

A Scientific Management of Work? A micro-international perspective on the internationalization of management ideas

Judith A. Merkle, in her seminal book on the movement of Scientific Management, had insisted on the predominance of “national characters” in different contexts.¹ The examination of a carefully chosen organization, the International Management Institute (IMI), alters this too limited vision of these networks. Though national factors were obviously quite important, the creation of this institution allowed the constitution of a specific space of action for the international development of Scientific Management. Even if this Institute eventually collapsed at the beginning of the thirties, this “international milieu of organizers” clearly had a role in the appropriation of new ways of conceiving economic modernization

The international blossoming around the concept of “Scientific management” and its numerous and unfixed translations has been neglected by researchers. The historians of Management have, above all, tried to emphasise the continuity of the evolution of their discipline. The specialists of Taylorism have been mostly interested in the origins of the movement and its technical consequences. This analysis thus opens up new perspectives on the development of forms of organizational knowledge both inside and outside the firm, on different scales, and in various contexts².

D) Scientific for what ? Taking seriously a discourse of modernization

Scientific management as a progressivist idea

Frederick Winslow Taylor’s first experiments are well-known. In 1903, the publication of his “Shop Management” in the journal of the American Association of Mechanical Engineers and its rapid translation in many European countries triggered off a wide-range discussion on the

¹ Judith A. MERKLE, *Management and Ideology. The Legacy of the International Scientific Management Movement*, Berkeley, University of California Press, 1980.

² This text is inspired by a part of my PhD Thesis. Cf. Thomas CAYET, *Organiser le travail, Organiser le monde. Etude d’un milieu international d’organisateur-rationalisateurs durant l’entre-deux-guerres*, European University Institute, Florence, October 2005.

modernization of production. The brand name of Taylor became the symbol of these new possibilities of organization and the target of all the people frightened by the power of technology mastering men.³ Yet this personification is misleading. The mythical vision of the great pioneer and the smooth diffusion of a new model of organization have been convincingly criticized by numerous scholars. In the United States, F. W. Taylor was one organizer among others and most of his work is based on previous experiences of “Systematic Management”.⁴ More over, these organizational changes, far from becoming the norm in the United States, were not uniquely American. There were similar moves in European firms. The influence of Taylor should not be understood in a simple logic of diffusion but as an interaction between an influent but non monolithic American approach and specific national experiences. These parallel transformations have been notably interpreted through the model of the rise of the modern industrial enterprise. In this paradigm, the related but different approaches of F.W. Taylor and Henry Ford are part of the same trend of modernization, of a so-called “Managerial Revolution”.⁵

However, this continuity is somehow historically inexact. Taylor’s famous “time studies” lead to the conception of the assembly line but also ideally open up perspectives for any type of organization. Most of the scholars have remained largely indifferent to the ideological development during the war and in the inter-war period – a time when the taylorist ambition of economic and social modernization became concerned with new objects at levels of organization other than the individual enterprise.

The term of “Scientific management” has been originally chosen as a reference to progressivist ideals of the 1910s. This expression evokes, at first, the inadequacy of *laissez-faire* and the necessary role of disinterested elites.⁶ The functionalist imagery used in *The*

³ Cf. Daniel NELSON, *Frederick W. Taylor and the Rise of Scientific Management*, Madison, WI, University of Wisconsin Press, 1980 and Charles D. WREGE et Ronald G. GREENWOOD, *Frederick Winslow Taylor. The Father of Scientific Management. Myth and Reality*, Homewood, Ill, Business One Irwin, 1991.

⁴ Cf. the seminal article of Joseph A. LITTERER, “Systematic management: the search for design for organizational recoupling in American manufacturing firms”, *Business History Review*, n° 37, Winter 1963, pp. 369-391. For a more general perspective on these forms of control, JoAnne YATES, *Control through communication: The rise of system in American management*, Baltimore, John Hopkins University Press, 1989 and Theodore M. PORTER, *Trust in numbers: the pursuit of objectivity in science and public life*, Princeton, NJ., Princeton University Press, 1995.

