

8. Practical pricing

Introduction

We have argued that the neo-classical economic model and its variants do not make a very satisfactory basis for the analytic description of entrepreneurial activities. Two of its central features do not square with the day to day running of a business. These are: (a) the premiss that entrepreneurial profits are essentially short-run; and (b) the stipulation that such short-run profits are a return to creativity or to alertness. By placing both of these elements at the centre of its explanations of what entrepreneurs do, the neo-classical model underplays the importance of what we might call 'the engineering' of profits through operational efficiency and cost control. In making a distinction between 'how things are in the model' and 'how things are in the real world', we do not propose to dismiss out of hand any of the models used in economics. As exercises in deductive reasoning, such Cartesian Economics has its own justifications. The difficulty arises when we forget just what the idealisation is an idealisation of, and seek to use it without qualification as an explanatory framework. The neo-classical idealisation of the market, in which its account of entrepreneurs has a clearly located place, is an idealisation of what is itself an idealisation. The pure market with its perfect knowledge, perfect mobility, nil transaction costs, nil transfer costs and so on, is admittedly a piece of pure theorising. But what is it a theorisation of? To judge from the texts, the market as envisaged is an aggregate of transacting individuals, trading suppliers and consuming demanders. In other words, to use the image again, the street market in the abstract. But, while there may be many similarities between the street market and the rest of commercial life, there are also many crucial differences. These differences mean that the idealised analogising of the way businesses operate with the street market, may itself be misleading. It is at this point that the need arises to look and see just how firms, entrepreneurial

firms or any other, do actually behave. This chapter is a contribution to this analysis.

Apart from the reservations which we have already expressed, there is one other observation we wish to make. Despite all the concern with economic psychology and the centrality of exchange in economics, very little seems to be said about just how a transaction is arrived at, how prices are determined, suppliers and demanders co-ordinated. And yet, as we have indicated, getting a satisfactory product into their market place at an acceptable price is what most of LTC's business activities are about. The local determinants of acceptability are, of course, those elements of the structure of imperatives which make up the contextual features of being in business. In particular, there are the constraints imposed by the fixed term character of contracts and the likelihood that, at any one time, several contracts will not be renewed. The market model does not really describe the factor supply side either. Suppliers tender for the contract to supply to LTC for set periods and fixed prices terms as well. Thus the fluidity essential to the pure market is missing. In consequence, since supply costs and concession arrangements are the only places where there is room for manoeuvre, the specification of these contracts is highly significant for LTC.

In this chapter, we will look in detail at one such contract and the way in which it was arrived at. The contract is to supply beers and lagers to all LTC's outlets. We will try to bring out how the intersection of demand and supply, the determination of price, is a socially organised process and hence available for sociological description. Further, we will try to draw out just why, if one wants to understand the operations of the market place, any market place, an appreciation of these social processes will be necessary.¹ In our view, the local relevance that factors such as transaction costs, transfer costs, opportunity costs and profit margins may be seen as having is displayed in the practicalities of striking a bargain, fixing up a deal, agreeing terms. For a phenomenology of "real world economics", it is not enough simply to replace idealised generalities with abstracted practicalities. It is only through description of the specifics of a particular deal being negotiated here and now that the praxis of the market place will become available.²

Our discussion of this negotiation will focus upon a number of features which are widely discussed in the literature on negotiation.³ We will find them to be easily recognisable in the case in hand. The prime question which will occupy us, though, is not that these features are recognisably present but the description of just what that recognisability consists in. What social features are oriented to so that we, and the participants, can see this occasion as a 'normal', 'routine' one? Part of this will involve the description of what the negotiation looks like as a practical matter for those involved in it. We focus on its internal logic and its unfolding character. This task will be a sub-theme of our discussion. In both aspects, it is the *in situ* reasoning (the working of things out there and then; the seeing what is at stake, what can be gained and what given up) which we will detail.

THE PIPKIN DEAL

Our cases concern a negotiation for the supply of beers and lagers. These supply contracts are negotiated on bi-annual cycle. Towards the end of the contract period, LTC invites other suppliers to submit contract prices, and while it does not enter into formal negotiations with

them, it does "test the water" so to speak. During the re-negotiation of the contracts, the balance of advantage is with the existing supplier. It will take a major snarl-up for the contract to be placed elsewhere. The simple and obvious reason for this is the inconvenience and cost which re-organising the paper work, re-configuring the computer and so on will involve. But, while the balance of advantage is with the existing supplier, none the less LTC will be seeking to use the opportunity to cut its costs by playing off one supplier against another or others. Giles Davies is a master at this delicate business. The meeting which is described below took place in Giles' office. It was the second phase in the negotiation. The first phase had been the submission of an initial set of prices. It was these prices they were to negotiate over. Neither side expected the negotiations to be finalised at this meeting. However, the expectation was that most of the work would have been completed. It was due to start at 11.00 am.

In the event, the meeting lasted nearly three hours. We could not possibly look at all of it in detail, and yet it is in the detail that the phenomena we are interested in are to be found. This being so, we will provide first an informal, ethnographic account of the course of the meeting. We will then take various aspects in detail in order to analyse their contextual features.

Graham McKeay, the National Accounts Manager of Pipkin Breweries arrived late having broken down on the motorway. Giles kept him waiting for two or three minutes while he spoke to Greg Bailey, his Airports Divisional Manager on the phone.

They got down to business pretty briskly. Both are experienced negotiators and so there was no need for too many preliminaries. There are two parts to this tender, the discounts off standard trade prices which Pipkin will offer LTC and the amount of promotional money and other inducements which they will offer as part of the bid for the contract. Both know that the discounts are the important element but the promotions and "educational visits" should not be underestimated.

Graham had to begin from a weak position. The increases in prices were quite large across the board. He explained this in terms of an under-pricing in the previous year. Not surprisingly, Giles did not think much of that as a reason.

Big breweries like Pipkin ought to get their sums right and should not expect their customers to cover their cock-ups. Giles asked about the status of the prices. Do they vary with the area? This was an allusion to the fact that because of local tradition, beer prices are kept artificially low in some regions (eg the North-East). Graham said that the prices were universal. Clive countered this by suggesting that he had been offered less in one of the regions. Graham was mystified. He didn't know how they could do that. Giles didn't tell him it was in Northern Ireland where Pipkin beer is supplied at discounted prices by brewers in Southern Ireland.

The crucial price is that of the lagers. The price of £85 per barrel is £2 higher than a competitor was offering. If Giles accepted that price, given the usage of 1400 barrels, he would be losing out by £2800. The other lagers would increase this loss to £4000. A timely phone-call meant that Graham had a few moments to think about the problem. He then countered Giles by pointing to

the service they were given, the quality of the beers, the promotions support etc. Again Giles got blunt. "Let's get this straight. We are not going to pay for the promotions by paying higher prices." In other words, Pipkin have got to be competitive and the promotions and so on are the reason why LTC choose them. They make the difference. While Giles was blunt, nonetheless this exchange (and, in fact all the discussion) was extremely low key, amiable and good natured. There was no sense of anything personal involved even though the outcomes do affect the salaries of both the participants. When Graham suggested that Giles could raise his prices, although Giles rejected that suggestion out of hand, it was without any ill temper or animus. Why should he raise his prices when it is Pipkin who are non-competitive?

All this back and forth was, of course, going nowhere. Graham wanted to move on to discuss other matters but Giles would not let him. Eventually it was the intervention of lunch which put a stop to it.

Over lunch, they discussed other matters. Graham revealed that he knew Heather Vale quite well. She had recently been appointed to oversee airport contracts at BAA. He offered assistance should Giles ever need it. In return, Giles let Graham in on some of LTC's organisational changes that were being discussed at that time. After this particular trade of confidences, Giles raised the problem of Bradford Airport which had been running on for some time. This was a non-negotiating issue and so it was easier to be kept it clear of other matters.

The story is somewhat complicated. In essence, it concerns an LITC failure to seek recompense from Pipkin for loss of revenue due to exceptional ullages (waste beer) at Bradford Airport. Although the situation had been going on for some time, Greg Bailey, the Director in charge of Airports, had not sought credits from Pipkin. Eventually he tried to recoup the whole of a computed annual loss at one go. When Pipkin balked at this, he refused to move. Graham and Giles eventually resolved the matter by a series of bids and counter-bids.

After this, they went back to the prices. Offer and counter offer were made and eventually, a range of prices was agreed.

They then turned to the thorny issue of promotions. Other breweries had made offers ranging from high discounts to commissions of £1 a barrel on special promotions. Graham wanted to get away from cash inducements and into "real promotions". Not surprisingly, Giles wanted to stay with cash. Graham offered £2000 for a 'multibrand' promotion of American and Canadian beers. Giles wanted at least £1 a barrel, but Graham would not give in. They kept recycling the same arguments about control over money and promotions without getting anywhere. Graham suggested that the 'educational visits' should be seen as part of the promotions and offered to provide finance for 4 visits to Germany and £500 paid on 1st February. Reluctantly, Giles agreed to this.

It was now mid-afternoon. They both had got through what they wanted to

get through and the meeting closed down very quickly. As a final throw, Giles raised the special promotion arrangements. He asked Graham to check this. He felt sure (he was reading from his notes on the contract) that the agreement was for 1 free barrel for the first 4 barrels sold and then 1 for 10. Graham agreed to look into it. After some final pleasantries, Graham left.

Several features of this negotiation stand out. First, there was always a strong likelihood that a deal would be arrived at. Both sides proceeded from the start with that as an assumption. In that sense, although the possibility of going into the market place was always there, it was never really a serious option. Second, and this is strongly related to the first, there is the long standing connection between Pipkin and LTC. They have a history of deals just such as this one, and hence a lot of experience of negotiating with one another. Third, there is the relative seniority of the participants. Both were empowered to complete the negotiations and only need to refer the final terms to their respective Boards. Fourth, and permeating everything else, is the ambience of the discussions. It took place in a comfortable office over lunch and coffee. Both Giles and Graham are low key characters and, even when they were at odds, their tones were measured and moderate. The whole event was carried off with what we will call an urbane affability which was in stark contrast to some other occasions which were witnessed during the fieldwork.

The management of negotiation

It is a truism to say that negotiations have to be managed. They have to be orchestrated, brought off, worked through. But, what is not so often noted and certainly less often analysed is the way in which this management is accomplished. The primeordial character of this negotiation is that of its being "yet another one, first time through".⁴ What we mean by this is that although the general steps may well have been agreed in advance, although both parties will certainly have rehearsed in advance the sorts of bids they would make and the offers they might be prepared to accept, although they have already met once to discuss the general terms, this stage, this step, this part of the negotiation has to be gone through, here and now, for the first and only time. They cannot tell in advance precisely how it will all turn out. The deal has still to be worked out. Working the deal out involves, as many have pointed out, that negotiators have to schedule their activities, make the moves they want, and play the roles they do. In what follows, we will see just what in the detail of one case, these amount to.

Scheduling Activities

Both Graham and Giles know that the major purpose of this meeting is the fixing of prices for the contract. They also know that both will try to use the opportunity provided by the occasion to introduce other topics and items so that they can be settled. Giles, for instance, was determined to get the matter of the disputed ullages resolved and also wanted to bring Graham up to date on the changes to LTC's organisation which were underway. No doubt Graham had a similar list. But even though both parties knew that fixing the prices for the contract was the priority and that Giles would be determined to beat Graham down over major selling lines such as lager, nonetheless each item had to be introduced as the next appropriate thing to do, and each activity had to be fitted into the unfolding schedule of things being done. In that sense, Giles and Graham "worked up" their scheduling as they went along. So, despite

the fact that fixing the prices was the point of the meeting, nonetheless in Schenkein's (1971) phrase it had to be "got to".⁵ Here is how Giles and Graham moved from discussing the promotion of speciality beers which Pipkin were about to undertake to the issue of the prices.

