

## The Subject Is Organizations. The Issue Is Power

Many aspects of Weber's description of the bureaucracy are deserving of a chapter of their own. But it is possible that none is more important than the issue of social power summarized in Weber's observation that bureaucracy *centralizes the means of administration*. The rise and spread of formal organizations has shaped social power in ways that remain under appreciated. We live in a culture shaped by assumptions born of the Enlightenment. The core principle of the Enlightenment is that human action, and thus social life, is a matter of reasoned persons making informed decisions. In simplistic form, the Enlightenment overthrew old traditional, aristocratic social hierarchies of power and provided "power to the people." This was (and still is) expressed institutionally in our emphasis on market economies and participatory forms of government where we can all be our own decision-makers. While there is no manner of absolute equality envisioned, all people are, in principle, on a level playing field, able to act according to their own will, and have full participation in the conditions under which they live their own lives. Setting aside, just for the moment, that Enlightenment ideas were initially formulated with a narrow definition of people as white males, this Enlightenment vision of the world was arguably not inappropriate through the eighteenth and much of the nineteenth centuries. Significant aspects of the political and economic conditions of life were still heavily shaped "close to home," so to speak, in local communities. But as of the organizational revolution, this conception of persons and society very well may cease to apply, despite the fact that it is still widely assumed. Social power is in organizations, and to the extent that persons have any, it is either by virtue of their organizational positions or strongly conditioned by an organizational environment.

The attentive reader will be thinking that such absolute statements must be oversimplified, and indeed they are. But this is not hard to do because issues of power "in and around organizations" (as Management scientist Henry Mintzberg once put it in a famous book title) are nothing if not highly complex. This chapter will not attempt to deal with the issue in its entirety. It is unlikely that any chapter can. For now, still at the introductory beginnings of our journey, I will outline a general picture of a society in which the *means of administration* have been heavily concentrated. Our initial focus will not be typical for treatments of power found in other general overviews of organizational studies. Those are overwhelmingly concerned with how power

operates on the inside of organizations or between them. This kind of focus matters greatly here too, but our foremost questions have more to do with what the rise of large formal organizations means for the general conditions of power throughout society. At other points in the book we will return to questions of power again and again, including those more often found in other treatments of organizational power.

With our attention largely on the question of organizations, the picture of power that emerges from this chapter will be most compatible with those that are called *power structures* or *power elite* orientations to understanding social power. These are generally contrasted to *pluralist* orientations. In the power literature, these orientations are taken to be opposed and in many respects they are. This goal here, however, is not to take a side or settle any questions. (This has already taken up entire books.) Although a focus on organizations as the locus of social power will inevitably lean harder in the direction of power structures orientations, my goal will be to leave us beyond polarized types of arguments and leave the attention on being sensitive to variation. But regardless of how the picture gets painted or how it leans, we arrive at the same destination. Over the last century and a half, social power has become significantly a matter of the dynamics of formal organizations, and thus has become more concentrated rather than distributed throughout the population as would be required for living up to Enlightenment ideals.

While the study of social power has always been a central point of attention for social scientists, most people probably have very fuzzy ideas regarding the subject if it has been given any thought at all. So we'll begin with a very basic overview of the general concept of social power. What I will provide isn't the only way to conceptualize power, though it is the most common one and will serve our purposes as well as any other.

## What Is Social Power?

---

In its simplest sense, power is often defined as the ability of an actor to realize its will. In other words, if you want or need to do something and you are able to do it, then you have power to whatever extent you are able to do as you will. This is often called the “*power to*” do something. The reason that I refer to “actors” and use the pronoun “it” is because we have to be able to see actors not merely as persons but also as organizations.<sup>1</sup> With regards to organizations, we can refer to a form of *social* power that occurs wherever multiple actors cooperate to increase their power—“many hands make light work” as the old saying goes. This is one thing that human social organizations, whether formal or informal, represent. People often cooperate to move a couch because two people can exercise more power than only one alone. It is not any different for building pickup trucks, making whiskey, farming, or educating students. It's pretty much that way for all human activity even where it isn't obvious. Myths about heroic

---

<sup>1</sup>It is worth noting that Weber—and many other sociologists—may not approve. The only things in the world capable of action are conscious persons. Organizations are merely abstractions—a way of referring to the activities of multiple persons. This is a long-standing ontological problem for the social sciences and I am not going to get distracted by it here. Suffice it to say that in a technical, empirical sense all actors have to be corporeal persons. However, formal organizations are *programs for action* that, once established, exist independently of the particular actors that occupy offices at any given moment.

individualism in US culture aside, humans beings are social creatures and are really only capable of doing what they do by virtue of a social context and coordinated collective actions that make it possible—in other words, by virtue of social organization. Thus we want to be able to think about organizations as tools for *collective power* that provide actors the *power to* accomplish things that they would find more difficult or impossible to do otherwise.

In the study of power in the social sciences, it is much more common to be concerned with what is called “*power over*,” as in some actors having power over other actors. So one of the most typical definitions given of social power is that it is the ability of an actor to realize its will, *even if other actors resist*. This power over other actors is called *distributive power*. It is called distributive because power is distributed—not all hold it equally and some have more than others. *Collective power implies distributive power* because for collective power to work, activities have to be coordinated and the coordination implies that people submit to an organizational plan, even if an ad hoc and informal one. Bureaucracy is just such a plan, but as we have seen much more formalized than other ways of organizing human activity. Within formal organizations, distributive power in a bureaucracy is, of course, formalized in the hierarchy of authority and in the rules that define action.

Distributive power does not necessarily imply that some actors are getting over on other actors in the sense that they wield their power for selfish gain or according to self-serving whim, and at the expense of order-takers. For one thing, in the pure form of bureaucracy, everyone is under the rules and thus subject to power. Power is in the rules themselves, not in the persons. Furthermore, the distribution and hierarchy of authority is supposed to be functional—geared toward the goals of the organization—and justified by technical criteria. To the extent that collective action can be coordinated so that the goals of an organization are met, it can certainly be the case that all involved are meeting their own interests and gaining benefit. Of course, this does not mean that distributive power *can't* operate according to principles of selfish gain or whim where some benefit at the expense of other. Indeed, this is very often the case. But the mere existence of distributive power does not imply that. For example, most people do not stop at red lights and then go on to curse politicians for their self-serving behavior even though things like traffic lights are implemented and enforced by the state. Similarly, you don't curse your friend for telling you to grab the left side of the couch while they grab the right. These do represent distributive power, even if they don't match the image of some actors controlling other people for their own benefit.

Given their codification in written rules that transcend the situated decision-making of whatever actors happen to be involved, bureaucracies function as very well defined and very stable power structures in both the collective and distributive sense. As Weber himself wrote:

*...bureaucracy was and is a power instrument of the first order for one who controls the bureaucratic apparatus. Under otherwise equal conditions, rationally organized and directed action is superior to every kind of collective behavior and also social action opposing it. Where administration has been completely bureaucratized, the resulting system of domination is practically indestructible<sup>2</sup>*

<sup>2</sup>Weber [1922] 1978: 987.