⁵ Alfred D. CHANDLER Jr., *The Visible Hand of Managers: The Managerial revolution in American Business*, Harvard University Press, Cambridge, MA, 1977. Concerning an international comparison in this perspective, Alfred D. CHANDLER Jr. and Herman DAEMS, eds., *Managerial Hierarchies : Comparative perspectives on the rise of the modern industrial enterprise*, Cambridge, Harvard University Press, MA, 1980

⁶ Concerning the use of this expression, Samuel HABER, *Efficiency and Uplift. Scientific Management in the Progressive Era*, Chicago, 1964 Concerning this progressivist link and its controversial legacy, Milton J. NADWORNY, *Scientific Management and the Unions. 1900-1932. An historical analysis*, Harvard University Press, Cambridge, 1955

Principles of Scientific Management presents the Taylorist approach as a set of prescriptions to improve any activity. The “mental revolution” proposed is an appeal for a social engagement of engineers and a controlled professionalism of organizers⁷. The international development of these ideas is not only a result of the internal transformation of firms but a component of exchanges between reformist movements at the turn of the century. Without believing naively in the all-too-pleasant declarations of social harmony, how could the peculiarity of this discourse of modernization be seriously taken into account and analyzed?⁸

Scale and scope of a “mental revolution”

The industrial mobilization during the First World War has accelerated the diffusion of new techniques of production. State intervention in the economy and the experiences of cooperation with unions have also changed the nature and scale of problems. The discourses of organization are more distinctly embedded in a double dialectic, between nationalization and internationalization, socialization and de-socialization. The blurred nature of “Scientific management” reflects this ambiguity on the scale and scope of praxis. To enhance the systemic character of a Taylorist practice ideally always enlarging its object is then a means of emphasizing an ideological continuum between the organization of the workshop and the international modernization of the economy. It symbolizes both the challenge of the rising American domination and a possible response to it at different levels. This gathering idea can thus be used in order to conceive the relation between production and distribution, to consider the “rationalization of markets” by cartels or to phrase the functional role of the firm in a social system regulated by the State.

Founding his work on the “Americanismo e Fordismo” of Antonio Gramsci, Charles S. Maier has first brilliantly focused on the ideological nature of these exchanges. He has insisted on the capture of this process of modernization by a European movement of rationalization which was essentially conservative.⁹ But this conclusion is surely too clear-cut. Even for Gramsci, in a quite difficult context for the working-class, this economic trend may open up new opportunities of “Social Defence”. Therefore, political factors, even though important,

⁷ Cf. Daniel NELSON, (Ed.), *A Mental revolution: Scientific Management since Taylor*, Columbus, Ohio State University Press, 1992.

⁸ Daniel T. RODGERS, *Atlantic Crossings. Social politics in a progressive age*, Cambridge, MA, Harvard University Press, 1998 and also James F. KLOPPENBERG, *Uncertain victory: social democracy and progressivism in European and American thought: 1870-1920*, Oxford, Oxford University Press, 1986.

⁹ Cf. the seminal article of Charles S. MAIER, « Between Taylorism and Technocracy: European ideologies and the vision of industrial productivity in the 1920's », *Journal of Contemporary History*, vol. 5, n° 2, 1970.

shall not be overvalued and the analysis predetermined by the coming catastrophe in Europe.¹⁰ The unfixed final object of organisation renders possible an international space of discussion and of manoeuvring for various actors. Therefore, a method has to be defined to embrace simultaneously the ambiguity of these discourses on practices and the international process of institutionalization shaping them. This aim is not a claim of exhaustiveness but rather of a way to consider this play on scales as intrinsic to the subject.

In the tradition of “Les Annales”, the problems of scale reveal the different rhythms of history and the necessity of a multi-temporal understanding of events. Marking a border is structuring the time and vice versa. The scale chosen help them to understand the extent and the timing of systems of economic domination¹¹. The Italian “microstoria” is thus simultaneously a critique of the economic determinism of this model and a homage to this fruitful “dépassement” of History. From this perspective, plays on scale permit a more subtle comprehension of power-relations and, therefore, the analysis of the specificity and the hazardous connection between different levels of action¹². New researches dealing with the idea of a “Global History” lay emphasis on the development of international networks during the Twentieth Century as well as their persistence despite all the tensions and conflicts.¹³ Yet the network metaphor is then often misleading and ideological. It designs and justifies the study of an internationalization process without specific objects and limits. This essentialization of the international level reflects an insufficient focus on the various motivations of actors and the lack of a critique of their rhetoric of disinterestedness. Nevertheless, these remarks do not call into question the demonstrated importance of transnational networks. However, these logics have to be understood as the result of discursive and relational strategies of actors investing this field. The analysis of the development of this unknown Institute is thus a means to deal with the controversial internationalization of the Scientific Management movement.