LTC Pipkin 11A 380

1. Giles: Okay well as we did uhh a lot of that last time I think er//
2. Graham: //Yeah
3. Giles: we ought to erm start off this time to make sure we're on the right footing
4. Graham: eerrm Yeah
5. Giles: on the erm prices
6. Graham: Yeah
7. Giles: Should we do it that way?
8. Graham: Er yeah I gave you erm well I think we've had an initial stab at it
9. Giles: You gave me yes
10. Graham: The listings of um the proposed prices for

The distribution of activities here is not insignificant. The discussion of the speciality beers had been one of a number introductory topics which had been quickly run through. In particular, Graham had indicated what had happened to his car and how he had been out of the office for almost a week travelling around a number of venues in Scotland. This had led to the promotions issue. While all this "settling in" had been going on, Giles had been collecting together his paperwork. If we think of the problem as one of inserting the meeting into the flow of work activities making up their working day, then it is obvious that since Giles is in his office and Graham has come to see him, Giles has the problem of "interrupting" his flow to begin the negotiation. This is made all the more acute by Graham's lateness.

But that is a gloss. Getting to the negotiation proper, moving from beginnings to negotiation is not simply Giles' responsibility since he is "playing at home" so to speak. It can only be Giles' task since first, haggling over the prices is his proper response to the proposals sent by Graham, and second only he knows (although Graham has a shrewd idea) which prices are to be contested. He has to get to the negotiation because he has to select a first negotiating item.

The way that this is achieved is through an extended turn which does double duty as a closure of the special beers topic and the introduction of the reason for the meeting. This extended turn has the structure of the first part of a two part adjacency pairing, a proposal and its acceptance or rejection. That is to say, Giles turn closes down the topic on the floor and opens up the next topic by proposing that its discussion is the next appropriate activity to be undertaken. What is interesting about this sequence is that at the first opportunity which he is given to accept the proposal, Graham does not begin the discussion. (Utterance 6) even though his continuers (utterances 2 and 4) might be said to be precisely placed to indicate a recognition of topic termination and the turning to the issue of prices. The two part structure proposal/acceptance is expanded into a four part structure proposal/acceptance, re-cycled proposal/acceptance. By re-cycling the proposal and thus enabling Graham to move into the

new topic, Giles ensures that the transition is mutually and collaboratively achieved. Giles and Graham together begin the negotiation.

A similar concern for collaborative scheduling of the episodes which make up the negotiation meeting can be seen in the way in which the issue of the ullages was raised. Giles and Graham were discussing over lunch the changes which were about to be made within LTC's administrative structure. Giles had indicated that he would be taking over both AIRPORTS and CONCESSIONS and would have an expanded team working for him.

LTC Pipkin 11B 125

1. Giles: The person who will be taking over the airport operations for me as far as we are concerned and not as far as anybody else is concerned would accorse be// Greg Bailey.
2. Graham: Yes
3. Giles: Which wasn't intentionally moving around in that direction but we might as well grab the nettle of Bradford
4. Graham: A stubborn man.
5. Giles: Yep that's why he's going to be taking over the airports

As we pointed out, the issue of the ullages had moved beyond a simple dispute over recompense. Greg Baily's refusal to compromise had meant that the local representative was unable to deal with it. When it had been drawn to Graham's attention, he too found Greg intransigent. In that sense, the issue was as much a matter of personnel, personal style, ways of approaching the issue, as it was the amount of money involved. Graham certainly felt that Greg had been, as he put it, "a bit over the top". The problem, then, for Giles was how to introduce it; how to get to the ullages without provoking the same reaction as Greg had done while at the same time indicating that there was not a great deal of room for manoeuvre on the issue. What is extremely neat about this move is that Giles ties the topic to a person: the ullages at Bradford are, as far as these two are concerned, to be identified with the stand which Greg has made.

Once again the crucial move is Giles'. In this instance, though, the reasoning is somewhat different. The topic on the floor, the management re-organisation, is his. He has been taking Graham through the proposals and indicating how they will effect Graham's working relationship with both LTC and Giles himself. The re-organisation is presented, then, as a matter for Graham of working relationships and personnel. This is precisely what the ullage issue has turned into. Giles is very well aware of all the ramifications since the dispute has been on the boil for several months. Given the identification of the issue with Greg, and given Graham knows the close relationship between Giles and Greg in AIRPORTS, it will be no surprise that Greg will take over. Indeed, Graham recognises the up-coming name. But his recognitional does no more than pass the floor back to Giles. Given the identification mentioned just now, what could have been an opportunity to introduce the ullage issue is not picked up. He holds off making the topic transition. In response, Giles makes and marks the transition by making a first assessment of the whole issue. It is a nettle which they have to grab at some point, so it might as well be now. This allows Graham to make what Pomerantz (1984) has identified as a second assessment paired with the first. His assessment broadens the topic to Greg's personality. The issue is difficult because he is stubborn. What this gets

is a third assessment which picks up the theme of personality and positively endorses it. Greg may be difficult but that is a virtue as far as LTC is concerned. Thus, not only do Giles and Graham manage the transition by making this difficult issue the appropriate next thing to discuss, but through the device of tying assessments on to one another, each indicates roughly where they stand. The structure of tied assessments enables the transition to be co-produced.

Performing roles in negotiations

We have said that the scheduling of activities is a co-ordinated production worked out in and as part of the negotiation itself. Thus the phased, episodic character which such events have is produced from within by those taking part in them. The same is true of the role performances which participants engage in. It is, after all, a cliché to say that negotiators adopt a “negotiating stance” and view each other as “depersonalised corporate agents”. But, while that may be true as a gloss for what is going on, if one looks closely at the structure of a negotiation, it soon becomes quite apparent that much more is happening as well. For instance, although depersonalisation may characterise some of the exchanges, so does a certain degree of urbane affability. These two are often combined in a distinctive attitude which we will call the reciprocity of indifference. It is this reciprocity which negotiators expect of each other and to which they orient in their performance of their negotiating roles.

In the negotiation we are discussing, the most prominent feature of the exchanges is their affability. Giles and Graham have known each other a long time and are constantly meeting one another ‘on the circuit’. There is no doubt that this character of their exchanges has a distinct function for them. It enables a distancing of their own personal involvement, provides the possibility of getting through what might otherwise be unpleasant business with a minimum of rancour, and hence allows them to stay on friendly terms. Both know that since LTC is a large company and Pipkin is a major brewer, they are almost certain to be negotiating some time in the future. There is nothing to be gained by abrasiveness.

This much being said, in just what does this affability consist? Here is the segment which follows the “getting to” the beer prices section we discussed just now.

LTC Pipkin 11A 394

- 8 Graham: Er yeah I gave you erm well I think we've had an initial stab at it
 9 Giles You gave me yes
 10 Graham The listings of um the proposed prices for
 11 Giles This was the novel wasn't it
 12 Graham Uhuh huh, ha ha ha yea
 14 Giles Yeah that's right
 (3 sec).
 15 Giles This is where I believed you needed a more accurate typist because so many of these figures must be wrong hhhuh ha huh
 16 Graham Heh I though sh'd done
 17 Giles Yuh agree with her but // the wrong way round
 18 Graham // the wrong way

(extended joint laughter)

19. Graham I can't have given all that away it's impossible
 20. Giles Heh you're looking so happy to-day.

The list is the list of prices about which they now going to negotiate. This is introduced via an extended joke concerning its “fictional” character. We say the joke is extended, in that it runs across utterances 11 to 20, but structurally what we have here is a re-cycled joke, where the re-cycling serves to indicate both what is going to be at issue, which they both know anyway, and does this in a light hearted, ‘handleable’ way. In the re-cycled version, the “fictions” become “inaccuracies”; that is to say, less deliberate constructions and more simple mistakes and oversights. Of course, Giles is not actually accusing Graham of fabrication or his typist of sloppiness. There is a playfulness to all of the exchanges.

The question we want to ask is what makes them playful? How do they achieve this urbane and affable character? Look at the way in which the characterisations of the prices unfold through the segment. First Graham defines it as a “listing”. Giles re-defines it as a “novel”. This elicits an acknowledgement from Graham and no more. Giles then re-defines it as a collection of “typing errors”. Finally, and this is the central point, Graham agrees to that definition but where the errors are not in his favour, as Giles hints, but in Giles’. The joke is mutually exchanged and endorsed. The structure of activities here looks to be joking definition/acknowledgement/re-definition/agreement. This structure explores and exploits the contrastive nature of the characterisations: the mater of fact list, becomes the fictional novel, becomes the compendium of errors. This particular set of co-selected descriptors for ‘the same’ pieces of paper achieves the playfulness not simply because both find their joke funny (which they did) but because the two second descriptors tied to the first descriptor (the listing) are bound to entirely different categories of activities. Novels are not business. Sloppy typing is most unbusinesslike. It is in the collaborative working out of the joke, their joint exploration of the possibilities made available by including ostensibly contrastive items in the equivalence class of descriptors for this list of prices, which produces the urbane affability as a describable feature of this segment of the negotiation.

Depersonalisation is similarly co-produced in and through the interactional character of the exchanges. The one stage where it might have been threatened, where, indeed, the affability which both had maintained, was central was in the discussion of the ullages. Here, to maintain the possibility of continuation, not only had the issue been deliberately sidelined to a point outside of the negotiation proper, during lunch, but both Giles and Graham had fallen back on their identities as corporate agents. This discussion went on for almost half an hour. Here is just a sample of it.

LTC Pipkin 11B 590

1. Giles An what happens to that five. At the moment I have to say that we as a company acknowledge what you say is right
 2. Graham Yes yes
 3. Giles But there's just areas where we have to say I wonder I just wonder
 4. Graham Yah mm on the other side of the coin I think it would be reasonable to assume that our figure would be more accurate than the manager's
 5. Giles Yes an if this were to happen infrequently then I think we would say

our guys try to be

6. Graham Every manager, I've known every steward and bars manager
7. Giles Always overstates
8. Graham They're always nearly full.

What they were discussing were the procedures by which ullages were measured and tested at Pipkin's laboratories. They had sketched a hypothetical case, a barrel which was off and which the manager had claimed contained five gallons. Managers' estimations are usually arrived at by kicking the barrel. Graham has said that the barrel is opened, measured and tested in the laboratory, and the credit for the beer given against further purchases. But who is the Graham that has given this explanation? Or, putting it another way, if Giles wants to challenge, throw doubt on, query Graham's account, how has he got to get that account defined so that it is not Graham's personal word which is at issue? If he fails to do that then the whole tenor of the exchange would undoubtedly change. Clearly one way in which this could be done is to segregate Graham as an individual from Graham as Pipkin's spokesman on this occasion. As Pipkin's spokesman, he can give the policy line without any implications about himself if the way things are actually conducted not mesh with this. This is precisely what Giles does. But he does it by defining Graham's identity for this instance in terms of his own. He is speaking on behalf of LTC who as a company acknowledge what has been said is right. But, as a company, they have there doubts that this is what actually goes on. The notion which we pulling on here is that of identity as a course of action. Giles' depersonalising of the whole matter is accomplished by construing Graham's explanation to be a particular course of action. He was speaking on behalf of Pipkin. For the moment, here and now, Graham and Giles are corporate agents informing each other of their company's concerns.