Accustomed as we are to thinking of persons as the primary actors of society, the relative rigidity and stability of formal organizations as things that structure social power is often overlooked. But it is crucial. Formal organizations direct and limit what office holders do. That is, organizations control people rather than vice versa. And by design the bureaucratic form permits for continuity by defining courses of action around offices with assigned duties rather than around what the persons involved at any given time happen to decide to do. Formal organizations are thus very stable kinds of power relations that transcend persons in terms of the exercise of power. Do note that I am still referring to things in ideal typical terms, but we are just starting here and will consider variations later.

Consider a couple of common complaints that people have about those who sit in positions of organizational power. Politicians, we are told, are famous for making promises to people and then not keeping them. Surely sometimes this may just be because they are unscrupulous and will lie to get their way. But consider the fact that political office does not simply bestow upon people the power to do whatever they wish. The powers of all politicians are limited by the rules as well as by competing political interests. Perhaps it is merely the case that politicians are often promising to do things that they are not capable of achieving given the powers of their office. Similarly, corporate leaders are often decried for being “greedy,” as if removing greed from persons would mean that corporate organizations would no longer be expected to produce the highest possible profits. Inside of the boundaries of ethical and legal considerations (ideally), maximizing returns for the owners of a corporation (shareholders) is the primary obligation of a business. As such, working to that end comes to be the primary duty of corporate leadership—whether they are personally “greedy” or not. Not everything about these matters can be explained away by organizational obligations and restraints. Politicians surely do knowingly mislead people at times and corporate leaders very well may be greedy and will sometimes do unethical and illegal things out of greed. But it is important to know that this does not explain everything either. Often what we’re seeing in terms of what persons do or do not do is symptomatic of the functioning of formal organizations.

The most important point to recognize, as Weber did long ago, is that social power does not fundamentally lie with persons, but with organizational structures. Those structures, by design, are more powerful than the people who occupy the offices within the structures. And an integral part of organizations is that they are designed to perpetuate themselves. As such, we have created a world with highly stable formalized power structures that persist even as the individuals come and go. This is one key point for the *power structures* view.

### Social Power Resources: IEMP

Given that social power is the ability of an actor to get its way even despite resistance, how is it that this can be done? If we started to make a list we could probably make a very long one. But almost anything that we could put on the list can be grouped fairly simply according to a relatively small number of social power resources. Though the specifics can be discussed in slightly different ways by social scientists that study social power, for the most part virtually all discuss power according to what Sociologist Michael Mann has

simplified as an *IEMP model*. The “I” stands for *Ideological* power; the “E” for *Economic* power; the “M” for *Military* power, and the “P” for *Political* power (see [Figure 2.1](#)). It is important to note that this is an ideal type. None of these kinds of power resources exist or are held independently of the others. It is also worthy to note that it closely mirrors another ideal type of Weber’s where he described the basis for social stratification as having to do with *Class* (the E), *Status* (the I), and *Party* (the M and P) resources.

*Ideological power* is basically about the ability to control ideas—how people think about and understand the world, themselves, and others. Human beings are symbolic creatures who act toward things in the world on the basis of the meanings that they have for them. The ability to control or influence meanings is thus power over the premises upon which people act. This involves not only morality (the sense of right and wrong), but also understandings of reality (knowledge of true and false). If, for example, people believe that poverty is the result of personal failures on the part of those who are poor, they will be less inclined to act toward poor populations as people who should be helped by others. Their beliefs about the reasons for poverty say that people must help themselves. (The rest, I guess, is up to God.) The orientation toward assistance for the poor would be very different if one understands poverty to be the result of structural issues in the economy, rather than of personal failings. What is believed to be true by people matters a lot in how they act in the world. If we move to matters of morality, one might believe that righteous people assist the poor no matter what, but the correct type of assistance would vary quite a bit according to whether or not one still sees poverty as a matter of personal failings. Perhaps more obvious now than ever, many of our contemporary disagreements regarding matters of politics and economics are underlain by disagreements regarding basic facts and values. Thus, the ability to manipulate those beliefs is an important basis for social power.

In his *Class/Status/Party (CSP)* ideal type, Weber was discussing the positions of individual actors in a social setting, and the ideological dimension

**FIGURE 2.1** Social Power Resources: IEMP

	Type of Power	Definition	Organizational types
I	Ideological/Cultural Power	Control of ideas, both in terms of fact and value	Universities, Media Organizations, Think Tanks, Churches (and virtually all other organizations)
E	Economic Power	Control of productive resources for meeting material needs	Business organizations / Corporations
M	Military Power	Ability to enforce will via sheer physical coercion	Military and Police Forces
P	Political Power	Ability to make the rules and adjudicate	Government, Government Agencies, Political Parties

corresponds to the status dimension. Status is a cultural judgment of ones “social honor” as Weber called it, or what we would frequently just call reputation these days. This is a matter of cultural values and morality in that some actors are held in higher esteem than others as measured by social values. Someone like Steve Jobs who started Apple, and Larry Flynt founder of *Hustler* magazine are both entrepreneurs who founded successful businesses and became quite wealthy. Larry Flynt, however, would not carry the same *status* as Steve Jobs.

The *Economic* basis of power is generally more obvious and more often thought of as power. Some actors can get other actors to do what they want them to do because they hold goods or services or some other manner of resource that others need or want. It can include a lot of different things. Rent is paid to people who own buildings. People who own land can raise agricultural products for sale. You can cut firewood from your land and sell it to your neighbor. People may only go to work because they need to get paid. While at work people will follow orders for the same reasons. If you have developed some form of specialized skill or work experience that others need, often called *human capital*, you can sell that. In Weber’s ideal type, this was the *class* dimension of social power. Operating as he was at the level of the relative positions of specific actors he defined ones class as a *market position*. It is basically based on what an actor has to sell or trade. Most college students these days report that they are going to college to improve their chances of a getting a good job. In other words, they are trying to earn a credential that will improve their market position beyond what a high school diploma would provide.

We can discuss the M and P together as the *Political* dimension of power. Sometimes people make the mistake of assuming that social power is only about politics. But the political dimension is only one among the others. In simplest form, it is the ability to make and enforce the rules. In general, the making of the rules is represented by the P and enforcement comes under the M. So you don’t have to think about the Military dimension as only including formal militaries. It boils down to the ability to use sheer force. In the end, for thinking about it as a dimension of power, that’s pretty much it—the legitimate right to use force in a given territory. To many readers this isn’t the first thing that comes to mind, but when you strip things down to the bare essentials, that is where you end up. If you fail to perform your duties at work or violate the rules of your workplace you can get fired, suspended, or demoted. But if you fail to perform your duties for the state (e.g., jury duty) or violate the rules of the state, then agents of the state can kidnap (arrest) you, physically bind you, and imprison you. Your employer is not allowed to do that. It’s true that if you violate a rule at work that *also* violates a rule of the state (such as stealing from your employer), then you can get arrested. But even then agents of the state have to do it. Your employer cannot. But the police aren’t going to come get you if you’re late for work for the third time this month, and your employer can neither arrest you for it, nor have you arrested. All they can do is dock your pay and/or suspend or fire you.

