaction while the control process is highly concentrated in top management. An informal organisation generally develops which opposes the goals of the formal organisation.

**System II** - Management is seen as having condescending confidence and trust in subordinates such as master towards servant, and there is otherwise only a marginal shift of power between lower levels of the hierarchy.

**System III** - Management is seen as having substantial but not complete confidence and trust in subordinates. Broad policy and general decisions are kept at the top; subordinates are permitted to make more specific decisions. Rewards, occasional punishment and some involvement are used to motivate workers.

**System IV** - Management is seen as having complete confidence and trust in subordinates. Decision-making
is widely dispersed throughout the organisation, although well integrated. Communication flows not only up and down the hierarchy but also among peers. Workers are motivated by participation and involvement in developing economic rewards, setting goals, improving methods and appraising progress towards objectives. There is extensive, friendly superior-subordinate interaction with a high degree of confidence and trust. There is widespread responsibility for the control process with the lower units fully involved.

The informal and formal organisations are often one and the same. Thus, says Likert (1967), all social forces support efforts to achieve stated organisational goals.

Likert developed an instrument wherein hundreds of managers from different organisations rated their most productive department or organisation and the least productive department or organisation between System I and System IV. Almost without exception, the managers rated the high-producing unit closer to System IV than the low-producing unit.

Cartwright and Zander (1960), on the basis of findings
of numerous studies at the Research Centre for Group Dynamics, claimed that all group objectives fall into one of two categories; either the achievement of some specific group goal or the maintenance or strengthening of the group itself. In the first case, they say, the manager initiates action, keeps members' attention on the goal, clarifies the issue and develops a procedural plan. In the second case, the manager keeps interpersonal relations pleasant, arbitrates disputes, provides encouragement, gives the minority a chance to be heard, stimulates self-direction and increases the interdependence among members.

In recent years, research findings seem to indicate that managerial styles differ considerably from person to person, but generally, as in Blake and Mouton (1964), Tannenbaum (1959) and Bennis (1959), can be divided into two categories: One is concerned with the task and is more authoritarian and production-oriented; the other is more concerned with people and is more democratic and employee oriented. However, there are some leaders who combine both styles, depending on the situation and organisational ethos, while others may not be concerned with either task or relationship. One might describe this as the bureaucratic style of management.
The key variable in organisations is leadership.
But what is the role of leadership in organisations?
If, says Gellerman (1963), people are motivated
primarily by a desire to become more and more like their
self concept, does it follow that permitting this would
lead to bedlam and that leadership must necessarily be
restricted in the interests of order and efficiency?
Even if it were possible to run an organisation by
accomodating its methods to the psychological advantage
of all its members, would this not merely encourage the
lazy to be lazier and the incompetent to remain incompetent?
In fact, given the economic demands of any organisation,
is it not compelled in some degree to ignore or even
to suppress the psychological advantage of many of its
members? Some of the most advanced thinkers in
industrial social science would answer these questions
with a carefully hedged "Yes". For example, Harold J.
Leavitt (1962) of the Carnegie Institute of Technology
argues that most organisations still manage to get
along quite well by telling their members exactly what
to do and by preventing most of them from "being
themselves".
There have, of course, been other theories and approaches to leadership. Fisher (1948) had provided a list of leadership types: from intellectual versus authoritative as spelled out by E.B. Gowin (1920), to others such as compellers versus exponents versus representatives, cognitive versus authoritative, formulators versus focii of attention, physical versus intellectual, and so on. In fact, as Bernard M. Bass (1960) points out, the topic of leadership has covered a wide variety of behaviours, many unrelated to each other. One step helping to delineate the problem more carefully is the design in the study of leadership developed by the Ohio State leadership studies (Morris and Seeman - 1950). They emphasised the major elements of significance as being group factors, group evaluation, leader behaviour, individual evaluation and individual efforts.

Bass (1960) has attempted to put the various definitions of leadership into clusters. One cluster separates status from leadership A second cluster
defines the leader as the focus of attention, as representative of the group wherein the concept of esteem is introduced.