Yet again, we have to notice the way in which this leads to collaborative production. The corporate identities once in play are adopted by both parties. Graham talks of "our figure". More importantly though, both find themselves accounting for the actions of others whom they cannot directly control, but for whom they have to speak. Graham matches the questioning of the laboratory staff's accuracy by introducing the well known preference for over-estimation on the part of bar staff. Everyone knows that all bar managers and stewards routinely over-estimate returns on ullage. This trait is known to be so universal that Giles cannot deny his managers will be doing it too. Just as Graham cannot guarantee the laboratory so Giles cannot guarantee his manager's estimations. In fact, of the two, the laboratory is more likely to be reasonable. But Graham does not blame Giles for this. He is not to be held responsible for it. Thus, by lining each other up with company responsibilities and identities, both keep the exchange at a level and in a form in which the issues at stake can be handled. The corporate identity is on-hand, so to speak, can be called into play for the specific purposes of making these points, getting this issue dealt with, before moving on to the next.

Both of the features we have just discussed are on display in the reciprocity of indifference which Giles and Graham orient to with regard to the problems which they face. As corporate agents, they have both to report to others. Giles has to convince Lawrence and Sandy that the deals he has negotiated are the best obtainable. Graham will have to square his superiors that the discounts he has given are worth the business to be obtained. But, while both know that the other will face difficulties, they do not, they cannot share those difficulties. They are

something which each must worry about. This reciprocity of indifference became an issue only once in the discussion. It was, though, omnipresent in the negotiating styles and plays which were adopted. Here is the moment when what both knew to be a background constraint broke through.

LTC Pipkin 11 B.685

1. Giles: So I would have thought eighty five lager and eight five Fosters is er actually paying you a pound more on the differential between those two (6 secs)
2. Graham Okay Giles we'll go along with that ()
3. Giles Okay
4. Graham It does er well you don't want to know about our problems
5. Giles I do I do
6. Graham Hhhehh huh
7. Giles But not to-day, hehhh right

Look at utterances 4 to 7. They are deep into the detail of the negotiation and have been bidding and counter-bidding for some time. Now they have agreed a set of prices for lagers. At utterance 4, Graham introduces what looks to be the first part of what Gail Jefferson calls a "troubles telling sequence".⁶ Taken on its own it might be said to solicit the agreement of the other party for the trouble-teller to tell the troubles. Routinely, openers like this facilitate movement into the telling of troubles. One of the ways in which this works is through the asymmetry of proper responses to the question. The whole thing is complicated by the inverted character of the solicitation. As is well attested, there is a preference among conversationalists for the matching of appropriate activities.⁷ In this instance, the negative construction of the question provides a disagreement with it as its preferred next. There is, then, a preference here for disagreement. At the same time, in this context, Giles as a negotiator of LTC cannot get involved in appreciating or sharing, the problems he generates for Pipkin. What he produces is the preferred and projected disagreement, but with an appended qualification, one which jokingly manages to re-assert the urbane depersonalised character of what is going on.

Coming to terms in negotiation

The point of the negotiation is, as we know, to fix prices. To do this, Giles and Graham have to get things lined up in an appropriate order of things-to-be-done and work through them, and have to recognise and deploy the requisite negotiating identities. Both of these aspects are socially organised. That is to say, they are achieved interactionally, in the negotiation, by means of whatever resources these actors have to hand for their accomplishment. Scheduling and being a negotiator are socially constructed. So too is price fixing. It is a socially organised set of activities. Prices for goods are not given to them on tablets of stone, nor are they snatched out of the air. They are worked up, and their implications worked out by collaborative co-ordination. At the level in which, in the real world of business, markets are

made and deals done, prices determination is a social process. Within this process the relevant factors have to be introduced, taken into consideration and weighed; acceptable formula have to be searched for and worked out; advantages have to be seen and taken. In the rest of this chapter we will bring out how, at root, the operation of the market can be seen as the *in situ* production of economic actors.

Exploring relevant considerations

What determines price, at least on the Cartesian model, is utility. Maximising utility means charging as high a price as one possibly can or paying as low a price as can be achieved. The market is the mechanism for resolving these incompatibilities. But, as every economist knows, determining what maximising utility actually means is not a straightforward, nor perhaps even an economic activity. It is, we propose, a matter of first determining what the range of relevant considerations might be and second attaching some relative value to them. The economic actor, the idealisation in the model, knows his preference set and can unambiguously rank its components. The real worldly actor has to determine what the set is composed of and has, as we shall see, to trade off utilities against one another. To fix prices, the range of relevant issues which impact upon any particular deal has to be circumscribed. Introducing and weighing such issues is part of working out the deal.

At the beginning of the lunch break in the discussions, Graham mentioned that he had recently run into Heather Veale who occupied an important position with one of LTC's major clients. He was, he said, very close to her. After some general discussion of the client and Heather's role in that organisation, Graham made the following offer.

LTC Pipkin 11 B 1169

1. Graham I suppose the positive thing that comes out of it, and please don't think I'm playing one thing off against another, if any assistance I can be in any way
2. Giles I wouldn't think you're playing one thing off against another at all
3. Graham Heh heh hehahaha we really are very close and er this business is about anyway not
4. Giles mmmn
5. Graham what you know but who you know in many cases
6. Giles Hmnn yeah
7. Graham And erm if
8. Giles So if I take Gaelic and Northumberland out of Edinburgh where I'm suppose to have two brewers but where we end up spending a fortune on that bit of tartan that's being sold up there
9. Graham Yeah
10. Giles An she says why haven't you got two brewers in its contractual I'll say well you go and speak to Mr Graham McKay
11. Graham Hmnn hmnn please do
12. Giles That's worth lunch anyway
(General laughter)

One way of reacting to this incident is to find in it a re-affirmation of the cynical, do-anything-for-a-profit motivation which is supposed to be prevalent in capitalistic economic relations. And, as is made abundantly clear in the initial exchanges, both sides recognise this possibility. A favour here merits a favour there. But to stop at that point in the analysis would be, in a sense, to trivialise the mundane. Of course this sort of thing goes on; of course influence with third parties is, or can be, a relevant issue. But, what is important for our concerns is not that these things are important, and are given weight, but just how they are weighed within the interactional flow of the negotiation. To bring that aspect out, we have to look at the structure of the exchange in detail.

What, in the most general terms, we have got here is an offer and its ostensible acceptance. The offer sequence is an expanded one, in part because Gordon introduces it with a 'pre-assessment' of its character. This pre-assessment provides, of course, exactly how Giles is supposed to take the offer. What becomes an issue is what favour is to be traded for the offer. What, in this market context, is its utility value? Looked at in this way, the expanded offer sequence can be described as value enhancing. The relationship between Graham and Heather is a very close one; everyone knows that personal relations matter more than business relations. And, of course, we have already established that Heather Veale is an significant person for LTC. So with the offer to mediate a potentially valuable resource being brought into the negotiation. But just how valuable? Graham cannot know. He does not have direct access to the commercial relationships between LTC and its clients. It is for Giles to put a value of the offer through his response to it. And, of course, this is exactly what he does. Before accepting or rejecting it, he sketches one possible scenario in which he and Heather might be at odds. Whether this is a serious conjecture does not matter. It is a putative breach of a contractual obligation. Is that the sort of thing Graham has in mind? Into the offer/response sequence, Giles has inserted a clarification sequence structured as a proposal and its endorsement. Graham's agreement that this is just the sort of thing he has in mind (leaving aside, for a moment, whether it is really serious and if this is an issue he would take up) returns to slot to Giles to accept the offer (preferably) or reject it. What Giles does is to accept it by matching that prestation to one of his own. The offer cancels out the lunch which Giles has provided. There is no obligation involved. Its value is defined as personal rather than business. Just as you would provide lunch for a business acquaintance whom you got on well with, so you would expect them to offer to mediate for you if they could. Giles uses the structure which is made available by the opening and expansion of the offer sequence to disvalue the offer Graham has made. Its value as a resource in the negotiation (as a trade-off for prices) is nil.

If we turn to the kind of thing which might be being offered⁸ and the story which Giles tells, we can see how it is very neatly selected for its recipient.⁹ Graham has offered to mediate with Heather Veale. Everyone knows that LTC is always seeking to maximise profitability and that contractual obligations sometimes stand in the way of this. One such contractual obligation is the requirement to have a competing brewer to Pipkin in Aberdeen. So if Giles takes Gaelic out of Edinburgh this is in Pipkin's (and hence Graham's) interest. The clarification of the offer turns out to be constructed just for the offerer to accept. Even if he wouldn't intervene on this particular one, this case might be just the sort of thing where Graham could feel he might have a role. What the offer turns out to be is an offer to match his interests to those of LTC. Giles does not sketch a case where Graham has no involvement

and hence where the value of the offer to intervene might be very high, but one which succeeds in downgrading the offer to one of an expression of mutual interest. In looking out for LTC, Graham turns out to be looking out for himself. And, welcome though that might be, it is worth only lunch!

Seeing an advantage and taking it

We all know that negotiation exploiting advantage if possible. But, to be exploited an advantage has to be seen or discovered in exactly the same way that, to be solved, a problem has to be defined and explored.¹⁰ Such discovery is part and parcel of the working out of the deal. During the discussions of beer prices, Graham and Giles agreed the eventual price of bitter only for Graham then to discover that this had implications for the price of mild. Whether Giles had spotted this all along is not an issue. What is, is the way that the advantage was noticed, elaborated and conceded in the exchanges. How, in short, it became an interactional phenomenon. Here is the moment.

LTC Pipkin 11B 905

1. Graham I think erm I shouldn't do this really should I ()
2. Giles Why
3. Graham But from a marketing point of view I've put the milds out of context
4. Giles Which are the milds // oh the eighty three
5. Graham //Pipkin mild, Pipkin special mild, Castleton Best, and Kings mild
6. Giles We'd better knock these down a pound then
7. Graham Yeah I'm gonna have to
8. Giles Because otherwise we're goin to be
9. Graham Yes cos I would like to see a retail price differential
10. Giles You want to see a mild at a cheaper price
11. Graham And its my fault.

The difference between these two products has two elements, image and specific gravity. Obviously they are related. Mild beer has a lower specific gravity than bitter, and hence is liable for a lower tax. It is, then, less alcoholic. It is conventional that mild beer is cheaper than bitter, partly because of the tax levied and partly because it is a weaker brew. In the discussion of the various bitter beers, no mention at all had been made of the price of mild. Once they had settled on a base price of £83 for standard bitter they had eroded the price differential. LTC would not drop the price of mild simply to maintain this difference because doing so would cut into its profitability. Graham does not even ask for this. Instead, right at the start, he recognises that he is voluntarily going to have to offer a lower price for mild. In other words, he recognises his mistake before it becomes an issue in some other way. He does this by offering a Giles an advantage he would take anyway. And, in getting in first, he is limiting the damage which might be done. The advantage is discovered, given and accepted almost routinely. There is no attempt to backtrack. The bitter question is not re-opened. A price has been agreed for bitter: this is an unforseen, at least as far as Graham is concerned, but acceptable consequence. Things are smoothly moved along via a series of paired

activities some of which are inserted into others. Questions and answers are interleaved with proposals and requests for clarification as the discovery is made and its implications worked out. The whole sequence topped and tailed by a first assessment of what has to happen and a second assessment of it in terms of culpability. By giving this evaluation to what he has done and what he now has to do, Graham makes the discovery, allows Giles to acknowledge it, take up the advantage offered and limit any further implications which it might have.