In contemporary times it is frequently the case that there is a political system that exercises authority over actors in a territory without a great deal of appeal to force and the use of force. This is where the political system is considered by its constituents to be legitimate. *Legitimacy* is about whether or not people accept power over them and thus is nothing other than a special

form of Ideological power carried by state organizations, although the question of legitimacy applies to all actors who exercise power. In cases where political organizations of the state carry legitimacy, those organizations generally maintain control over official Military organizations in the form of its actual armed forces and other enforcement agencies such as police. So M is often under the authority P in terms of power. However, this situation can always break down, as one would find in instances of military *coup d'état* where militaries take control of government. So while militaries are ideally under control of a legitimate political system, for questions of social power one can never ignore those who actually control weapons whether under political control at any particular time or not.

Wherever you find people talking about issues of social power, whether inside of the social sciences or not, you will always find the discussions of power conceptualized according to these resources, whether or not those talking about it realize it or use precisely this same terminology. All issues of power from day to day interpersonal relations to global international relations can be conceptualized in this way. It all just comes down to how you can get others to do what you want them to do. One way is to pay them (E). Another way is to force them (P & M). Yet another way is to *make them believe that they should do and/or want to do* what it is that you want them to do (I). When parents want their kids eat their vegetables they often start with ideology—convincing a child that it is good for them. If that doesn't work there is always the control of material rewards, such as dessert. Then when push comes to shove, there is the old “go to your room!” imprisonment response. When the US government wants another state or global actor to do something or to stop behaving in a way defined as deviant, it often starts with ideas—diplomacy, negotiations, shaming, and blaming. If that doesn't bring another actor into line, the next move is often economic sanctions such as trade restrictions or full embargos. When all of that fails, there are several P/M routes including international rule making organizations such as the World Trade Organization, and then of course there is always the actual military option. So in one way or another, regardless of the social arena, when we are talking about social power we are looking at the dynamics among these basic power resources.

Strictly speaking, ideological control is always the most efficient if you want power to operate smoothly. Its maintenance is relatively cheap and effective by comparison to other strategies. It operates very quietly and smoothly, normally doesn't even look like power, and is generally not even felt as such. Order-takers, in fact, may follow orders with great fervor and enthusiasm, as people do when they follow *charismatic leaders*. If ideological control is weak the next best form of control tends to be economic. It is generally more expensive and harder to administer than ideological power, but material reward does tend to make for willing participants. But it generally just doesn't work as well as ideological power even in gaining compliance, and it carries larger costs. If neither of those forms work, then one can appeal to formal rules and their enforcement, but this kind of power now gets very expensive and is difficult to maintain. If legitimacy is lost and the only thing left is sheer force then the situation is especially bad for those who would attempt to wield power. In fact, it indicates that they are not actually all that powerful. Truly powerful actors never have to turn to enforcement because those under them willingly go a long with the orders. In other words, the most effective forms of social power often do not look like the exercise of social power at all.



It is important to be able to take this classification of power resources as ideal typical. That is, they don't exist independently of each other in neat little boxes. Rather they are completely intertwined, and often highly correlated. In bringing up *legitimacy* for a political system, for example, the ideological and political dimensions are immediately blurred since legitimacy is ultimately found in the beliefs of the ruled. Anyone who pays any attention to matters of politics or economics is also well aware that economic power can be converted to political power, and that political and military actors need access to economic resources.

Note that many people do not think of power as multidimensional because many do think of power only in its overt form of rulemaking and enforcement—in terms of P & M. Economists, for example, don't tend to think of market economies as arenas of power because all of the actors in it are assumed to engage in the actions voluntarily. This works well in textbooks and certain specific contexts, but in the realm of practical reality this assumption misses a lot. People's choices are frequently highly constrained by many things including uneven access to economic resources. It also misses the fact that modern economic theory, in making such assumptions, is part of what provides significant ideological support for existing economic arrangements and inequalities of power. So always keep in mind that Political/Military resources are only one way that social actors get other social actors to do what they want them to, and will always be intertwined with Ideological and Economic power resources. Just because the latter forms are more invisible does not mean that they aren't forms of power.

## Social Power and Formal Organizations

---

The important point for our present purposes is that over the last 200 years or so, the major sources of social power have become increasingly concentrated in formally rationalized systems. As we will see in Part II, starting with the organizational revolution, most of our major industries in the United States came to be dominated by *oligopolies* (or sometimes *monopolies*), a situation where an industry is controlled by only one (*mono-*) or only a small number (*oligo-*) of companies. The US auto industry, for example, quickly came to be dominated by “the big three” of Ford, General Motors, and Chrysler. Railroads companies, of which there were initially hundreds in the nineteenth century, were consolidated under the control of just a few companies at the turn of the twentieth century. The Standard Oil Trust came to virtually monopolize the early oil industry, while US Steel dominated the steel industry. In industry after industry economic activity came to be dominated by small numbers of companies. While the extent of concentrated industry control has waxed and waned some over the course of time, and whole new industrial sectors have appeared, the situation is now just global. Older industries like oil and gas, metals, and autos continue with oligopolistic structures. And the same pattern seems to emerge every time new industries emerge. So we also find oligopolies in computers and software, smart phone manufacturing and wireless service, and mass media. The global economy is not a nice game of kids setting up a lemonade stand on the corner. It is one of giant multinational corporations operating in highly concentrated industries.

Similarly political and military power is concentrated in very large governmental and military organizations. States and militaries have frequently concentrated



power around the globe and at all different times and places over history, yet their growth in size and scope is a hallmark of the modern (perhaps now postmodern) period in the West. In addition, wherever democratic and parliamentary political institutions are in place, the battle over their control takes place via other organizations, the most prominent of which are political parties. To be sure, there have been large P/M empires in the past, and some have been very large with many of the vestiges of bureaucracies. But their presence was still geographically limited to particular regions. We are at the first point in human history where the formal organization of state and military control covers the entire globe and its entire population. Furthermore, the existing system of nation-states along with their militaries is tied up tightly to the dynamics of the global economy.

Ideological power tends to be a bit more dispersed, but is heavily organizational nonetheless. Media corporations are some of the most central ideology producers as are such things as churches, universities, and think tanks. Wherever people provide windows on the world and interpretations of what is occurring in it, and wherever one finds attempts to instill or manipulate morality one is looking at operations in the realm of ideological power. It is about organizations battling over the nature and content of truth and morality. In this regard, since organizations of any kind need legitimacy, all are engaged at some level in the production and forwarding of ideas and perceptions, even if it is merely limited to how the organization is viewed by others.

Thus we live in an age when the primary resources for social power are concentrated in large, formally rationalized systems. This should come as no surprise after looking at the general rationalization thesis. Formal rationality grows and spreads to encompass more and more of social life to the point that society becomes the iron cage of rationality. Thus it stands to reason that basic power resources in a society are similarly rationalized and come under the control of large administrative hierarchies. The end result is not only power concentrated in organizations but also even further concentrated in the top positions of those organizations.

### **Robert Michels and the Iron Law of Oligarchy**

At about the time that Weber was raising concerns about the rise of formal rationality, a young associate of his named Robert Michels was throwing a bit more fuel on the fire. Michels was a social scientist and active for a while in Germany's Social Democratic Party (SDP) which was a socialist workers' party. Contrary to popular legend in the United States, socialism is contrary to capitalism, but not contrary to democracy. In fact, those with socialist orientations tend to be adamantly democratic at the same time. To grossly oversimplify for the sake of brevity, socialists just can't figure out why anyone would want democratically run political systems, but not have democratically run economic systems. Thus, as its name implies, the German SDP political platform thoroughly espoused democratic ideals. Yet, Michels was bothered by the fact that the party organization itself did not seem to run itself democratically. It was, rather, largely controlled by a small elite in top leadership positions in ways that frequently did not reflect the interests of the party membership or its stated ideals.

