

Social and Organizational Theories of Transformation

PhD course

Copenhagen Business School

Period: 21-24 February 2023

Location: Copenhagen Business School, Porcelænshaven, 2000 Frederiksberg

Room: PH16B 118

Course coordinators: Poul Fritz Kjær & Mathias Hein Jessen (Department of Management, Politics and Philosophy)

Teaching faculty: Poul Fritz Kjær, Mathias Hein Jessen, Lara Monticelli, Birke Otto & Maj Grasten

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Prerequisite and progression of the course: There are no formal prerequisites other than that the student must be registered on compatible PhD-programme. In order to receive the course diploma, participants have to be present during the whole course period, have read the literature, engage actively in teaching and discussions. After the conclusion of the course, the student must submit an essay (max. 10 pages) engaging with the theories and discussions of the class in relation to the student's own PhD-project. Deadline for submission is 31st March 2023 in order to receive comments from teachers. Essays can be submitted for approval without comments until 28th April. After this date, submissions cannot be made. Submission and approval of essay is necessary in order to be awarded ECTS-points.

Aim of the course: We live in a world defined by crises and transformation. Environmental degradation, climate crisis, financial crisis, populism, Covid-19, falling legitimacy of political and economic elites and institutions, just to mention a few. As a result, organizations and businesses are increasingly focusing on transformation as a way to encounter the 'crisis of legitimacy' confronting the current setup of economy and society, just as politicians and policy-makers on all sides of the political spectrum calls for the economy to be more thoroughly (re-)embedded within society.

This course enables the students to critically interrogate and analyse the foundations of the economy using the tools of social and organizational theory, as well as insights into alternative ways of imagining it. In order to understand, assess and facilitate transformation, we need to understand the current situation. The course introduces the students to a number of different approaches and understandings of what transformation is and how we can understand it, rooted in social and organizational theory. It also gives the student insights into both the dominant organizational and corporate forms, forms of economic thinking and rationalities, as well as into transformative potentials and alternative organizational forms.

The course offers insight into:

- Various theoretical paradigms and approaches to transformation
- Theoretical understandings of the relation between the economy and society, as well as contemporary challenges
- Historical, contemporary and future transformations of corporate constitutions and organizational forms, e.g. stakeholder models, shareholder models, cooperative models
- Economic, political, legal, sociological, philosophical and historical approaches to corporate and organizational forms and governance in a societal perspective, with a focus on societal legitimation struggles
- Alternative organizational forms and other ways and approaches to transforming economy and society.

ECTS awarded: 4

Language: English

Schedule

Day 1: Tuesday (21st February)

Module 1: Theories of transformation

09:00-09:30: Welcome and introduction (Poul F. Kjaer & Mathias Hein Jessen)
09:30-11: Session 1: Lecture: Paradigms of transformation (Poul F. Kjaer & Mathias Hein Jessen)
11:15-12:30: Session 2: Workshop: Introductions (Poul F. Kjaer & Mathias Hein Jessen)
12:30-13:30: Lunch

Module 2: Transforming the corporation

13:30-15:00: Session 3: Lecture: The corporate form and shareholder value maximization (Mathias Hein Jessen)
15:30-17: Session 4: Lecture: The political theory of the corporation (Mathias Hein Jessen)

18:30: Welcome dinner

Day 2: Wednesday (22nd February)

09:00-10:30: Session 5: Lecture: Workplace democracy and democratic business (Mathias Hein Jessen)
11:00-12:30: Session 6: Discussion: Transforming the corporation (Mathias Hein Jessen)
12:30-13:30: Lunch

Module 3: Transforming political economies

13:30-15: Session 7: Lecture: Three paradigms of political economy: corporatism, neo-corporatism and governance (Poul F. Kjaer)

Day 3: Thursday (23rd February)

09:00-10:30: Session 8: Lecture: Transformation through competition (law) (Poul F. Kjær)

Module 4: Transforming capitalism

11:00-12:30: Session 9: Lecture: Defining, historicizing and criticizing capitalism (Lara Monticelli)
12:30-13:30: Lunch
13:30-15:00: Session 10: Discussion: Re-imagining capitalism and its alternatives (Lara Monticelli)

Day 4: Friday (24th February)

Module 5: Transforming organizing

09:00-10:30: Session 11: Lecture: Organizing for change: Strategies of alternative organizations (Birke Otto)
11:00-12:30: Session 12: Discussion: Transforming organizing (Birke Otto)
12:30-13: Lunch
13-14:30: Session 13: What is transformation? Summing up the course. Evaluation and goodbye (Mathias Hein Jessen & Poul F. Kjær)

Program and curriculum

Day 1: (Tuesday 21st February)

Module 1: Theories of transformation

This module introduces to the course in general, the approach, the current problems and challenges that we encounter, as well as introducing to a number of social theory paradigms of transformation. It asks the fundamental question: where does transformation come from and who are the agents of transformation? And how can social and organizational theory conceptualize the contemporary situation and its possible transformation.