Another approach is where the leader is often defined simply as anyone who engages in leadership acts. But as the studies of Stogdill (1952) demonstrated, persons in different leadership positions engage in different specific behaviours.

Finally, and nearer to our times, leadership has been defined as influence. More specifically, it has been equated with any positive influence act; with behaviour required to direct a group and with behaviour making a difference among groups. Any member of the group can exhibit some amount of leadership. Members will vary in the extent and style in which they do so. Gibb (1950) considers leadership as an interaction between members of the group. This definition is close to that of Gurnee (1936) and Lapierre and Farnsworth (1949) who defined leaders as agents of change, as persons whose acts affect other people more than other people affect them.
A.C. Van Dusen (1948) points out that the usual notion of the leader serves to cover two quite separate concepts. The first is an emotionally healthy conviction that some men are Leaders and as such are set apart from the common horde. They have godlike attributes which they have not earned but with which they have been endowed. Knickerbocker (1948) hypothesises that this concept arises out of the relationship of a very young child with his father. He supports the other concept of leadership - functional leadership - which places emphasis not on a fixed set of personal characteristics, not on particular kinds of leadership behaviour, but upon the circumstances under which groups of people integrate and organise their activities towards objectives, and upon the way in which that integration and organisation is achieved. Thus, the leadership function is analysed and understood in terms of a dynamic relationship.

No discussion of power in organisations would be complete without referring to the variable of the organisational structure and comparing various
systems of organisation and their effects, both in the task and the morale of the people who work in them. Likert (1961) has contributed the concept of the "linking pin" shown by the arrows in the diagram below:

He quotes the study by Pelz (1951 : 1952) to show that there was only a slight relationship between some 50 different measures of supervisory practices and points of view as reported by the superiors, and the attitudes and morale of the subordinates.
Pelz found that an important variable was responsible for the absence of more marked relationships. This variable proved to be the amount of influence which a supervisor felt he had in his sphere. Therefore, Likert makes a strong case to support the upward influence in an organisation. Other research confirms the importance of Pelz's findings and also indicates that the ability to exert an influence upwards affects not only morale and motivation but also productivity and the performance variables (Katz et al. - 1950, and Ronken and Lawrence - 1952). The results of the research demonstrate that the capacity to exert influence upwards is essential if a superior (or manager) is to perform his functions successfully. To be effective in leading his own group, says Likert, a superior must be able to influence his own boss, i.e. he needs to be skilled both as a supervisor and as a subordinate. In terms of group functioning, he must be skilled in both leadership and membership functions and roles.
It would be a mistake to conclude, however, that employees can be taken for granted. The importance of a leader’s diagnostic ability cannot be over-emphasised. Edgar H. Schein (1965) expresses it well when he contends that the successful manager must be a good diagnostician and must value a spirit of enquiry. If the abilities and the motives of the people under him are so variable, he must have the sensitivity and diagnostic ability to be able to sense and appreciate difference. In other words, a manager must be able to identify clues in an environment. Yet, even with good diagnostic skills, a leader may still not be effective unless he can adapt his leader personality to meet the demands of his environment. He must have the personal flexibility and range of skills necessary to vary his own behaviour. If the needs and motives of his subordinates are different, they must be treated differently.

One of the characteristics of leadership is that leaders exercise power. Amitai Etzioni (1961) discusses the difference between position power and personal power. His distinction springs from his concept of power as the ability to induce or
influence behaviour. He claims that power is derived from an organisational office, personal influence or both. An individual who is able to induce another individual to do a certain job because of his position in the organisation, is considered to have position power, while an individual who derives his power from his followers is considered to have personal power. Some individuals can have both position and personal power. Etzioni postulates that the best situation for a leader is when he has both personal and position power but in some cases it is not possible to build a relationship on both. Happiness and human relations have been culturally reinforced over the past several decades. With this emphasis, most people would pick personal power as being the most important.