The common sense approach to explaining this kind of inconsistency between professed values and actual actions would be to individualize and

moralize. We would blame the persons in the party leadership and perhaps others for being hypocrites. If we cared at all, we might furthermore demand their removal and replacement with others who might act more virtuously and remain true to the membership and the organization's values. This is what people in the United States are doing every time they locate issues of politics in the actual persons who currently occupy an office. People tend to believe that political issues can be fixed by replacing the current "bad" persons with new "good" ones. It is possible that Michels had such thoughts, but he was also a social scientist with a close relationship to Max Weber. So what he did, instead of merely yelling about "bad apples," was to do an intensive study of the administrative operation of political parties to see how they worked. Out of that came his now famous 1911 book called *Political Parties* in which he outlined what is called the *iron law of oligarchy*.

In simplest summary form, the iron law of oligarchy is that any large organization, regardless of its stated principles, will inevitably end up being controlled by a relatively small, self-perpetuating elite. (If you break down the term *oligarchy*, it is made up of: *oligo-* which means few and *-archy* which refers to ruling, and thus rule by the few.) That small elite strata in the leadership positions of the organization will end up taking on distinctively different orientations from the mass constituents of the organization, and will act for the benefit of the organization, even if this leads to straying from its original purposes and the interests of the constituents. The idea of acting for the benefit of the organization regardless of what it means for being true to principles is an important one. Organizations, by the way they are structured, develop what are now called *structural interests*. These are the needs of the organizational structure itself, which shape group interests and power relations in the organization. If the needs of the organization are not cared for, then the organization may not survive at all. Thus organizational survival itself will generally come above all else, and can easily result in what has been dubbed called *organizational drift*, which is largely about the straying from officially stated principles, processes and procedures. Rather than being rationally planned means to accomplish stated ends, organizations can be seen as drifting along through time driven largely by their own survival. For this reason, it doesn't really matter much which actual persons end up in leadership positions within organizations. Whoever they are, their outlooks, interests, and actions will be generated by the structural needs of the organization itself. The tendency toward oligarchy is seen to be a universal tendency in organizations. It isn't a decision that people make. "*Who says organization says oligarchy*," Michels declared.<sup>3</sup>

The main starting point for the logic of Michels' argument is the simple difficulty involved in having large groups of people make and implement decisions. If everyone is involved, and everyone needs a say, and everything has to be voted on all of the time, then it becomes very difficult, or even impossible to get anything done. This is, of course, is among the reasons that large scale democracies are largely representative rather than direct. If anything is to get done, then delegation of decision-making and implementation of action is inevitable. This is the case even where there is a strong democratic purpose and spirit in an organization. If organizations remain

<sup>3</sup>Michels [1911] 1962: 365. We will have a more complete account of things like structural interests and organizational drift in Chapter 8.

relatively small and their activities relatively simple, then it can remain possible for the leadership of organizations to remain accountable to the will of the constituents. But small and simple has not been the story of our last couple of hundred years.

Much of Michels' focus was on labor parties and unions which were in the process of ballooning in size right along with the growth in size of businesses (which we will discuss further in Part II). As such, the size of these organizations was increasing along with the complexity of their activities. This complexity is important. The running of an organization itself easily becomes a difficult and full-time job for those delegated to carry authority, and those jobs increasingly require various kinds of technical expertise in management, law, accounting, and so forth. This sets in motion a whole host of things that result in the inevitability of self-perpetuating oligarchy that ends up working foremost on behalf of an organization's own survival and power rather than on whatever its principles are.

For one thing, since the leadership positions become the full time occupations for the leaders, it becomes the source of their salaries, benefits, and prestige. As such, organizational survival becomes a matter of personal survival. Furthermore, the business of the organization comes to take up their full attention and subtly shapes their values and their views on the world in ways that are quite different from the constituency. Leaders of a blue-collar labor union, for example, cease to be blue-collar workers. Instead they become white-collar office workers who do very different kinds of work than the people that they are supposed to represent. They don't spend their time on the shop floor with other workers, but in company board rooms and political offices where they associate with other organizational elites of business and government. What ends up becoming most important to them is how well the organization itself does—how secure it is, and how powerful it is. This is how their bread is buttered, but can easily *appear to be* what *is* in the best interests of their constituents, even if their activities tend to depart from the stated or initial goals of the organization. They quickly find that stability and security for the organization tends to mean playing the game with other powerful leaders. You negotiate and strike bargains and make compromises, all of which aim toward the production of the stability of the *status quo*.

The complexity of the work of is done by organizational leadership feeds right into this. Organizational leaders need to end up with some manner of expertise with regards to matters of law and accounting. They need to become effective orators and professional writers. Michels observed, in fact, that various training programs had emerged in many places for providing specialized training to party and union leaders thus producing something of an elite professional class within the working class. But it's not merely about formal technical training either. There is a lot of tacit knowledge that comes from being involved in elite circles. The leaders become "insiders" in larger games of power, learning how the wheels get greased and how bargains are struck. It is not easy business running a large organization. This is a large part of the reason that oligarchies become self-perpetuating. New leaders are selected and groomed—or socialized—into these complex roles. In other words, regardless of what an organization was formed to do, organizational leadership will end up being oriented toward the flows of power in a larger interorganizational system. As part and parcel of this process, the mass membership of the organization has to give up on being able keep a watchful eye over the actions of the leadership.

There are too many things to pay attention to, and too many things that remain unknown. The complexity of much of the organization's activities transcends to ability of the membership to know about and understand.

Surely though, one must think, even a light amount of surveillance must keep organizational leaders in line with the wishes and values of the masses. If the leadership strays too far the membership must be able to resist and keep the organization in line with the ultimate program. It rarely comes to this, however, because the constituents of the organization will generally have neither the inclination nor ability to stage any kind of collective response to the oligarchic conditions. The organizational leadership controls the organizational resources and is able to shape the understandings that people have of it. They control the agenda for organizational activities and the official communications channels of the organization. They explain what the organization is doing, what is going on in it, and why. In fact, the membership frequently looks to organizational leadership to do just that. And even if they see things wrong and want to stage some manner of resistance it is generally fairly easy to paint them as uninformed reactionaries and dissidents who don't understand the practical reality of things. But even more to the point, the constituents, *en masse*, have no organizational base from which to make a challenge for power. There is little way to formulate and advance alternative, critical assessments of organizational leadership nor any way to produce an alternative. Regardless of what might be behind the scenes, formal organizations tend to develop a front face that explains to its constituents and outside observers that it is doing exactly what it is supposed to. Ironically, the only way that the masses could challenge the organizational leadership is by building a new organization—at which point the same processes are put into motion. For Michels' the results of his analysis are clear. Thus his conclusion (noted above) that "*Who says organization says oligarchy.*" It doesn't matter what the intentions or wishes of people are. The dynamics don't reside inside of the heads of persons or their intentions. They reside in the dynamics of organizing itself.