The search for an acceptable formula

The purpose of the market place is to achieve a resolution, a compromise, between two manifestly incompatible drives, maximising price/minimising cost, both of which are expressions of the a priori preference for maximal utility. In economic theory, this compromise is often described as some kind of auction. That is to say, the process is conceived as one of bids and counter bids, the succession of which can be formally defined and described. But, as with the use of game theory to provide the formal description of utility maximising, what is raised by this approach is a question concerning the interactional processes by which such auctions might take place. How do the participants in the auction organise the auction as a sequence of bids? To do so, they will first have to have arrived at a mutually acceptable solution for the co-ordination of the activities of bid and counter-bid. This co-ordination will serve, as we shall see in a moment, to resolve the indeterminacy of price. Here is an extended sequence in which a number of possible solutions to the ullage issue are raised and set on one side. Eventually, a way forward acceptable to both sides, an auction, is initiated.

LTC Pipkin 11B 273

1. Graham As I said to Greg there's probably let's say a little bit of fault on both sides or whatever the degree of fault on both sides
2. Giles Alrigh
3. Graham Okay but he hasn't or whatever he hasn't reacted quickly enough or shouted loudly enough from a year ago and Greg accepts that in a sense he's saying yeah perhaps we sh'd have done I'm saying perhaps we haven't done everything as correctly as we might have done either
4. Giles Righ
5. Graham So let's accept there's fault on both sides um ahh I'm sayin okay to Greg I'll go fifty fifty with you you're talking seven point five barrels an I will say I think it's reasonable that we share that cost with you () bear in mind the length of time we're talking about and for whatever reason it hasn't come to fruition er we have paid other ullages and on the same visits which have er been paid out an er just to say no I'm sticking to my full amount
6. Giles Yep
7. Graham uhh I do feel Giles is rather strong
8. Giles Well in a sense at this stage in the game your offer to him your personal offer has to be the one that I'll consider erm eh except okay that we're going to get into this silly situation whereby if we don't come to terms an you finish on your path of the seven point whatever it was I will instruct Sandy and Accounts to allow the debit to work against your invoice an your conventional invoices for the full amount

so either way you don't get paid on it then we're going to get to the stage where your Accounts Office are going to say to you they're not paying up their however many hundreds they're owing and then we are going to get into a stopping of supply situation //

9. Graham //Htmrn
10. Giles So its going to get messy unless we can really come to terms on it
11. Graham Yeah I feel that's the way I'd like to do it

Obviously, the rights and wrongs of this situation are of no concern to us. What matters is that Giles and Graham agree at utterances 10 and 11 that they have got to come to a price. The Dutch auction then starts up.

But how do they get to that agreement? In essence what we have is a package of two tied structures spread over a number of turns. An offer is made and declined: a counter offer is made and accepted. Naturally, with materials as subtle as these, there is much which could be drawn out. However, to make the fairly gross points we want to make now, all we need are some straightforward observations about general features. The offer which Graham makes is made as an acceptable one. That is, given the length of time and the failure to raise the issue when they should, Graham thinks a fifty/fifty split is fair. But what is reasonable from the point of view of responsibility is unacceptable from the point of view of managerial relations. As Giles makes explicit later on, he cannot accept an offer which Greg has turned down. That is what motivates him into declining the offer. It is not the resource by which he packages that action though. Graham's (acceptable offer)¹¹ is made in response to what he feels are procedural short-comings on both sides. It is, so to speak, a ready to hand formula which could be invoked in any context. Its format is generalisable across any situation. Its rejection as being in fact {unreasonable} is achieved through the re-definition of what is going on as the resolution of a set of specific personalised problems, not a generalised procedural one. Greg has rejected a personal offer from Graham. Giles could not countermand that. Graham uses a series of procedural antecedents to set his (acceptable offer). Giles lays out a series of procedural consequences to indicate what will happen on his rejection of it. The {acceptable offer} leads to consequences which are out of proportion to what is at issue. Supply will be stopped over 3 or 4 barrels of beer! Giles, then, redefines the offer as an {unacceptable} one. Its lack of acceptability turns upon the fact that it does not provide for Giles' personal relations with Greg. The first structure of offer-rejection-acknowledgement (utterances 7-9) is then used as the basis for a counter proposal that they start to negotiate now which Graham then accepts (utterances 10 and 11). The messiness of the consequences of Graham's line of action can be avoided if they sort it all out now. Which is precisely what they do.

The indeterminacy of price

As we all know, the value of any goods and services is determined by how much people are willing to pay for them. Price is a measure of value. But how are prices arrived at, settled, fixed? And, more importantly, are the favourite images of the devices by which buyers' and sellers' preferences are co-ordinated, the street-trader's haggle or the auction, really descriptive of the social processes involved? Well, in a sense, we know they won't be simply because

it is also conventional in accounts of the way that market forces operate to suggest that the best formal model of pricing and price movements even in market places as closely knit as the stocks and bonds markets remains a random walk.¹² For the individual buyer and seller, what the market will bear, what the going price might be, are to be determined by exchange in the market place. They are, then, discoveries to be made; outcomes, products, of the procedures by which they are arrived at. Putting it in our familiar phrasing, seen from within, the operation of the market place is indeterminate. The value which can be placed upon any set of goods and services is for those in the market place to work out.

In this section we will look at the way in which Graham and Giles arrive at a price for a single product, a lager called Diet Pils. We will see that at the heart of the operation economic life lie interactional structures through which the 'reality' and 'facticity' of phenomena such as market forces and business constraints are constructed and upon which they rely. The segment of the discussion we will focus upon is the following.

LTC Pipkin12 A 56

1. Giles: How much would you expect us to be retailing a bottle of diet pils at
2. Graham: Ohh erm
3. Giles: Knowing that we're fairly pricey anyway
4. Graham This varies such a lot y' see but let's have a look (5 seconds)
5. Graham What's your net ((of price))
6. Giles 408
7. Graham 408 (12 seconds)
8. Graham It goes off the map at this I'm I'm sure hhuhaaha I'm sure you must be selling it at about eighty five
9. Giles Don't think it's as high as that, I think we're between seventy five and eighty
10. Graham If yuh're doing it at seventy five it's showing you forty seven
11. Giles I know
12. Graham You're doing it at er I would do it at eighty pence, seventy nine pence (5 seconds)
13. Graham Captive market and all that
14. Giles But when we knock it up with those things over there an we are talking about one pound twenny one pound fifty
15. Graham Oh yea
16. Giles Could we not be putting diet pils up just under the pound (7 seconds)
17. Graham It's a good point really um

(6 seconds)

18. Graham It's whether one wants to take a chance or not well you've got no other diet pills in there have you
19. Giles See my theory is okay it is a speciality drink anyway
20. Graham Yeess
21. Giles errm what the hell is the point in selling this at a small margin
22. Graham Yea it is not
23. Giles If somebody wants it they're go they have to pay
24. Graham It's one of those funny areas it's not as speciality as those (()) again a different market to Holstein (()) um um but Holstein Diet is not price sensitive in the way a pint of beer is because people who drink it want a diet pills
25. Giles You're not going to give way on this are you
26. Graham I don't think I can Giles I'm really really up against the wall in fact we're
27. Giles Well frankly the price is so far away from anything which could ever be considered compatible I'm not sure quite what I'm asking you for
28. Graham Huhhhahha
29. Giles Because, I mean, it needs a pound a dozen off // to make it compatible
30. Graham // Oh yes well we'd rather discontinue it at that // huhhhhhha
31. Giles // Now that's a thought now that is a way forward. Alright // let's
32. Graham // Sti stick the price up and see what happens
33. Giles Let's let's hold it at that
34. Graham But I say don't be worried about putting a few pence on it I know it can stand it
35. Giles Okay

What, of course, is at issue here is not what the actual retail price of diet pills should be but the relationship between the discounted price at which LTC will buy it from Pipkin and the price it ought to retail at. Graham has offered a price for pills which Giles is trying to knock down. Graham has resisted this by indicating that he has absolutely no room to make further reductions. To this ploy, Giles responded by saying that if this was the case then diet pills would have to go up in price. Normally, he would have expected Graham to oppose this on marketing grounds. But he doesn't. In fact he accepts an increase in price as the solution to the problem. He won't or can't give way on the discounted price.

What this particular exchange pivots around is the interaction deployment of two entirely different methods of determining pricing, namely "optimisation" as against "cost plus margin". These two are widely commented upon as alternative strategies which firms might utilise. Indeed, it is generally accepted that "cost plus" is the more widespread. What we are saying, then is that what is described as a business strategy or policy can also be seen as interactional resource for the determination of prices. For those who have to fix prices, "cost plus" or "optimisation" are not mutually exclusive but indeed may be interwoven to achieve,

or attempt to achieve, the purposes to hand. In the first part of the segment, Graham provides what he thinks, given LTC's overall policies, the cost plus margin price should be. This is higher than is currently being charged. What he has to work out is whether he is prepared to countenance a retail price increase since the only other factor which could be shaved would be LTC's margin and that is definitely non-negotiable!

What then becomes the central issue is by how much the price should rise. Obviously it would be in Giles' interests to increase it by as much as he could. That, of course, would not be in Graham's interests since while demand may be relatively inelastic, there are some thresholds. The elucidation of where they might be is carried out by seeking an optimising approach to pricing. What are the comparable products? What is the use value of the item? What is the character of the market? Do these indicate that the price could rise by as much as 30 or 40 pence? Would that make any difference? They don't know. In the end, they agree to put the price up and see what happens. Exactly how much it is put up will be up to Giles and the LTC's accounting system.

What we can see in this segment then is how "economic facts of life", the character of the market place, the constraints imposed upon an operating business by the level of its costs etc. feature in business decision making. They enter the fixing of prices as interactional resources called into play and deployed by those engaged in the activities to hand. They are not, then, perceived and oriented to merely as external, objective, economic forces. They appear, rather, as in the various ways that outcomes can be depicted and possible lines of action sketched and accounted for. The "reality" or "factuality" of the character of a particular market is constructed collaboratively in and through the processes by which economic actors like Giles and Graham accomplish their transactions. For them, the market place is both the backdrop to what they do and an environment within which they reproduce its orderly features.

Conclusion

In this Chapter we have run very quickly over a number of different topics. Our purpose has been twofold. First, we wanted to provide an indication of the possibilities which were made available in the approach which we have adopted. We have tried to show that the regularities routinely recognised in economic descriptions of the market place can be seen to be the consequence of the operation of interactional social systems. These systems are the resources through which day to day activities in the life world are achieved as the routine, unproblematic features of all our lives we know them to be. What we have been looking at, therefore, is the social organisation of what might be called *Lebenswelt economics*. Second, and equally importantly, we have used this discussion to introduce the kinds of material which we feel might well be used in further and more detailed analyses of the phenomena we have sketched. For our part, we are under no illusions that our descriptions are anything other than first passes through the data. It would be our contention that with these materials and these topics, the goal of grounding the description of economic activities in empirical materials becomes a feasible one. It remains to be seen what attaining it will involve and what consequences it might have.

NOTES

- [1] Cf. Prus (1986a, 1986b), Pinch and Clarke (1986).
- [2] The notion of praxis here is derived from von Mises (1963), but carries the connotations given the term by Garfinkel and his students. Cf. Garfinkel (1986).
- [3] The field of organisational negotiation has been widely studied, see Raiffa (1982) and Pruitt (1981) for general reviews. The resolution of conflict in bargaining is discussed in Shea (1980).
- [4] The notion of "first time through" is taken from Garfinkel et al. (1981).
- [5] C.f. J.N. Schenkein (1971) and Sharrock & Anderson (1987a).
- [6] C.f. Jefferson (1980) and Jefferson & Lee (1981) on troubles.
- [7] See Schegloff et al. (1977) for a discussion of this notion of 'preference'.
- [8] This is manifestly an example of Rose's gloss (Garfinkel & Sacks 1970). Graham does not know what he is offering until Giles tells him what he would be interested in.
- [9] For a discussion of stories and their recipients see Jefferson (1978) Sacks (1972,1974)
- [10] We have discussed this in Anderson, Hughes and Sharrock (1987).
- [11] We here are using the same device as we did in Chapter 4.
- [12] Cf. Harris (1987)

9. Working within a division of labour

Introduction*

It ought to come as no surprise to learn that those who work at LTC see themselves as part of an elaborated division of labour. From the way that they talk about their work, both to each other and to outsiders, it is quite clear that the notion of a working division of labour is one which they use to interrelate and explicate the things which they see going on all around them. In their daily lives, on ordinary working occasions, they encounter and depict LTC as a body of activities organised into a working division of labour.