In his 15th Century treatise "The Prince", Machiavelli (1952) presents an interesting viewpoint when he raises the question of whether it is better to have a relationship based upon love (personal power) or fear (position power). Machiavelli contends that it is better to be both loved and feared. If, however,
one cannot have both, he suggests that a relationship based on love alone tends to be volatile, short-run and easily terminated when there is no fear of retaliation. On the other hand, Machiavelli contends that a relationship based upon fear tends to be longer-lasting in that the individual must be willing to incur the sanction (pay the price) before terminating the relationship. This is a difficult concept for many people to accept and yet one of the most difficult roles for a leader, whether he be a boss, teacher, or parent, is disciplining someone about whom he cares. Yet, to be effective, one sometimes has to sacrifice short-term friendship for long-term respect if he is interested in the growth and development of the people with whom he is working. Machiavelli warns, however, that one should be careful that fear does not lead to hatred, for hatred often evokes overt behaviour in terms of retaliation, undermining, and attempts to overthrow.

A more recent view of the motive explanation of behaviour has been developed by David C. McClelland (1975). McClelland believes that almost by definition,
a good manager is one who, among other things, helps subordinates to feel strong and responsible, who rewards them properly for good performance and who sees that things are organised in such a way that subordinates feel they know what they should be doing. Above all, managers should foster among subordinates a strong sense of team spirit, of pride in working as part of a particular team. If a manager creates and encourages this spirit, says McClelland, his subordinates certainly should perform better.

But what motivates good managers? In examining the motive scores of over 50 managers of both high and low morale units in all sections of the same large Company, McClelland and Burnham (1975) found that most of the managers – over 70% – were high in power motivation compared with men in general. This finding confirms the fact that power motivation is important for management. The researchers used the term "power motivation" to refer not to dictatorial behaviour but to a desire to have an impact, to be strong and influential. The better managers, as judged
by the morale of those working for them, tended to score even higher in power motivation. But the most important determining factor of high morale turned out not to be how their power motivation compared with their need to achieve, but whether it was higher than their need to be liked. This relationship existed for 80% of the better Sales Managers as compared with only 10% of the higher managers and the same held true for other managers in nearly all parts of the Company.

The researchers said that these results support the argument of sociologists that for a bureaucracy to function effectively, those who manage it must be universalistic in applying rules, i.e. if they make exceptions for the particular needs of individuals, the whole system will break down. The manager with a high need for being liked is precisely the one who wants to stay on good terms with everybody and therefore is the one most likely to make exceptions in terms of particular needs.

When President Ford remarked in pardoning ex-President Nixon that he had "suffered enough", he was responding
as an affiliative manager would, because he was empathizing primarily with Nixon's needs and feelings. Sociological theory, and McClelland's research, however, point out that such persons do not make good managers. They create poor morale because others will tend to regard exceptions to the rules as unfair to themselves.

It must not be assumed that the good manager is one who cares for power and is not at all concerned about the needs of other people. For a good manager has other characteristics which must be taken into account. Above all, the good manager's power motivation is not oriented towards personal aggrandizement, but towards the institution which he serves.

Summing up their findings, McClelland and Burnham conclude that good managers are high in power motivation, low in affiliation motivation and high in inhibition. They care about institutional power and use it to stimulate their employees to be more productive. The researchers point out that managers motivated by personal power are not disciplined enough to be good
institution-builders and often their subordinates are loyal to them as individuals rather than to the institution they both serve. On the other hand, the institutional manager is the most successful in creating an effective work climate, as subordinates feel they have more responsibility. He creates higher morale because he produces the greatest sense of organisational clarity and team spirit. When he leaves, he can be more readily replaced by another manager because the employees have been encouraged to be loyal to the institution rather than to a particular person.

In a very important sense, the findings of McClelland and his associates seem, on the face of it, to contradict the long and influential tradition of organisational psychology which insisted that authoritarian management is what is wrong with most business. Actually, McClelland believes that authoritarianism "is only the bogey-man wrongly used to play down the importance of power in management". After all, he says, management is an influence game and therefore successful managers cannot be primarily concerned with people's human needs rather than with helping them to get things done. But
the apparent conflict between McClelland's findings and those of other behavioural scientists whom we have discussed earlier in this Chapter arises from the fact that McClelland and his people are talking about motives, and behaviourists are talking about actions. McClelland is saying that managers must be interested in playing the influence game in a controlled way and that this does not necessarily mean that they are, or should be authoritarian in action. On the contrary, McClelland himself admits that it appears that power-motivated managers make their subordinates feel strong rather than weak. The true authoritarian in action would do the reverse and make people feel weak and powerless.