The larger issue that goes beyond the narrow subject matter of understanding power in formal organizations lies in Michels' more general main point in the book which is that mass democracy is actually impossible. In order for masses of people to engage in coordinated and concerted collection action they require formal organizations. In other words, mass democracy requires organizations. Yet, formal organizations make true democracy impossible. It is a classic catch-22. The point is not that the formal trappings of democracy can't exist. Obviously they do. Many political systems and organizations have representatives and voting and input mechanisms and so forth. The formal trappings of democracy amount to part of what keeps oligarchic power structures in place because appeals to democratic principles are an important means of maintaining legitimacy for the organization and its leaders. But for Michels, all of that is largely illusion. Whatever the values of an organization happen to be, these serve largely as symbolic tools used rhetorically to whip up the emotions of the masses. Mass democracy was sure to turn politics into *demagoguery*, or forms of political activity where support is sought by making appeals to population sentiment, beliefs, and prejudices. And so it has.

Of course, Michels' argument was about mass membership organizations where power is not *supposed* to be concentrated. Many types of organizations, such as business corporations, have power concentrated at the top of administrative hierarchies by design. This doesn't mean that the same basic

processes don't apply. It just means that a small number of elite are expected to be in control and to operate on behalf of the wellbeing of the organization itself.

As with Weber's description of bureaucracy and rationalization, it is best to take Michels' analysis of oligarchy as an ideal typical description of the tendencies of large organizations. The issue of power and control in organizations is very complicated and any dogmatic clinging to Michels' conclusions is unwarranted. There is a lot of variation in organizations—in how they operate, how power actually works, and in what kinds of things can increase or decrease tendencies toward oligarchy. For now we can simply note that regardless of what an organization is supposed to do or what it is supposed to be like or what the people in it say that it is or will be, there are very strong tendencies toward power becoming concentrated in a relatively small, self-perpetuating elite, and this will frequently be accompanied by a disconnect between stated principles and goals and actual actions.

### Power Elite Interpretations of Power

Once we have the picture of social power being concentrated in large organizations, and then add the observation that power in large organizations tends to be concentrated in elites at the top, then you arrive at the roots of *power elite* conceptions of social power. Among the first observers to make this view prominent was mid-twentieth-century sociologist C. Wright Mills. As Mills explains, the world is certainly full of important forms of social organization such as family, church, or school. But the twentieth century, especially in the United States, saw an unprecedented growth in the size and power of just a few institutional sectors of society: the state, the military, and industry. As Mills wrote in the 1950s:

*The economy—once a great scatter of small productive units in autonomous balance—has become dominated by two or three hundred giant corporations, administratively and politically interrelated...The political order, once a decentralized set of several dozen states with a weak spinal cord, has become a centralized, executive establishment... The military order, once a slim establishment in a context of distrust fed by state militia, has become the largest and most expensive feature of government...<sup>4</sup>*

Very importantly for Mills, these forms of power are not separate and distinct. As the various organizations have grown larger in terms of their size, complexity and power, they have also grown in their interdependence with each other. The large corporations cannot do without the support and assistance of the state. The state cannot do without the wealth generated by corporate revenues. The military cannot function and fund itself without the state, nor can it meet its material needs without industry. These three dominant sectors of society are thoroughly dependent upon each other and become more and more interconnected and coordinated.

The size and complexity of these organizations increases the tendencies toward oligarchic control, while the coordination needs bring top decision

<sup>4</sup>Mills, 1956: 7.

makers into tighter and tighter linkages with each other. So sitting at the top of the organizations in these sectors of society is an interlocked network of economic, political, and military elites. They also move relatively easily between different organizational sectors. Elites from economic organizations can hop to political organizations and *vice versa*. It is worth mentioning that the US president (top political position) at the time Mills was writing the book was Dwight D. Eisenhower, formerly a top 5 star Army general (top military position). It is the elites in these organizations that make the serious decisions that affect everything from the day to day activities of individuals up through decisions about worldwide military conflicts.

Perhaps the most crucial thing is that the power elite must be seen through a bureaucratic logic. While Mills' was quite interested in the characteristics of the persons involved, the structures of power are not actually made up of persons, but of the top positions in these organizations. As such, changing power in society is not about changing out the actual persons who sit at the top of the organizations. The persons can come and go, but the organizational positions remain and carry with them the demands—and powers—of the position. For this reason, leadership can turn over at any point in time, but even with new leadership the operations of power tend to remain about the same. The organizational machinery remains set to accomplish business as usual on a day to day basis—that is how it is designed. And organizational dynamics shape new occupants in the same way that they shaped the past ones. They demand performance of duties as the primary focus of the occupant, and those duties are centered on the well-being of the organizations that they are expected to serve. They shape the occupants' understanding of the world and shape interpretations in light of what is best for the organization itself.

Although the important issue is the structure of the positions themselves, this does not mean that nothing can be said of the persons that occupy the offices. They do make up relatively identifiable networks of people who tend to travel in the same professional and social circles. They not only find themselves frequently working together, but also tend to see one another socially, have links from the same universities and even prep schools, belong to the same social clubs, go to weddings of each other's children and so on. It is not as distinctive as a definable club with membership, but more of a set of partly formal and partly informal overlapping networks that mingle both work and personal relations. Thus the mind-shaping properties of the organizational positions are reinforced by a background of informal network activity.

At present, it is likely that no one has done more since Mills to document the kinds of social networks that underlie elites than has sociologist G. William Domhoff whose work on power elite research has been ongoing since the 1960s. Despite operating explicitly in the tradition of Mills, Domhoff distances himself a bit from Mills in arguing that, while there is a distinctive power elite structure involving multiple kinds of organizations, the United States is thoroughly a class-dominated system of power. Calling it class-dominated simply means that the real flow of power in the United States goes through economic organizations rather than political, military, or cultural ones. Domhoff is not saying that state and military institutions are not very large and very powerful in the United States. He is merely saying that the driving force behind their activities is rooted in the needs, interests, and power of economic actors more than anyone else. In other words, there is really a chief

pinnacle of power in the United States, and it is found in economic organizations which dominate the power structures.

The main reasons for this are rooted in history and have to do with the fact that as the United States developed through its colonial period and into independence there were no large, strongly entrenched power networks in place. There was, for instance, no large Catholic Church organization as there was in Europe. Nor was there an old aristocracy, founded as it was in Europe based on an alliance between the Church and land owners. Both the state and military in the United States were rather small and weak until well into the twentieth century. Thus, there were no other forms of power in place to counter or challenge the power of concentrated wealth. In other words, the United States was heavily decentralized in terms of IMP sources of power. But, partly because of this, it did eventually develop highly concentrated forms of E power. The concentration of the other forms followed behind this, but economic power remains the center-pin.

A full review of even just Domhoff's career in developing his class domination version of power elite theory could take up a full book of its own, and is beyond the scope of what I can do or need to do here. Suffice it to say for now that the details can get very complex and those interested can begin with the sources and suggested readings listed at the end of the chapter. But there has been a bit of resurgence of attention of late as the economy, and economic organizations have become more and more globalized. C. Wright Mills, writing in the wake of World War II was observing and writing with regards to a power elite in the United States. This stood to reason because at this time the United States was the world's premier super-power on all of the IEMP dimensions. This situation has since shifted, but not necessarily in ways that made social power more dispersed, and it may be that the level of analysis is shifting from the national power structure of the United States to the possibility of a—still emerging—global power structure.