Session 1: Lecture: Paradigms of transformation (Poul F. Kjaer & Mathias Hein Jessen)

This session introduces the course and introduces different general paradigms for transformation within social and legal theory that will act as a parameter for the course as a whole. It discusses what is central about social theory as a theory about the contemporary and what defines the contemporary as well as the possibilities to transgress it. It also introduces to the fundamental conception of modern society as market society and what this has for consequences for transformation.

Readings

- **Foucault**, M. (1984). 'What is Enlightenment?', in: P. Rabinow (ed.), *The Foucault Reader*, New York: Pantheon Books, pp. 32-50.
- **Hayek**, F.v. (1944). *The Road to Serfdom*, Chicago: University of Chicago Press, (condensed version, published in the *Reader's Digest*, April 1945 edition, pp. 39-70.
- **Polanyi**, K., (2001)[1944]. *The Great Transformation. The Political and Economic Origins of our Time* Boston: Beacon press. Chapter 5 & 6, 'Evolution of the Market Pattern' & 'The Self-Regulating Market and the Fictitious Commodities: Labor, Land, and Money', pp. 59-80.

Additional readings

- **Block**, F. (2001). 'Introduction'. In K. Polanyi, *The Great Transformation*. Boston: Beacon Press, pp. vii-xxxviii.

Session 2: Workshop: Introductions (Poul F. Kjaer & Mathias Hein Jessen)

In this session, we will ask all of the participants to briefly introduce themselves, their topic and their interest in this course and its relation to their PhD-work. This will be followed by a welcome reception where there will be an opportunity to talk more.

Module 2: Transforming the corporation

This module goes into depth with the most dominant organization of our economy: the corporation. The module introduces to the history and evolution of the corporation form, and its congealment in the private, publicly owned multinational corporation dominated by shareholder value maximization. It also introduces to recent critical theories of the corporation and a political theory of the corporation as well as alternatives to the corporations and attempts to transform it through workplace democracy and corporate purpose.

Session 3: Lecture: The corporate form and shareholder value maximization (Mathias Hein Jessen)

This session goes into depth with the corporate form, its historical development and today's dominant conception of the corporation in shareholder value maximization. It will discuss the origins of this conception in the 'theory of the firm' and 'agency theory' as well as the notion of corporate social responsibility inherent in it.

Readings:

- **Blair, M.M.** (2013). Corporate Personhood and the Corporate Persona, *University of Illinois Law Review*, pp. 775-820.
- **Friedman, M.** (1970). 'A Friedman doctrine – The Social Responsibility of Business is to Increase Its Profits', *The New York Times*, September 13.

Session 4: Lecture: The political theory of the corporation (Mathias Hein Jessen)

In this session, we will explore the corporation as a political actor in a three-fold way: as politically constituted and as exercising political power both externally as well as internally over its members (employees).

Readings:

- **Ciepley, D.** (2013). Beyond public and private: Toward a political theory of the corporation. *American Political Science Review*, 107(1), pp. 139-158.
- Case: Elizabeth Warren, Accountable Capitalism Act (2018): <https://www.warren.senate.gov/imo/media/doc/Accountable%20Capitalism%20Act%20One-Page.pdf>

Day 3: (Wednesday 22nd February)

Session 5: Lecture: Workplace democracy and democratic business (Mathias Hein Jessen)

In this session, we look at and discuss recent theories on workplace democracy and democratic business and discuss to which degree this represents a transformation of the corporation and of contemporary work-life.

Readings:

- **Ferreras, I.** (2017). *Firms as political entities: Saving democracy through economic bicameralism*. Cambridge: Cambridge University Press. Introduction: 'What about the Workers?', pp. 1-20.
- **Anderson, E.** (2019). *Private government: How employers rule our lives (and why we don't talk about it)*. Princeton: Princeton University Press. Chapter 2: Private government, pp. 37-71.
- Case: Workers at Amazon

Session 6: Discussion: Transforming the corporation (Mathias Hein Jessen)

In this lecture we will discuss contemporary suggestions for reforming corporations and their viability.

Readings:

- **Mayer, C.** (2021). The Future of the Corporation and the Economics of Purpose, *Journal of Management Studies*, 58(3), pp. 887-901.
- **Davis, G. F.** (2021). Corporate Purpose Needs Democracy, *Journal of Management Studies*, 58(3), pp. 902-913.
- Case: Patagonia Trust

Module 2: Transforming political economies

This module introduces to the transformations in political economies and law from the early 20th century and the different ways of thinking the economy, economic relations and the role of law and organizations within them.