This proposition is supported by research on another important ingredient in the profile of a manager which is his managerial style. McClelland's own research shows that of the successful managers, 63% had democratic or coaching styles as compared with only 22% of the poorer managers - a statistically significant difference. By contrast, the latter scored higher than authoritarian or coercive management styles. These findings seem to
conclude that good managers are high in power motivation and in action they express their power motivation in a democratic way, which is more likely to be effective. There is a very important interaction between motivation and managerial style.

What is the power motive? David G. Winter (1973) defines the power motive as a disposition to strive for certain kinds of goals or to be affected by certain kinds of incentives; people who have the power motive or who strive for power are trying to bring about a certain state of affairs where they can "feel power" or "more powerful than...". The power motive is not the same as a sense of internal control, of reinforcement or personal causation, for the striving towards the goal which the motive suggests could occur in the presence or the absence of the goal itself. Nor, says Winter, is the power motive the same as a style of exercising power or authoritarianism. It is also to be distinguished from whether or not a person occupies a position of power. Over a period of time it is to be expected that, other things being equal, those with a high power motive would move into positions of power and that those low in motive may move out of positions
of power that they have inherited or that they occupy by accident.

While Winter believes that the power motive is one key personal variable that is important for understanding power behaviour, others have suggested a number of other personality variables that led to power in organisations. For example, there is the Rotter (1966) and Minton (1967) view of perceived locus of the control of reinforcement; or deCharms' (1968) notion of personal cuasation or sentiments about power such as authoritarianism (Adorno, Frinkel-Brunswik, Levinson and Sanford - 1950) or power as attributed by others (Lippitt, Polansky, Redl and Rosen - 1952); the tendency to categorise inter-personal relationships in terms of power, and Machiavellianism (Christie and Geis - 1970). In part, Winter contends that these concepts are semantic distinctions but they are also empirically measured, distinct variables.

Actual power may be thought of as direct force or energy, but most often power exists as a potential force that is only rarely used. Brown (1965) points to the dominance of hierarchies that are commonly
observed in many different animal species. Only rarely, he says, does each animal in a group have to fight with every other animal in order to arrive at a stable, peaceful hierarchy. First, many characteristics or signs that are ordinarily associated with strength and therefore success in fighting — size, elaborate feathers, plumes, crests, manes, ferocious displays of rage — are sufficient to settle a contest for dominance without actual combat. Brown concludes that the victor is ordinarily the animal who puts on the most intimidating show. Second, the mechanisms of observational learning and memory act to make the emergence of a hierarchy more efficient. Animal C can observe that Animal A has defeated B, and remembering that B has previously defeated itself, is therefore likely to give deference to A without a fight. Thus, cognitive processes such as symbolic representation and memory are the bases of potential power which is a convenient and efficient substitute for direct force.

In organisations, the informal power hierarchy is often quite different from the formal power structure. Employees get their cues from the actual use of
power by individuals right across lines of formal authority. If A is able to "get away with" a number of actions considered normally outside his realm, he is perceived as high on the power scale. Similarly, the amount of time senior managers spend with some employees versus others determines their place in the power structure. Other employees are quick to learn from what they observe.

If power is maintained by such cognitive processes, argues Winter, then perhaps power can be created by artificially altering and manipulating symbols and memory. If power is maintained by symbols in the minds of organisms, then power can be "faked" by the use of symbols and the changing of memories. Several experiments with animals have demonstrated such effects - for example, those of Miller, Murphy and Mirsky (1955), and Maroni, Warren and Sinha (1955).