### ***A Global Power Elite?***

To emphasize the point that formal organizations provide for highly stable forms of power arrangements should not lead one to believe that there is anything static or unchanging about it. The world that C. Wright Mills wrote about does not really exist any longer in the form it had at the time of the writing of the *Power Elite*. The particular nexus of state-military-corporate relations that he observed in the United States was arguably at its zenith at that time. But as we will review in Part II the basic situation changed quite a bit starting by the early 1970s. The root changes have to do with the extent to which corporate activity is increasingly global. The post-World War II period in which Mills wrote was one in which US companies were dominant over the whole of the globe and faced little competition. But starting by around the beginning of the 1970s, they faced increasing competition from other areas of the globe, and we are now in a period, not where a relatively small number of companies dominate a US economy, but where a relatively small number of multinational companies dominate in a global economy.

Of late, there has thus been a resurgence of power elite research attending to the global situation, and, consistent with Domhoff's emphasis on class power, at the core of the dynamics is the rise of what is sometimes called a *transnational capitalist class* (TCC). The most systematic documentation of the existence of a global power elite (GPE) has likely come from political



sociologist Peter Phillips in his 2018 book called *Giants: The Global Power Elite*. In it he does provides an analysis of the main actors that is easily sorted out by its IEMP organizational features. The “giants” in the title refers to the globe’s largest 17 transnational investment corporations which serve as the primary coordinating organizations (the E). The “Managers” (as Phillips calls them) are the directors of those 17 companies and make key financial decisions in the global economy. In political terms, they are tied, not to state organizations but to similarly global nongovernmental organizations (NGOs) such as World Economic Forum and Council on Foreign relations. These are called the “Facilitators,” and act as policy shaping centers for states and other organizations (e.g., the International Monetary Fund) aimed at allowing capital to flow freely according to the needs and wishes of the managers. (This is largely I, but with the goal of influencing P) The “Protectors” exist as various kinds of military and intelligence agencies that help to pave the way and provide security where opposition is faced in the form of resistant state actions or popular movements (the M/P). Finally, he refers to the “Ideologists” (obviously the I) which is represented by corporate media organizations that frame out a picture global capitalism to be not only inevitable but also beneficial. Thus in the end, even despite changes since the time of the writings of the likes of Michels and Mills, there is still an underlying architecture to social power relations that has arguably expanded to cover the globe.

### Pluralist Interpretations of Power

Pluralism is probably closer to the standard picture of power offered up in the mainstream of the United States. It is assumed in most public debate and dialog and is taught or implied in standard textbook versions of civics, political science and economics, whether in secondary schools or in higher education. Its basic imagery is rooted in the tradition of *Classical Liberalism* which emphasizes the political and economic liberties of all individuals, and descends from those Enlightenment ideas that I brought up early on in this chapter. The term Classical Liberalism is often used to distinguish this more comprehensive body of thought from the contemporary use of the word “liberal” in politicized contexts. In Classical Liberal thought, for example, virtually everyone in the United States, “liberal” and “conservative” alike, counts as a “Liberal.” To get past the confusion, note that the word liberal shares the same root as other words like *liberty* or *liberation*. All of these words are just from the Latin *liber* which means “free.” So Liberalism is just “freedom-ism.” Classical Liberalism emerged as a philosophy of political economy, largely in Europe and the United States through the eighteenth and nineteenth centuries. Its origins were a critical reaction to the old aristocratic order of Europe that dominated throughout the Middle Ages. During that period there was a belief in a natural inequality among people in that only some people—those of aristocratic blood—were capable of the wise and responsible exercise of power. This was most commonly justified by religious thought where the aristocratic order was seen to be sanctioned by the Judeo-Christian God. The idea was that people were not free, but were beholden to a hierarchical social order that all the way up to God himself. Thus the Medieval social order was rooted in a melding of political (P) and religious (I) power.

Classical Liberalism emerged from the Enlightenment as part of an intellectual movement to fundamentally overturn these ideas. The central

thing is to reject any manner of belief in natural inequality among people, at least in terms of our fundamental capacities to use reason and rationality. All people are declared to possess the capacity to use reason which means that they are perfectly capable of making decisions for themselves. They don't need some purportedly "superior" person to give them orders or provide direction. Thus we find an emphasis on all of the values we celebrate with regards to democracy, equality, and self-determination. We operate with representative political institutions and those are ruled by the people rather than vice versa. An integral part of that is our emphasis on basic civil rights and individual freedoms regarding things like speech, the press, assembly, and religion. Similarly, we operate with market economies where freedom is the same. In market economies, everyone is free to do as they will as a buyer and seller of goods and services (within the confines of the law, of course). To the extent that anyone is in a position of power over someone else in the economy, this is merely a matter of their own choice. You are not required, by law or by God or anything else to submit to someone else's power over you because you are always free to do something else. If we are talking about an employment relation, you are free to quit whatever job you have and thus not be subject to those orders. If you don't want to take orders from anyone else at work, then you never have to because instead of getting a job you can simply work for yourself instead. You are free—politically and economically.

In political terms, it's a little bit different because there are all sorts of rules that you are required to follow and/or fail to violate. Here you don't have much personal choice other than "love it or leave it," I suppose. *However*, you do have as much right as anyone else to participate in the rule and policy making. If you don't like rules or think that some are missing, then it is on you get moving and exercise your rights to speak out about it and act to influence the political system. Given all of this, the logic is that social power is widely dispersed among the populace rather than highly concentrated only in some places in society.

Generally speaking, for the pluralist power is not perfectly distributed, in the sense that there is any manner of complete equality among actors. But it is seen to be widely distributed nonetheless. The world is full of a multitude of different kinds of interest groups with varying amounts of power. The state itself is seen as something like the referee and sometimes a vehicle for these competing power interests. But even then the key thing is that competition for power remains. The world of social power for the pluralist resembles the picture of markets as told by economists. There are plenty of interests and actors that take them up and these compete for power to see that their interests are met. There may or may not be overlap between different kinds of interests but those will likely be in the form of dynamic alliances and coalitions that come together and fall apart at various times. No one set of actors or interests truly dominate. Rather there is a constant quasi-market for power.

Obviously economic and governmental actors wield quite a bit of power. But unlike for power elite theorists, there are all manner of other kinds of interest groups that are able to check that power and often get their way. Some common observations have to do with the success of things like the ability of labor unions to arise and check the power of business, itself requiring cooperation of governmental actors. Similarly things like civil rights and environmental movements in the United States during the 1960s and 1970s are offered up as ways that power is a battle among the many rather than the few, and that

ordinary people can get together and get in the game. Thus concerted actions by various coalitions of citizens, and general public sentiment and opinion matters a great deal. Given Liberal political institutions operating with representative democracies, governmental actors are always beholden at least to some extent by their constituents. They cannot survive in office by solely attending to the needs and wants of only a corporate elite.