With very little difficulty, this rationalised reconstruction which people working at LTC provide, can be seen to conform to the features of one of the global summations which, in the introduction to Part Two, we associated with Egon Bittner's (1974) analysis of the concept of 'organisation'. That is to say, we can all imagine and recall instances of how participants in an organisation such as LTC will describe their activities in terms of a formal scheme depicting a division of labour. And, just as we did with the notion of 'a management style in transition', we could seek to tease out the uses such a construct might be put to. However, we want now to take a step in a somewhat different direction. We want to move away from what has been rather abstracted analysis and towards the description and examination of the detail of actual cases. We want to move away from the consideration of actor's rational reconstructions to the exploration of how activities in a division of labour are encountered and perceived by those working within it. Here, of course, emphasis lies not on the overall character of the general framework and the location of particular instances within it (be it provided by actors' or sociologists' theorising) but on how this and that particular instance is seen, recognised, and related to. As soon as we make this turn to the

division of labour as an encountered phenomenon, what becomes prominent at the mundane level is not integration but the **fragmentation of activities and task performance**. That is to say, on a day to day basis, as one is immersed in it, the division of labour is experienced not as a coherent, integrated totality but as a stream of differentiated and discrete tasks-to-be-performed.

As we saw in our discussion of Bittner's work, the concept of organisation is used to provide a thematic unification for what are mutually explicating phenomena. The set of activities and the codification or structure which they are located within, gain their sense from the mutual elaboration and instantiation which they provide for one another. Exactly the same holds for the division of labour. As such, the division of labour, or any other similar organisation for example, the hierarchy of responsibility, the network of power, centrality to the organisation's charter, display a transcendental presence. Because any task can be located within the division of labour, its sense is given by and therefore contributes to the overall rationality of the structure. It is precisely because of this transcendence that Bittner was able to pick out the features of organisation as commonsense construct and describe its methodical uses.

In contrast to a concern with the worked out character of the division of labour, one can ask what the organisation of activities consists in as an environment within which tasks and activities are located, co-ordinated and implemented. From this point of view, experience of the flow of work, that is working within a division of labour, provides the transcendence with a somewhat different form. The division of labour begins to have more of a documentary character, in the sense that there is a continuous process of mutual explication of the relationship between 'anyone and their activities' and 'the overall organisation as set out in an organisational plan'. This process of explication of the structure of work tasks appears to display two separate but closely related aspects. The organisational principle seems to be what we will call one of egological determination.¹ In addition, the specific character of the division of labour within LTC, seems to be shaped for the information saturated environment in which it is located. In the normal transactions which constitute the day to day dealing which people working at LTC have with one another, both these features are made visible and oriented to.

Take for instance, the organisation of activities around the Purchase Ledger Desk (cf. figure 9.1). This organisation consists of a number of positions occupied at any one time by particular persons. The actual distribution of the positions is, of course, entirely work specific. That is, it is the sedimentation of local production practices for the work of invoice processing and cheque paying.² From the point of view of the accomplishment of such activities, the work to be carried out appears as a permanent impersonalised stream of tasks in hand, tasks completed, and tasks to be done. Within the bounds of competence and training, it is of no matter who carries out the work. Rosemary, Eileen or Amanda could just as easily as Renée fill out the journals and make out kalamazoo cheques. In that sense, the personnel are locally interchangeable, and indeed, often enough to speed things up or cope with a crisis they will 'cover for each other'. At other points in the division of labour, this impersonalisation of task performance may be totally absent. Lawrence gives the final authorisation to all non-food invoices, not because as owner of the Company and Chairman of the Board, this function devolves on him but because he is a unique repository of Company relevant and Company specific information. In many cases, only he knows what the agreed

terms are and what appropriate prices and conditions might be. Although there is this dissimilarity in the degree of personal identification with task performance, nonetheless for both the work around the Purchase Ledger desk and that which goes across Lawrence's desk, task differentiation and task specification is seen to be in terms of 'decisions-that-I-can-make' and 'actions-that-I-can-take' and those which others deal with. It is precisely this feature which we want to capture with the notion of egological determination. From the point of view of an actor in a division of labour, working through the endless stream, getting things done, means doing-what-I-do and passing tasks on to others so they can do what they do. Such an egological description contrasts with one which might be couched in system relevant terms.

The individual within a division of labour

The central question, of course, concerns the organisation of this differentiation with respect to any individual. This organisation provides an institutionally located and thus socially available allocation of activities and tasks. As we say, from the data to hand, the major line of seems to be oriented around the centrality of the individual and is bounded by the horizons of their task performance (hence its egological character). These spheres of operation vary from those whose boundaries are permanently open, under review and hence always near to hand, to those which are at considerable remove, closed and taken for granted. This variation is experienced, made visible and recognised in innumerable ways as part of the daily praxis of working in and with the division of labour at LTC. They form known, commonly understood and taken for granted structures of relevance.³

Matters beyond enquiry.

For the accomplishment of any tasks, some aspects of what is involved in doing them will be problematic, a question of attention, effort and concern. Others will be treated as matters beyond enquiry. Howard Becker (1986) has glossed this distinction beautifully in his account of art worlds as a division of labour.⁴ For the artist to paint his picture, manufacture the sculpture or compose the symphony, a whole set of practical activities also have to be accomplished but by other people. The possibility of painting, sculpting or composing depends upon these activities being done in an unproblematically competent way. People have to make the paints, transport the marble, produce the music sheets that are required. To produce the artistic artefact, the artist need not enquire into the production processes which make this work possible. In much the same way, for Sue on the Costings Desk to be able to check the prices on invoices, does not require her to worry about the postal service which delivers the mail, the grounds on which food and non-food invoices are separated, or the Company dependent rationale which is given for that separation. Neither does she have to be concerned with what happens to them when she has 'passed them on'. Once she has finished with them and sent them on to Purchase Ledger, they are no longer her concern. Yet, while such matters are, for now, beyond enquiry, they can be brought under scrutiny if required by invoking a presumption of structural symmetry. From what 'anybody' knows about how LTC and similar enterprises operate, it is possible to discover the reasons why things are done and the modes of organising actions. So, when asked to 'pull' an invoice which she has already passed on, from what she knows about the system and the way it works, Sue can find her way through the division of labour at the Purchase Ledger desk, and to locate

thewhereabouts of the item is in the production process and thus who has it. Alternatively, when 'chasing' an invoice back to a supplier to query some item, Sue has minimal difficulty working her way through the accounting procedures of another company to find the locale she requires and get her problem attended to. She achieves these feats by utilising a presumption of a reciprocity of locations.⁵ That is, the division of labour which she is attempting to bring under her hand is treated as a distribution of locations for the accomplishment of activities. What she has to find out, and this is what she does with ease, is where, in the set of processes for the production of financial accounts, the work she wants to query gets done. What the reciprocity of locations is built upon, then, is a presumption that some solution to the problem will have been provided, someone will do the work in more of less known ways, just who and where can be discovered if required.

What do you need to know?

Alongside the presumption of a reciprocity of location is a matching horizontal distribution of knowledge and interests. This horizontal distribution provides a working and workable basis for the termination of interest and the truncation of enquiry. This basis is rooted in the commonsense rational precept that although enquiries and investigations could, in principle, be extended infinitely, pragmatically not everything can be questioned at once and not everything needs to be questioned at any one time. Lawrence needs to check, for example, that the suppliers named on the invoices he sees are the correct ones for the provision of the non-food goods or services purchased. Sandy checks that the codes allocated by Rosemary are the appropriate ones for the budget headings from which payments will be made. Neither takes any direct interest in matching up the invoice with its appropriate delivery note or with the carrying out of the work nominated. Those are the concerns of someone elsewhere in the organisation. Unless these have been checked, they should not be doing the work they do. Again, Dawn keys the codes and values into the computer without needing to have any detailed knowledge of the routines which produce the management accounts, the computer-printed cheques and bank transfers. It is enough for her to know that somehow the work which she carries out enables these processes to happen. But it is crucial to the routine accomplishment of her weekly and fortnightly round of work that she orients to the tightly specified time-table of the accounting fortnight. By knowing what the time-table is and precisely whereabouts they are within its prescribed order, she can juggle the batches of invoices, wage sheets, stock control sheets and other inputs she makes in order to ensure that all the fortnightly routines can be run on time. Although she is not directly concerned with the organisation of work in the wages office, or the unit-processors desk, a knowledge of how well they are working and where they are up to forms an enclave into her own sphere of operations.⁶ The intrusiveness of this enclave varies according to the "tightness" of the time schedule she is attempting to manipulate.

Gearing into the division of labour

The ecological principle both generates and provides a solution to the problem of task coordination.⁷ This is because the division of labour specifies which tasks one has to embed one's activities within and which are, so to speak, institutionally taken care of. To any actor, competent task performance is the achievement of routine embedding or the successful

invocation of available institutionalised structures. This invocation takes the form of anticipations of how the institutionalised structures work. Memos can be put in people's pigeon holes in the certainty that they will eventually read and act upon them. Invoices can be left in baskets for others to pick up. If, later, they have gone from the basket, they have been collected. Such anticipation of the routine operation of the division of labour provides organisationally specific ways in which those within it can call it up, gear into it, and make it work for them. If we stay with Dawn in the computer room for a moment, we can see that she has to be obliged to check if the coversheet for each bundle of invoices has been completely and correctly filled in. She has to set the number of the invoices in the bundle right at the start so that the routine loops the appropriate number of times. If the box is empty or the count is wrong, this snarls up the way in which she works. On the other hand, should the routine's internal monitor reject an invoice for whatever reason (for instance because the totals do not cross check) she merely returns the invoice to the processors and holds the bundle until the invoice is returned. It is a feature of institutionalised character of accounting procedures that there are enquiry procedures for just this sort of contingency. She knows this. But sorting the problem out is somebody else's work. Gearing in, then, is a means of ensuring smooth performance of the flow of activities by ensuring the fit of one's task performance into that of others and by carrying out "running repairs".⁸

The ecology of activities

We have suggested that, from within, activities appear to be organised around a principle of relatedness to the individual. In addition, they appear to be zoned according to organisationally relevant dimensions of space and time. A look a floor plan the of the main office shows the accounting-relevant distribution of niches.