McClelland (1975) says that since managers are primarily concerned with influencing others, it seems obvious that they should be characterized by a high need for power and that, by studying the power motive, we can learn something about the way managerial leaders work.
If A gives B to do something, A is at one and the same time a leader (i.e. he is leading B), and a power wielder (i.e. he is exercising some kind of influence or power over B). Thus, he points out, leadership and power appear as two closely related concepts and if we want to understand better effective leadership, we may begin by studying the power motive in thought and action. In pursuing such a line of enquiry in this area, we will be adopting an approach that worked well when studying the achievement motive of business entrepreneurs. However, McClelland is quick to point out that while individuals are proud of having a high need to Achieve, they dislike being told they have a high need for Power. Even the vocabulary behavioural scientists use to describe power relations, he feels, is strongly negative in tone. His view is supported by Adorno et al. (1950) who, in their major work "The Authoritarian Personality", find people concerned with power harsh, sadistic, fascist, Machiavellian, prejudiced and neurotic. Ultimately, many claim, the concern for power leads to Nazi type dictatorships, to the slaughter of innocent Jews, to political terror, police states, brainwashing, and the exploitation of
helpless masses. It is small wonder that people do not like to be told that they have a high need for power.

Yet, says McClelland, the negative face of power is only part of the story. Power has a positive face too. People cannot help influencing one another, organisations cannot function without some kind of authority relationships. It is necessary and desirable for some people to concern themselves with management, with working out influence relationships that make it possible to achieve the goals of the group. A man who is consciously concerned with the development of proper channels of influence is better able to contribute to group goals than a man who neglects or represses power problems and lets the working relationships of men grow up without supervision. In fact, the traditional notion of the influence of the leader on his followers has not been entirely correct, as proved by Winter (1967) who concluded from his experiment that followers are apparently strengthened and uplifted by a powerful leader rather than feeling submissive or
obedient or loyal. They felt more powerful rather than less powerful.

McClelland (1975) argues that, because social scientists have often used a personal power image to explain how the leader influences his followers, leadership is discredited. He believes that the leader is influential by strengthening and inspiring his audience. Max Weber (1947) too recognised that charismatic leaders influenced through inspiring others.

The leader arouses confidence in his followers. The followers feel better able to accomplish whatever goals he and they share. His job is to strengthen and uplift, as de Charms (1966) has pointed out, to make people feel that they are originals, not the pawns, of the socio-political system. His message, says McClelland, is not so much: "Do as I say because I am strong and know best. You are children with no wills of your own and must follow me because I know better", but rather: "Here are the goals which are true and right and which we share. Here is how we can reach them. You are strong and capable;
you can accomplish these goals*. John Gardner (1965) says that leaders "can conceive and articulate goals that lift people out of their petty preoccupations, carry them above the conflicts that tear a society apart and unite them in the pursuit of objectives worthy of their best efforts. The argument for participative management is based on this understanding of leadership. The positive or socialised face of power is characterised, as McClelland points out, by a concern for group goals, for finding those goals that will move men, for helping the group to formulate them, for taking the initiative and providing means of achieving them and for giving group members the feeling of competence they need to work hard for them.

Finally, one must emphasise that all leadership positions do not require high power motivation. Litwin and Siebrecht (1967) have shown that ideally an integrative manager in a large organisation is not excessively high in power motivation. If he were, he would spend too much time influencing and not enough time integrating conflicting viewpoints.
A firm faith in people prevents the development of the kind of cynicism, says McClelland, that so often characterises authoritarian leaders.

In conclusion, I would say that while man has created organisations to fulfill his needs, he could well become a prisoner of his own creation. The only answer, as the research I have presented conclusively proves, is to move away from highly structured, inflexible systems as propounded in the traditional school to more open, flexible systems.

A great deal it seems depends on the assumptions that are made about men at work and what motivates them. We have seen that the desire for freedom and democracy within the organisational context must be met if the best is to be got out of human beings at work. There are other more basic reasons for putting Man at the centre of the organisation, which I will discuss in the next chapter.

Finally, that the power motive is strong amongst good
managers is an important finding which has significant implications. But certainly, if managers need power to fulfill their needs, there is no reason to assume that other employees should be any different. Only the level of need fulfillment or the level of power sharing will be different. I deal with this aspect in the following chapter.
Refereces


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