Furthermore, unlike for elite theorists, economic organizations are seen to be too narrowly centered on their own particular interests, and so frequently in competition and conflict with each other that they rarely, if ever, form a unified basis for exercising dominating power. In addition, like governmental organizations, they have to yield to the general public, especially the general public as consumers. In economic theory corporate actors can't rule, but are ruled by the power of the consumer pocketbook. They are taken to be at the mercy of the masses because they have no choice but to meet our demands in the market place. Thus, whether in the political or economic arenas, the masses actually rule the elite who are obligated to do their bidding.

Power elite theorists do not deny that there is a pluralist nature to a great deal of political activity. It's quite obvious that contemporary politics is full of noise regarding many different issues and that many different groups have their interests represented. So for the power elite thinker there is no argument regarding whether or not politics isn't a lively place with many different kinds of interests and many different winners and losers in various respects. It's just that the day to day business-as-usual politics that fills TV screens and daily news outlets is relatively insignificant in terms of the most crucial and far reaching power decisions. Going back to Mills, this is generally accommodated this by arguing that power structures have three basic levels. The top level is the relatively tight power elite that dominates in making the most important national and international decisions on things like foreign policy, military strategies, and monetary policies. These are things that people are often not even aware is going on, largely because they are distracted by what is called the *middle levels of power*. This is the level that people generally see as "politics," and is where pluralist ideas would be applicable. It is the world of political parties, special interest groups, social movements, and normal congressional activity. So this is where pluralism matters, but for elite theorists not nearly as much as pluralist ideas would have it. Finally there is a bottom level which is basically the masses that are unorganized and impotent, save for the ability to sometimes influence the middle levels via electoral processes. At the lowest level the electoral masses are obsessed with the middle level stalemate and distracted by popular culture. For the likes of Mills, it is this middle and bottom level activity that people tend to mistake for the operations of political power. In the end, what it does is actually insulate the activities of power elites from too much scrutiny or even notice.

## **Paying Attention to Variability—and Organizations**

---

The purpose of this chapter is not to attempt to clear up questions of how power really works. It is all still a matter of contention among political scientists and sociologists, and the subject is well worth exploring. I point the reader to the sources and suggestions for further reading at the end of the chapter. For our purposes, I will round out this rather brief and incomplete treatment of the question of power with a final set of similarly brief and

incomplete notes about how one may want to think about these things in the context of organizational sociology. The first key point, and the main purpose of the chapter, is to explain that, even for most versions of pluralism, regardless of all else *social power is organizational*. For elite theories, this point should already be obvious from the foregoing in this chapter, but it also significantly applies even in pluralistic arguments.

While pluralist arguments do often put a good deal of weight on electoral processes so that something like the “general public” and “public opinion” (the unorganized “masses”) can be seen as important, generally more significant is attention to coalitions of people engaged in what are called *social movements*. The study of social movements is basically about the question of how it is that people outside of elite centers of power manage to get things done, and the central aspect of successful social movements are called *social movement organizations (SMOs)*. Without an organization, masses of people don’t have a way of coordinating for sustained collective action. This is the reason that, according to Michels, a small elite can always dominate the masses of an organization. Elites are well organized, while the masses are not. Surely the growth of electronic communications technologies has made it easier to generate various kinds of “moments” of collective action such as protests. And it is obvious that those can sometimes be important in terms of influencing what formal organizations do. But just as Weber initially pointed out with regards to bureaucracy, there is nothing like setting out a structure of regularly defined activities with persons assigned to various roles to coordinate actions toward the accomplishment of particular goals. Thus the success of things like labor, civil rights, or environmental movements are the successes of social movement *organizations*, such as the AFL-CIO which is an umbrella organization of labor unions, the *National Association for the Advancement of Colored People (NAACP)* which is focused on civil rights issues, or the *Sierra Club* or *National Resources Defense Council (NRDC)* for environmental issues.

The second key point is to always be attentive to variability. Despite my references to organizations creating well defined and stable power structures, there is no static situation with regards to the dynamics of social power. Rather than thinking about power as *either* a matter of elite interests *or* of more pluralistic competition, it is sensible to see the state of affairs in flux along a continuum. Given a formally rationalized world, organizations will continue be central to issues of social power. But just how concentrated power is, and in what kinds of organizations is subject to variability. There are, for example, quite a few different variations on what counts as pluralism, sometimes now grouped under the term *neopluralism*. Among these is what is often called *elite pluralism* or, similarly *biased pluralism*. These conceptions take power as pluralistic, but not as equally distributed across the population. Rather large variations in the social power of citizen groups are built upon underlying social inequalities, and, generally speaking, wealthier and more organized segments of a population speak the loudest. Despite the pluralist label, something like biased pluralism lands quite close to power elite theories. For example, in an influential paper on “Testing Theories of American Politics,” political scientists Martin Gilens and Benjamin Page note:

*The central point that emerges from our research is that economic elites and organized groups representing business interests have*

*substantial independent impacts on U.S. government policy, while mass-based interest groups and average citizens have little or no independent influence. Our results provide substantial support for theories of Economic-Elite Domination and for theories of Biased Pluralism*<sup>5</sup>

But even then, it is useful to avoid searching for the “correct” final position or label in this regard as organizational dynamics are always in flux. As we will discuss in Part II, for example, we actually started the twentieth century in the United States with a situation of intensely concentrated economic power as wielded by the growth of massive industrial businesses. In your high school textbooks this was the basis for what would have been called *The Gilded Age*, and included the rise of the *robber baron* capitalist. At the time, the US government was actually quite small and weak, and it was clear that economic organizations dominated society (though not without a fight as we will see later). The large labor forces of people, who worked for these new giant enterprises, while not small, were even weaker. By comparison to increasingly organized sources of economic power, industrial workers were the disorganized majority.

It is quite plausible to argue that *as compared to* that early twentieth-century situation, later points in history saw significant changes. By the middle of the twentieth century when C. Wright Mills wrote, both the US government and military had grown, especially due to the two World Wars. Relatedly, workers had gained the right to organize as labor unions to press for their rights, and these developments tempered, at least somewhat, the concentrated power of business organizations. Furthermore, labor unions, along with the expansion of white-collar work to staff the growth of large bureaucracies, created a large new middle class in the United States. In an influential pluralist treatment of power in the United States, political scientist Jeffrey Berry, in his 1999 book *The New Liberalism: The Rising Power of Citizen Groups*, argued that this was a significant part of what underlay the successes seen in social movements oriented toward such things as civil rights, environmental issues, and consumer protection that were witnessed starting in the 1960s and up through the 1990s. The rise to middle class status was an important basis upon which various citizen coalitions have been able to have enough resources (largely time and money) to participate in social and political issues forming the basis for various social movements. Thus, *as compared to* the first part of the twentieth century, the power of business organizations during the middle, and possibly into the late part of the twentieth century was arguably less than it was at the turn of the twentieth century.