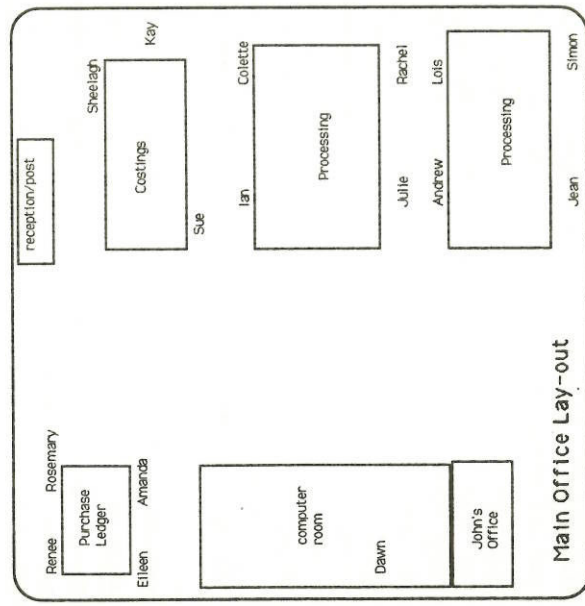


Figure 9.1. The main office plan

The major Company relevant distinctions between types of outlets as marked by the Divisional structure are not visible here. Instead, work is clustered around types of audit check. The distinctions between AIRPORTS, COUNTRY KITCHENS, and CONCESSIONS are of interest to Sue, Amanda Rosemary and so on, only in so far as they bear upon the performance of their tasks. What we can see, then, is an environment of paper processing. To those who know the office and its work, the layout recapitulates the division of labour in that the sequencing of activities can be reconstructed from the mapping of who is where. To see this, all that has to be done is track the movement of an invoice through a flow diagram of the system and around the floor of the office. Thus, when seeking to locate where a particular item might be, or some action take place, a glance around the office suffices as a re-constitution of the organisational plan.

As we saw in detail in Chapter 7, accounting work as it is carried out by processors or at the Purchase Ledger desk is also tied to the technology available. This technology consists in a filing system which utilises box files and print-outs, and manually operated desk calculators. Thus what any person can do at any one time is constrained by what they can get on their desk, who has the files out and where, what can be photocopied, what can be written alongside what whereabouts the information is stored and how troublesome it would be to get it. On the other hand, given the availability of fax machines and telephones, the importance of sheer proximity is much reduced. Now reliance is not totally placed upon the postal system, for operational purposes of account production, Kirkwall Airport in the Orkneys is only marginally less close to hand than the Telford Leisure Centre.⁹ Janice can just as easily get in contact with the manager of either should she need to. In that sense, the work carried out is both constrained by and freed by the technology in use. This is, perhaps, most pointedly the case with Dawn. As we mentioned earlier, the routines she follows are fixed by the requirements of the accounting fortnight and the information processing routines of the computer. When she is inputting data, she clocks through the windows which the routine provides whether or not they are required for a particular invoice. Her work is fixed by the features of those routines. She can only move backwards and forwards within windows in certain ways and can only call up windows in a particular order.¹⁰ However, she can call routines up and juggle with the types of in-puts she makes in whatever ways she needs to keep the work flowing.

The standard conception of the division of labour in both Sociology and Economics is of a procedure or device for increasing the rationality, effectiveness, or efficiency of some organisation of activities in a production process. We saw that this global summary of the division of labour is akin to the way that it may be described by those who work within it. Indeed, we would go so far as to say that such kinship is not accidental. The social scientific evaluative use of the notion of a division of labour depends upon that which is in currency in the ordinary talk of commonsense management. It is from such talk that social science derives its phenomenon. If we turn away from depictions of the division of labour, though, a different sense of the nature of the division of labour begins to emerge. From the point of view of anyone immersed in a working division of labour, its organisation takes on the appearance of a free flowing gestalt texture.¹¹ Activities move through fore and background according to the principles of egological determination and structures of relevance we have just outlined. The organisation of activities is not a fixed, given, system-specified phenome-

non but an outcome of the routine co-ordinating work which those working within the division of labour perform. In that such co-ordination is routinised, taken care of as a day's work, working in the division of labour renders the co-ordination of activities unproblematic and invisible as part and parcel of achieving its goals or accomplishing its tasks. It is because the production process "works" that the problem of co-ordination of activities disappears.

However, as we can see from the account just given, if we take an interest in the mundane character of the division of labour, we bring that achievement into focus and make it the topic of empirical enquiry and theoretical reflection. To put it phenomenologically, by adopting this attitude we allow the achievement of co-ordination to "break through". This "breaking through" is not exclusive to Social Science reflection and enquiry. On occasions, the achievement of co-ordination as a methodological solution to the problem of effective action is itself a topic commonsense enquiry. When this happens, Social Science enquiry can take actors' enquiries as its departure point and for its phenomenon. To put it another way, when those involved in working within a division of labour investigate its character, the interactional construction of a division of labour becomes available for social scientific reflection and analysis.

The inter-actional construction of a division of labour

In this next section we will look at an instance when a division of labour became a members' methodological trouble¹² and in the ways in which a working division of labour was constructed in flight.¹³ In both instances, for those taking part, the point of determining a division of labour was a matter of working within a context of justification. That is to say, the efficiency, effectiveness or rationality of a given organisation was a matter of determining the appropriate criteria for measurement by reference to the division of labour itself. Such criteria were inextricably tied to the context in which the division of labour was being constructed. They were not 'free floating', 'context free', or independent. They were, like the division of labour itself, "locally produced".

In making the division of labour itself a topic for enquiry, members in the setting rendered it visible. This is in direct contrast to those occasions where accomplishment of their working tasks in routine, unproblematic ways actually makes the division of labour invisible. As a solution to the problem of co-ordination of tasks, it is transparent. It is only when one steps back from the production process which the division of labour has been constructed to fulfill and asks about "division of labour objects" and their construction that this sort of organisation can become itself a topic for analysis. This is, of course, precisely what Adam Smith (1970) managed in the classical characterisation of division of labour in pin manufacture. That actors involved in a division of labour can theorise its character is plain. However, to pick up our familiar theme, when looked at from within a production process, a division of labour, and particularly when looked at in terms of how the features of the objects it produces are recognised and deployed in the taken for granted way that they must be, an object passing through the division of labour is seen and treated as a stratified record of the work of producing it.¹⁴ It displays the locally organised construction of the division of labour for all who know how to see it. Since, at LTC the production process is one which handles what we will later call "accountants objects", it is essentially a division of paperwork labour. We will

now see how paperwork, and in particular the invoice, can be seen as displays of the work that goes into producing it.

The invoice as a stratified record of work

Before we start, here are some organisationally relevant facts which inform the process.

- [a] The company receives invoices in a constant flow, but pays them only fortnightly when a series of computerised cheques are run off.
- [b] As far as the processing is concerned, there are two forms of invoice, Food and Non food. Non food invoices are treated in an entirely different way to food invoices.
- [c] Part of the reason for separating out food invoices is managerial; other reasons are financial and organisational. Given the nature of the business, the vast proportion of invoices are for food (and drink) items. One person can deal with these efficiently if they specialise in them. Given that food purchases are centralised through main suppliers, the supervisory role can be carried out by this person. She can also check that the appropriate negotiated prices are charged. A cross check of food purchases is also obtained through the unit's fortnightly returns on which usage, food, liquor and labour costs are calculated. For non food items, no such cross checks occur, there is no central purchasing policy (by and large) and knowledge of what the appropriate prices are is dispersed among the management. Circulation of the invoices is required for checking purposes alone. However, such circulation also allows supervision of spending at the units - a means by which Director level managers can keep their fingers on what is going on.

- [d] Any invoice, food or non-food, has a circulation life within the Company i.e. a length of time it takes to process and pay it. The shortest this is likely to be is a week; the longest 6 or 8 weeks. During this life time, it passes through a number of hands and across a number of desks. The invoice contains a record of its own passage displayed as the information contained in the date stamp. (Cf below). Invoices circulate in bundles which start life as "what was in the post" and accumulate into "a day's worth" after coding by Purchase Ledger. From there on, they can accrete into large sized bundles or heaps, depending on how quickly they are processed in the later stages. The most likely place for this accretion to occur, in the case of non-food invoices at any rate, is in Lawrence's office, where they can sit for up to a week.

- [e] Each stage in the process is dependent on the completion of prior stages for its own completion. It is also scheduled to fit around the "fixed points" of computer input, the weekly wage payments and the fortnightly stocksheets runs. This means that invoice processing is a continuous, fitted-in-where-it-can-be matter for Dawn in the computer room. There is a constant backlog of processed invoices to be typed in.

- [f] The rationale for having a separate invoice processing function is, of course, two fold. It gives a fair degree of financial control and also allows efficiency of effort

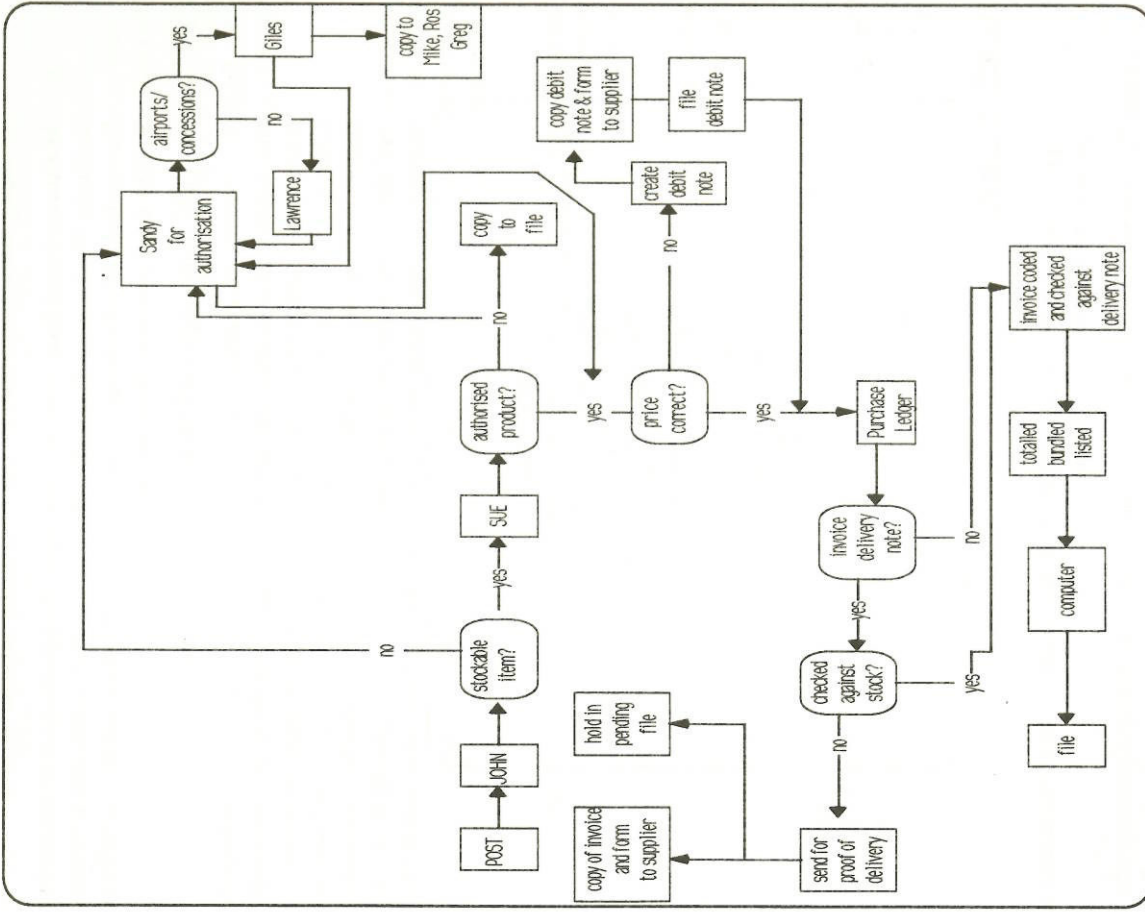


Figure 9.2.2 A flow diagram for non-food invoices.

by freeing management from the task of checking bills and so forth.