Session 7: Lecture: Three paradigms of political economy: corporatism, neo-corporatism and governance (Poul F. Kjaer)

The transformative potential of political economy has changed drastically since the early 20th century. This lecture gives an overview of core trends, institutional formats and ideological objectives and narratives and the role of legal instruments in these processes.

Readings

- **Kjaer, P.F.** (2014). 'Towards a Sociology of Intermediary Institutions: The Role of Law in Corporatism, Neo-Corporatism and Governance'. In M.R. Madsen and C. Thornhill (eds.), *Law and the Formation of Modern Europe: Perspectives from the Historical Sociology of Law*, Cambridge: Cambridge University Press, pp. 117 - 141.

Day 3: (Thursday 23rd February)

Session 8: Lecture: Transformation through (competition) law (Poul F. Kjaer)

The institutionalisation of competition has been a central tool of transformation of modern societies. The lectures provides an analytical and historical take on how this has unfolded from the French Revolution until today.

Readings

- **Kjaer, P.F.** (2015). 'Context Construction through Competition: The Prerogative of Public Power, Intermediary Institutions and the Expansion of Statehood through Competition', *Distinktion*, 16(2), pp. 146-166.

Module 4: Transforming capitalism

In this session we will discuss capitalism and its evolution over the course of modern history until today. We will also get an overview of the main critiques posed to capitalism by classical social theory and by civil society. In parallel with these theoretical debates, we discuss how to frame, in light of the functioning of contemporary capitalism, some of the most pressing societal issues such as, for example, the ecological crisis in the Anthropocene and the devaluation of care work. But after the critique, the *pars destruens*, comes the *pars construens*: the proposal for alternatives. In the second part of this module, we will discuss the values, logics, strategies, practices, risks and challenges to make our economies and societies more just and sustainable.

Session 9: Lecture: Defining, historicizing and criticizing capitalism (Lara Monticelli)

During this session, we will tackle the following complex question: what is capitalism? By deploying the writings of some prominent thinkers such as Nancy Fraser, we will look at the evolution of capitalism over the past few centuries, at its current crises, and at the historical entanglements between capitalism and its "background conditions of possibility": work, nature, and care.

Readings:

- **Fraser, N. & Jaeggi, R.** (2018). *Capitalism. A Conversation in Critical Theory*, Cambridge: Polity Press. Chapter 1: 'Conceptualizing Capitalism', pp. 13-47 (until the end of the paragraph).
- **Patel, R. & Moore, J.W.**, (2020). *A History of the World in Seven Cheap Things. A Guide to Capitalism, Nature and the Future of the Planet*, London: Verso Books. Introduction, pp.1-43.

Session 10: Discussion: Re-imagining capitalism and its alternatives (Lara Monticelli)

During this session, we will discuss different experimentations regarding alternative economic models of production and consumption, decision making processes, and governance. We will look also at concrete examples such as public ownership, stakeholder capitalism, eco-villages, and worker-owned cooperatives. Afterwards, we will work in groups to discuss the viability, the paradoxes, the opportunities and challenges of striving for alternative socio-economic systems within contemporary capitalism.

Readings:

- **Wright, E. O.** (2019). *How to Be an Anti-Capitalist in the 21st Century*. London: Verso Books. Chapter 3: 'Varieties of Anticapitalism', pp. 37-64.
- **Mazzucato, M** (2021). *Mission Economy. A Moonshot Guide to Changing Capitalism* (2021). London: Allen Lane, Penguin Books. Chapter 6. *Good Theory, Good Practice: Seven Principles for a New Political Economy*, pp. 163-203.
- **Eilert, M. & Nappier Cherup, A.** (2020). 'The Activist Company: Examining a Company's Pursuit of Societal Change Through Corporate Activism Using an Institutional Theoretical Lens', *Journal of Public Policy & Marketing* 39(4), pp. 461-476.

Day 5: (Friday 24th February)

Module 5: Transforming organizing

This module introduces the emerging interest of studying alternative organizations in the field of management and organization. We critically explore how 'organizing differently' is conceptualized in these studies, and discuss the managerial challenges and paradoxes of translating imaginaries of change into concrete organizing practices.

Session 11: Lecture: Organizing for change: Strategies of alternative organizations (Birke Otto)

Readings:

TBD

Session 13: Discussion: Transforming organizing (Birke Otto)

Readings:

TBD

Session 13: Discussion: What is transformation? Summing up the course. Evaluation and goodbye
(Poul F. Kjaer & Mathias Hein Jessen)

Readings:

- **Kjaer**, P.F. (2023 forthcoming). *What is Transformative Law?*, European Law Open