And the situation remains in flux. For example, organizational sociologist Mark Mizruchi in a 2013 book, tellingly named *The Fracturing of the American Corporate Elite* argued that the US corporate elite, while rather unified in many respects for much of the twentieth century, fragmented in the period after about the year 1990. The full story is complicated, but a central part of it involved organizational change. A significant portion of the unity of business elites for much of the twentieth century came through *interlocking directorates* which is a situation where people sit on the board of directors of multiple

<sup>5</sup>Gilens and Page (2014: 565). This point is not lost on G. William Domhoff either (see, 2020: 7).

companies. For much of the twentieth century commercial banks were at the center of those interlocking directorates as central hubs. A typical bank would have directors who were also directors of large companies in multiple other industries, and thus corporate board meetings were central to producing and maintaining unity and coordination of business elites across the entire economy. However, beginning in the 1980s, Mizruchi argues, commercial banks lost their central importance, largely owing to alternative means of accessing capital. When this occurred, interlocking declined and a significant portion of corporate elite unity went with it. The idea is that corporate elites are now quite disunified and largely pursuing their own narrow interests. As such, the power elite as observed by Mills is now gone, and the situation is left more pluralistic than it was for much of the twentieth century.

But the story is never simple. In the same year that Mizruchi published a reappraisal of Mills' *Power Elite* (2017), sociologist Joshua Murray published a near simultaneous paper providing evidence that, even as US based interlock networks may have thinned out, the extent of transnational interlocks has been increasing. Thus the basis for corporate unity has shifted and the end result, he argues, is that ties among corporate actors are actually denser overall and the corporate elite is becoming more and more a global elite. This is, of course, consistent with the *global power elite* arguments such as those of Peter Phillips, noted above.

Furthermore, in his ongoing work, G. William Domhoff has continued to argue, and provide evidence for the assertion that power continues to revolve around the interests of unified corporate elites. Domhoff's focus on what brings corporate class interests together and gives them voice does include interlocking boards of directors, but in addition a much broader *policy planning network (PPN)*. The PPN is largely made up of not-for-profit, NGOs, frequently funded by corporations and wealthy individuals (whose wealth is rooted in corporate ownership or control on one way or another), and heavily populated by corporate executives. These organizations include policy discussion groups such as the Business Roundtable (which is purely an association of corporate CEOs), the Committee for Economic Development (the Trustees of which are all corporate executives), and the Chamber of Commerce, along with various *think tanks* such as the American Enterprise Institute, Council on Foreign Relations, and Brookings Institution. The preferences of the *corporate community*, as it is often called, make their way into government policy by way of things like lobbying, the provision of "expert" testimony in Congressional proceedings, and by having people move back and forth between the PPN and top advisory posts in the government.

In any case, as I noted, one brief introductory chapter cannot offer conclusions that settle arguments regarding how it is that power operates. It is an ongoing matter of investigation and dispute in the social sciences that has taken on a new significance as the globalization of the political economy continues. However, social power does remain significantly a matter of the concentration of IEMP resources by formal organizations, though just how concentrated is variable and open to question at any given time. But formally rationalized systems have strong centralizing tendencies which will always leave important questions to ask regarding the relative power of formal organizations and of their elites.

## SOURCES AND FURTHER READING

The **IEMP** power framework was defined as such by **Michael Mann**:

- Mann, Michael. 1986. *The Sources of Social Power, Vol 1: A history of power from the beginning to AD 1760*. New York, NY: Cambridge University Press. (See Chapter 1. This was adopted by Domhoff, see below).
- Weber's "class/status/party" predecessor can be found on pp. 926–929 in: Weber, Max. [1922] 1978. *Economy and Society: An Outline of Interpretive Sociology*. Edited by Guenther Roth & Claus Wittich. Berkeley, CA: University of California Press.

Michels **iron law of oligarchy**:

- Robert Michels. [1911] 1962. *Political Parties: A Sociological Study of the Oligarchical Tendencies of Modern Democracy*. Trans. Eden and Cedar Paul. New York, NY: Free Press.
- The concept of the iron law remains a matter of discussion, whether because it is found useful (Drochon, 2020) or to challenge its status as a "law" (Diefenbach, 2019):
  - Thomas Diefenbach. 2019. "Why Michels' 'iron law of oligarchy' is not an iron law – and how democratic organisations can stay 'oligarchy-free.'" *Organization Studies* 40: 545–62.
  - Hugo Drochon. 2020. "Robert Michels, the iron law of oligarchy and dynamic democracy." *Constellations* 27: 185–98.

Discussion of the **power elite** literature typically begins with **C. Wright Mills'** classic (1959). And noted, the tradition has been most earnestly carried on by **G. William Domhoff**:

- C. Wright Mills. 1956. *The Power Elite*. New York, NY: Oxford University Press.
- G. William Domhoff:
  - Keeps an updated list of publications here: [https://whorulesamerica.ucsc.edu/domhoff\\_bibliography.html](https://whorulesamerica.ucsc.edu/domhoff_bibliography.html)
  - His initial classic was (1967). *Who Rules America?* Englewood Cliffs, NJ: Prentice-Hall.
  - As of this writing his most recent includes:
    - 2020. *The Corporate Rich and the Power Elite in the Twentieth Century: How They Won and Why Labor and Liberals Lost*. Abingdon, UK: Routledge.
    - 2018. *Studying the Power Elite: Fifty Years of Who Rules America?* Abingdon, UK: Routledge.
  - In addition, he maintains and extensive website revolving around the ongoing work regarding *Who Rules America*: <https://whorulesamerica.ucsc.edu/>

On the **global power elite** the possibility of a **transnational capitalist class**:

- Phillips, Peter. 2018. *Giants: The Global Power Elite*. New York, NY: Seven Stories Press.



- See also, Carroll, William K. 2010. *The Making of a Transnational Capitalist Class: Corporate Power in the Twenty-First Century*. New York, NY: Zed Books.
- And Murray (2017 – below).

#### On pluralism:

- The classic work on pluralism produced largely as a rebuttal to Mills' *Power Elite*:
  - Dahl, Robert A. 1961. *Who Governs? Democracy and Power in an American City*. New Haven, CN: Yale University Press.
- For an overview of **neopluralism** see: Andrew S. McFarland. 2007. "Neopluralism." *Annual Review of Political Science* 10:45–66.
- On **biased pluralism**: Gilens, Martin and Benjamin Page. 2014. "Testing theories of American politics: Elites, interest groups, and average citizens." *Perspectives on Politics* 12: 564–81.
- On **Berry's** argument regarding increased pluralism: Berry, Jeffrey M. 1999. *The New Liberalism: The Rising Power of Citizen Groups*. Washington, DC: Brookings Institution Press.

On the question of the fracturing of the corporate elite:

- Mizruchi, Mark. 2013. *The Fracturing of the American Corporate Elite*. Cambridge, MA: Harvard University Press.
- ———. 2017. "The Power Elite in Historical Context: A Reevaluation of Mills's Thesis, Then and Now." *Theory and Society* 46: 95–116.
- Murray, Joshua. 2017. "Interlock Globally, Act Domestically: Corporate Political Unity in the 21st Century." *American Journal of Sociology* 122: 1617–63.
- See also Carroll (2010), above.

#### Other General References

- Henry Mintzberg. 1983. *Power in and Around Organizations*. Englewood Cliffs, NJ: Prentice-Hall.
- Weber, Max. [1922] 1978. *Economy and Society: An Outline of Interpretive Sociology*. Edited by Guenther Roth & Claus Wittich. Berkeley, CA: University of California Press.