[g] As a succession of tasks to be done in a series, the processing of an invoice has itself to be fitted into the daily and weekly routines of those that deal with them. No-one deals just with invoices. Sue, for instance, has other functions to perform. So have the members of Purchase Ledger.

Let's now have a look at the stages through which an invoice passes.

Stage 1. Most invoices arrive in the post at Head Office. Some are sent on from the units but this is not encouraged. When an invoice is sent direct to a unit, a letter is sent to the supplier concerned telling them to bill Telford. Sending the invoice to the unit makes two things possible. First, the unit manager could alter the figures. Second, much more likely, the manager will probably hold the invoice until the next lot of unit post is due - which means it may not go until the weekly time sheets or the stocksheets are sent. Given the length of time it takes anyway

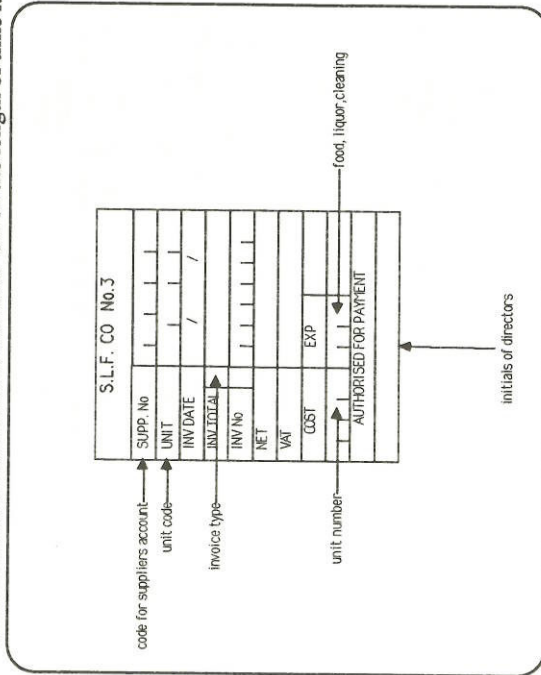


Fig. 9.3. The date stamp

to process an invoice, this just adds to the delay. When it arrives, the invoice is stamped and passed on to Deborah.

stage 2. Deborah separates the food and non-food invoices and pulls out any which she feels Sandy might want to see. The food invoices are sent to Sue for coding. Non-food invoices go to Rosemary. The coding procedure is as follows. The stamp provides a number of boxes to be filled in.

Rosemary fills in the various boxes with codes. These codes file the information on the invoice in the computer.

SUPP NO is supplier number as specified in the computer's list of authorised suppliers. Thus ASB 001 will mean the main account with Associated Biscuits. The Unit gives a designation for the division against which the invoice will be

charged: 1000 = concessions; 1100 = airports; 2000 = Farmhouse; 3000 = head office; 4000 = hotels and Carlisle. The logic of this system has since collapsed. Invoice Total is used to indicate whether an invoice (A) or a credit note (C). EXP is the expenditure code (eg food, liquor, cleaning, etc) against which the item is to be charged. This is the difficult item. If Rosemary cannot see, or does not know, she will ask for a coding from Sandy. The AUTHORISED FOR PAYMENT is where Lawrence and the appropriate Director sign their initials. Without initials it won't be processed. {Sandy occasionally pushes an invoice through before Lawrence sees it and holds it for payment (ie holds the cheque ready made out) until he has signed the invoice. Electricity and other utilities are the most common cases.

Rosemary also checks the totals are correct.

stage 3 Once it has been coded, the non food invoice goes to the Divisional director for authorising. Here different strategies are adopted. However, all involve checking that the expenditure was authorised by the manager (in the case of repairs etc), that the work was done satisfactorily. For expense claims, these are processed by the director himself.

stage 4. The authorised invoices are returned to Sandy who passes them on to Lawrence. He signs them (or queries them) and passes them back. He generally goes through the invoices once or twice a week, when he has time or can't find anything better to occupy himself with.

stage 5. The invoices are returned to Purchase ledger where they are bundled with a cover sheet into 70's and sent to the computer room. The cover sheet gives the date and the codes of the invoices in the bundle. After being typed into the computer they are filed.

The only differences to this occur when the invoice is urgent. Should this be the case then a manual kalamazoo cheque will be made out. This requires Rene to make a cash book entry, a journal amendment entry for the computer and to process the cheque and get Sandy to sign it. Generally, all electricity and Gas bills are paid this way and it involves a lot of extra work.¹⁵

As it moves on its journey around the paperwork socio-technical system,¹⁶ the invoice is a record of the work that has been done upon it. From the moment it first arrives and is date stamped, all production work leaves its mark upon it, either in the spaces provided within the date stamp or as appended comments, memos, queries, questions stapled to it or stuck on it. In that sense, the orderliness of this record upon the invoice is a representation of the orderliness of the work tasks being performed. This representation or record appears as the ticks beside items whose prices have been checked; question marks against those which are unknown; the initials in the various boxes on the date stamp; and so on. To anyone coming to an invoice at any moment of its path through the accounting system, the recording on the invoice of what has and what has not been done, builds up a stratified representation of the sequence of stages it has passed through and the actions taken with regard to it. Since this sequence and these activities are standardised, a glance at the stratified record is enough to be able to tell what has happened, where things are up to and what the possible problems might be. Knowledge of the accounting practices in general and any particular realisation of them

are mutually explicative. One cannot understand either in isolation.

For those engaged in those the production of "accountant's objects", the orderliness of the record is the orderliness of the tasks. The orderliness of the the organisation of one goes proxy for the orderliness of the organisation of the other. As the boxes are filled in, as the correct codes are written in, the amounts checked and the authorisations given, the normal unproblematic routine working of the system reproduces itself. Work upon the invoice is, therefore, a distinct sphere of operations for those whose tasks it is to ensure the paperwork is completed "properly". Its horizons, its internal organisation, and its structures are given to them as local and contextual knowledge about how things are done at LTC and what from the invoice one can say about what has been done and what yet needs to be done. Learning to read an invoice as a record of its production work is learning the paperwork division of labour.

Conclusion

The materials we have examined in this Chapter, provide an initial indication of the complexity and richness made available to those treating the division of labour as an interactional phenomenon. As with the materials discussed in the other chapters in this Part, they demonstrate how the detailed organisation of economic and business activities can be explored from within. Our analysis has been directed to showing that it is possible to conceive and investigate the division of labour as an egological organisation of thematic relevances and structures of knowledge. This egological organisation allows for task co-ordination which, of course, it is the point of the division of labour to achieve. Knowing what is relevant, knowing what has to be done and where is gearing into the division of labour.

NOTES

* A version of part of this chapter was presented at a conference entitled "Action Analysis-Conversation Analysis" held in the Maison de Sciences de L'Homme, Paris, September 1987.

- [1] The egological character of experience within social life is laid out in M. Natanson (1986).
- [2] Local production practices are explored in work by Garfinkel (1986), Lynch (1984), Livingston (1987).
- [3] The centrality of structures of relevance for the interpretation and hence organisation of social action is discussed at length by Schutz (1970). It is also examined, but in a different way, by Gurswitch (1964).
- [4] H. Becker (1986). R. Dingwall et al. (1983) study much the same phenomenon but without Becker's style or panache.
- [5] This idea is a correlate of Schutz and Luckman's (1974) "reciprocity of perspectives".

[6] For an analysis of 'enclaves' cf. Schutz (1970).

[7] "Gearing into a situation" is one of the modes of acting in the world examined by Gurwitsch (1979).

[8] There are strong affinities between this use of 'repair' and that associated with Conversation Analysis. Cf. Schegloff et al. (1977)

[9] Again Schutz is a repository of insights on the organisation the world into that part within reach, that within restorable reach, and so on. Cf. Schutz and Luckman (1974)

[10] There are two point here, one major and one minor. The firm's system was bought in from NDS as a job lot when NDS upgraded. It is therefore poorly designed for LTC's needs. Second, the windows are actually "pages" which must be run through in a serial order. To get from P3 to P1, pages 4 and 5 have to be rolled through.

[11] This term is Gurwitsch's. Cf. Gurwitsch (1964).

[12] C.f. Garfinkel's (1967) discussion of "the Coroner's problem" as a member's methodological trouble.

[13] 'Construction in flight' comes from an aside in A. Strauss et al (1981).

[14] Produced objects as stratified records are discussed in Garfinkel (1967) on Clinic Records, Raffel (1979), and Lynch's (1985).

[15] These hand written cheques are the Kalamazoo cheques mentioned earlier.

[16] In the sense in which we are using the term, "socio-technical system" is a somewhat broader conception than the network of social and work relations associated with analyses such as those of Trist and his associates (Trist 1971). Indeed this whole volume is an exploration in what LTC as a socio-technical system might be said to be.

10. Postscript: Irony and the profit motive

Worldly Wiseman. I would advise thee that thou with all speed get thyself rid of thy burden; for thou wilt never be settled in thy mind till then: nor canst thou enjoy the benefits of the blessing which God hath bestowed upon thee until then.

Christian. That is that which I seek for, even to be rid of this heavy burden: but get it off myself I cannot: nor is there a man in our country that can take it off my shoulders; therefore I am going this way, as I told you, that I may be rid of my burden.

(John Bunyan. *The Pilgrim's Progress*)

Introduction

In this book, we have primarily been occupied with two concerns. The first is the possibility of an inter-disciplinary approach to economic phenomena. We have tried to show that such a project is at least premature and perhaps even misconceived. The conclusions to which we were drawn with regard to the inter-disciplinary question led us to propose an alternative strategy, namely the re-beginning of enquiry, this time premised in what we called the egological approach. The studies offered in Parts Two and Three are initial exemplifications of the range of materials and issues which this strategy makes available.

Our discussion of these two concerns has, by and large, not involved explicit and extended

consideration of the standard and classical sociological orientations towards capitalist economic and business life. To have introduced them and then to have indicated just how and why we find them to be unsatisfactory would have both complicated our argument beyond necessity and lengthened this book beyond endurance.¹ Nonetheless, we do feel it is incumbent upon us to say something about classical or paradigmatic sociology (the use of this particular epithet will become clear in a moment) if only because it is the interests and outlooks of this conventional approach which will, in all likelihood, be the criteria against which our own approach will be assessed. To say absolutely nothing would be to invite others to locate our work in relation to the conventional approaches and hence allow them to frame the context in which our proposals are to be reviewed.² So, by way of an endnote, a postscript, we want to set out why we feel one way of locating and interpreting our work, perhaps the one most likely to be used, is inadequate. This is the proclivity of many (and not just students, we would point out) to locate all sociological studies somewhere along the macro-micro continuum. We fear that were we to make no mention of our objections to this conception, we might find our work defined as a contribution to the micro-sociology of economic life. And nothing could be further from our aim than that!

Irony in sociology

The use of the macro-micro continuum gives rise to what Woolgar refers to an "instrumental irony" (Woolgar: 1983 p. 258). It is a methodological device (Anderson and Sharrock 1982) for the achievement of particular range of analytic purposes. What makes it ironic, in Woolgar's sense, is the outlook to which it leads. This is perhaps most often expressed in that witches' brew of theoretical relativism and epistemic realism; a potion which induces the illusion that what are termed 'macro' and 'micro social realities' are, in fact, no different from one another. What they express or "capture" are competing and/or complementary representations of how things are "really". In the hackneyed terminology, macro and micro sociologies are alternative paradigms. The complete description, the final accounting, will comprise a theory which unifies, synthesises, reconciles macro and micro reality.³ Until that theory is available, there is nothing to choose between the versions.

It is here that the irony enters. Sociological accounts, or versions, of social phenomena are placed alongside those offered by the subjects themselves. To prevent the de-construction of sociology altogether, the turning of it into "just another member's version", the sociologist makes accounts reflective of the circumstances of their use. Thus, each sociological account is the construction of equally valid but different methodologies (an investigative apartheid, so to speak), while the accounts of the subjects of investigation are constructs of their practical, pragmatic, political, economic, or whatever interests. The net result is that while, for reasons we will discuss in a moment, sociologists can and do accept without question the superiority of their versions over those of the laity, they feel themselves forced to treat all sociological accounts as, at least in principle, epistemologically equivalent. Everyone can defend their own version as "true for me".⁴

Out of this tangle, we want to take just two ideas; the forcing of descriptions and theories into the macro-micro straightjacket and the way this leads to irony. We want to argue that the distinction between macro and micro is a false dichotomy; and its use leads to that worst of

all possible analytic outlooks, academic superciliousness. Invoking the macro-micro dichotomy tends to be associated with a pre-disposition to turn sociology into disapproval. Irony drifts into sneering.

Classical conceptions of the profit motive.

To get something of a sense of the way in which these things work themselves out, we would like to consider two classical descriptions of the capitalistic profit motive and the people with which it is associated. We do not suppose that either would be taken by anyone as an adequate descriptions of contemporary entrepreneurial capitalists. It is not their representativeness which we are interested in but the general orientation which they embody. To begin with, the most obvious and the easiest case.

As the conscious bearer [Träger] of this movement, the possessor of money becomes a capitalist. His person, or rather his pocket, is the point from which money starts and to which it returns. The objective content of the circulation we have been discussing - the valorization of value - is his subjective purpose, and it is only in so far as the appropriation of ever more wealth in the abstract is the sole driving force behind his operations that he functions as a capitalist, i.e. as capital personified and endowed with consciousness and a will. Use-values must therefore never be treated as the immediate aim of the capitalist; nor must the profit on any single transaction. His aim is rather the unceasing movement of profit-making. The boundless drive for enrichment, this passionate chase after value, is common to the capitalist and the miser; but while the miser is merely a capitalist gone mad, the capitalist is a rational miser. (Marx 1976, vol 1, p. 254)

Compare this with the author who, for many, is Marx's major protagonist.

The people filled with the spirit of capitalism to-day tend to be indifferent, if not hostile, to the Church. The thought of the pious boredom of paradise has little attraction for their active natures; religion appears to them as a means of drawing people away from labour in this world. If you ask them what is the meaning of their restless activity, why they are never satisfied with what they have, thus appearing so senseless to any purely worldly view of life, they would perhaps give the answer, if they know any at all: "to provide for my children and grand-children". But more often and, since that motive is not peculiar to them.....more correctly, simply: that business with its continuous work has become a necessary part of their lives. That is in fact the only possible motivation, but it at the same time expresses what is, seen from the view-point of personal happiness, so irrational about this sort of life, where a man exists for the sake of his business, instead of the reverse. (Weber. 1930, p. 70)

For both Marx and Weber, the capitalist is driven to accumulate by a structure of socially determined attitudes - the profit motive. And yet, for both of them, this motive has become

detached from its original impulse. The profit motive now means acquisition for the sake of acquisition; business is an end in itself. Although their views of the character of these attitudes and the ways in which they are structured (i.e. the causal and other stories which they tell) are quite different, nonetheless their common interest lies in teasing out the interlocking system of constraints which force capitalists to behave in the way they do. As individuals, particular capitalists are conceived as instances of general structures. The capitalist is, to use Marx's term, "the bearer" of capitalistic social and economic relations. Like Pilgrim, they carry a burden they cannot put down.

Part of the irony in this derives from the paradox enshrined in the general approach. Each individual capitalist is viewed as enmeshed in a web of social, political, economic, psychological, cultural, and material forces which fix his outlook and attitudes. There is no real room for manoeuvre: no options are available. The capitalist could be no other way. At the same time, these self-same attitudes and outlooks are disparaged as money grubbing, exploitative, selfish, de-humanising, philistine or pointless. It is as if the capitalists who hold them had somehow made the moral choice not to be any different. The irony this encapsulates turns to snobbery when we are invited to sit in judgement over the vulgarity which this set of attitudes and values is said to display. At the micro level, the individual capitalist is to be condemned for being what, at the macro level, history requires him to be.

This whole orientation is made possible by a descriptive strategy which treats capitalists as anonymous types and locates them in de-personalised systems of economic and social relations. Marx, for example, discusses the capitalist in terms of the contrast between the circulation and consumption of goods and the circulation and non-consumption of money. The system requires accumulation without consumption (misery); the capitalist provides this in a rational, i.e. calculative, form. Weber too is interested in the capitalist as an abstract social type. Here, though, one of the crucial differences between Marx and Weber can be seen. Weber endows the capitalist with a structure of motivations which are not purely economic, and hence makes him more readily recognisable. Nonetheless, Weber's capitalist is still an anonymous bearer of sets of social and economic relations, even if the Protestant ethic may have been transmuted into the needs, or perceived needs, of business.

The irony is finally drawn out in the attitude which this approach fosters. This attitude tends to favour the use of sociological - using that term loosely for the moment - accounts of the capitalist's motivation to downgrade or de-legitimise those of the capitalists themselves. They are, to use a term of Harold Garfinkel's⁵, treated as "cultural dopes" in the sense that they don't really know what they are doing. Whatever they might think or say about their reasons for acting as they do, it is the sociological depiction of the structure of constraints which tells us what they are really doing and why.

The macro-micro contra-distinction is but one of the analytic devices which can be used to achieve this ordering of versions. The subjective accounts (a very important adjective that) which the capitalists provide are themselves the outcomes of the objective social forces which constrain capitalist activities. The purpose of a micro analysis must, then, be to demonstrate first how these subjective accounts are deployed (their rationales) and second the interconnection between this subjective organisation of their major features and the patterns of objective social relations which the sociologist knows determines them. The micro is no more and no less than the instantiation of the macro.

The micro-macro dichotomy is, then, an explanatory device. But it provides explanations which have been set in advance. The micro is explained in terms of the macro. The trouble is that the explanations which are yielded explain literally nothing, for while they tell us why capitalists as a social type behave in a particular manner, they say nothing at all about why individual capitalists do what they do. Unless, that is, one is prepared to allow the identification of individuals with the type. But in that case, as we have seen, analysis becomes caricature.

The macro-micro continuum is based upon a metaphor of points of view, and most crucially, of levels of points of view of what is "the same" social reality. The micro expresses an individualistic, subjectivist, interpretivist point of view. The macro is its inverse: global, objective, determinate. If, and this is the crucial move, the overriding aim is not to explain social life but to describe it, the notion of there being levels of points of view, or indeed of there being a unified, fixed, determinate social reality at all about which to have points of view, fades into the background.

What we are left with is the difficulty of fixing the relation between the theoretical constructs which appear in our descriptions and the phenomena we are seeking to describe. If we take the problem of description at all seriously, then these constructs must have some degree of empirical reference. They must give us some purchase on the activities ordinary actors engage in and be recognisable in the things they do and say. In the face of that task, the theorist's constructed duality, the micro social reality in which actors live and move and the macro social reality which encompasses and explains it, simply dissolves. The phenomena depicted as the macro reality, the structures and constraining forces, turn out to be exactly the same order of phenomena as those described from the micro 'point of view'. This does not mean we should now turn the irony on its head: that it is the micro which is really real and where the explanatory weight should lie. It is the duality itself we have to dispense with. The notion of a macro and micro reality is a theoretical construct premissed in a metaphysics, and it makes no sense at all to talk about the reality of theoretical constructs or the metaphysics which give rise to them. What are real (as opposed to invented, fantasised, made up, or imagined) are the activities which actual actors engage in in their daily lives and the real worldly consequences which these activities have for them. Taking the problem of sociological description at all seriously means beginning, and most probably ending, with these.

The Upshot

Where all this is leading is to a very simple conclusion. The image provided by many of the conventional accounts of the entrepreneur has him as a hapless Kirkegaardian figure: angst ridden and demon driven. This, we assert, is the consequence of utilising anonymous social types within ironising explanatory accounts. If, instead, we try to describe what the profit motive looks like in actual cases, to be sure we will find some of the things which the classic accounts point to. The entrepreneur does give over almost everything to the demands of business. A priority is placed on profit and profit making, monetary values and their calculation. As we have seen, cost cutting can be a way of life. But, and this is the important issue, what is left out is not just the vibrancy, the liveliness, the teemingness of business life, but the essential character business life has for those engaged in it. This is one of

involvement, enjoyment and practical necessity. Lawrence Hunt is recognisable in some of the things which Marx and Weber say. We know what they are getting at. But when they talk about rational miserliness or work as a necessary part of life, what they miss out are the sheer capacities, absorbed busyness, skillful élan, which Lawrence and people like him bring to their business activities. It is these capacities which make it simply impossible for them to go into a site and 'turn off'. They cannot help themselves. They have to know how the fridges are divided up, where the keys to the safe are kept, how often the light fittings are cleaned, what size cups are used to dispense soft drinks, and what items the staff are allowed to consume while on duty. They cannot stop themselves noticing who is wearing a uniform and who isn't; whether the prices are those currently in force; that the menu boards are badly laid out or covered in bits of masking tape to hide out of stock lines; that the jets on the dishwashers are wrongly positioned and the fridge needs de-frosting.⁶ This isn't an impersonal curiosity, or merely a requirement of successful business life. They have to find out. They have to get things done. If one is to talk about social reality, then this is the social reality of the profit motive in the entrepreneurial business. It's a reality of checks to be made, things to be done, people to be seen, papers to be processed. The constraints and choices, the requirements and options which they are aware of and to which they relate are all concerned with the need to live and work in this real economic world and to deal with its technical and interactional, its social and economic features. Given the world in which they move and in which they earn their living, it could be no other way. Given their personal commitments, they would not want it to be any other way.⁷

Notes

- [1] The arguments and what we take to be their implications are set out in Sharrock and Anderson (1987b) and Anderson, Hughes and Sharrock (1985).
- [2] That this is a real risk can be seen from Cherrington et al's (1987) response to Pinch and Clarke's (1987). This response displays a complete failure to appreciate, or even understand, alternative sets of analytic objectives and methods. This sociological equivalence of tone deafness led to a series of wild accusations and half baked criticisms.
- [3] It can be seen that there is something of this tendency in Etzioni, (cf. Chapter 1). It was this which actually alerted us to his work in the first place. It also accounts for the continuing appeal of general theorists such as Giddens. See for example Giddens (1979).
- [4] This is a paraphrase of a joke of Alan Garfinkel's. It is re-told by Putnam (1981, p119). The really important point, of course, is that this equivalence is never taken seriously. Each sociologist is forced, or thinks he is forced, to justify his version. When that happens, the centre of gravity nearly always slips back to the macro end of the continuum.

[5] Garfinkel (1967).

[6] This list is just a collection of items taken from random observations Lawrence threw out within 5 minutes of entering the cafeteria in one Leisure Centre, and as he pointed out, by no means the worst one.

[7] Here is a parallel comment concerning just the same conclusion reached in respect of astronomers and astronomy.

Inquiries and objects are intertwined creatures of astronomers' powers. They are not philosophers' playthings. They cannot be recovered as the work of laboratory inquiries in any detail that is interesting to the astronomer who must make his living like this, who lives like this: as each day's work he must make astronomical discoveries. This is neither his burden nor his job, instead, he doesn't know any better. More aptly his obstancy is this: he would not want it differently. He could not want it differently. (Garfinkel, Lynch & Livingston 1981, fn. 25.)

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