¹⁰ Antonio GRAMSCI, *Americanismo e fordismo*, Roma, Editori Riuniti, 1991. On the controversial interpretation of this text, cf. Mario TELO, «Gramsci, il nuovo capitalismo e il problema della modernizzazione», *Critica Marxista*, n° 6, 1987 and Victoria DE GRAZIA, «The Exception Proves the Rule : the American example in the recasting of social strategies in Europe between the Wars» in *Pourquoi n’y a-t-il pas de Socialisme aux Etats-Unis ? (Why is there no socialism in the United States?)* in Jean HEFFER et Jeanine ROVET, ed., Paris, Editions de l’EHESS, 1987.

¹¹ For an historical perspective on these theoretical problems and l’“économie-monde” conceptualized by Fernand Braudel, cf. two recent articles, Pierre-Yves SAUNIER, “Circulations, connexions et espaces transnationaux”, *Genèses*, n°17, déc. 2004, pp.110-126 and Giovanni GOZZINI, “Dalla Weltgeschichte alla world history: percorsi storiografici attorno al concetto di globale”, *Contemporanea*, a. VII, gennaio 2004.

¹²Cf. notably Giovanni LEVI, *L’Eredità immateriale. Carriera di un esorcista nel Piemonte del Seicento*, Torino, Einaudi, 1985 and Jacques REVEL, ed., *Jeux d’échelles. La Micro-analyse à l’expérience*, Gallimard/Seuil, Paris, 1996.

¹³ Cf., for example, Akira IRIYE, *Global Community: the Role of International Organizations in the Making of the Contemporary World*, Berkeley, University of California Press, 2002

A micro-object: the International Management Institute

During the inter-war period, quite a few businessmen, engineers, civil servants and union leaders organized specialized international meetings on the best way of modernizing the process of production. Seven International Congresses of Scientific Management were organized in the interwar period: in Prague (1924), Brussels, (1925), Roma (1927), Paris 1929, Amsterdam (1932), London (1935), Washington (1938).¹⁴ Though national factors were obviously quite important in any of these meetings, their close study permits the identification of what can be defined as an “international milieu of organizers”. There are more than 350 people involved in the organization of, at least, two congresses. A database created through the analysis of the proceedings of these International Congresses permits a good biographical and relational location of the actors of this international group. The close following of their discourses and actions renders it possible to comprehend the spread, and the potential combinations and mutations of this taylorist influence. This milieu is clearly shaped by different logics of institutionalization linked to the concurrence between the International Labour Organization and the International Chamber of Commerce. In this context, this study sheds light on the strategic importance of a distinct organization, the International Management Institute.¹⁵

The focus on this institution authorizes the location of key actors and legitimates the study of the links between a relatively small number of personalities. This approach captures the room for manoeuvre of these organizers and the importance of transnational contacts for the transformation and appropriation of methods of organization. The reconstitution of this space of uncertainty and choices is, above all, the result of a research that is appropriately international in nature. The reconstruction of the strategic use of these discourses takes into account the complexity of a modernization process that cannot be reduced to simply its political or managerial determinations.

From a perspective of “histoire croisée”, this Institute is considered as the meeting point of “connected stories” The deconstruction of the story of this institution emphasizes its role but also shows its weakness in the lead of a very heterogeneous network of international actors.

¹⁴ For a review of these congresses, Erik BLOEMEN, “The movement for Scientific Management in Europe between the wars” in J.C. SPENDER and H.J KIJNE (eds.), *Scientific Management: Frederik Winslow Taylor’s Gift to the World*, Boston, Kluwer, 1996.

¹⁵ For a first study of this organization, Charles D. WREGG, Ronald G. GREENWOOD, Sakae HATA, “The International Management Institute and political opposition to its Efforts in Europe, 1925-1934”, *Business and Economic History*, Vol.16, 1987.

Yet, the meticulous analysis of this micro-international object reveals unexpected circulations of ideas, economic exchanges and social constructions.¹⁶

II) A far-sighted utopia? : fostering a transnational level of action

A controversial creation

The International Management Institute is created in 1927 by the International Labour Office, an American Foundation, the Twentieth Century Fund, and the International Committee for Scientific Organization gathering some European Committees (CIOS). Because of the diversity of these founder members, the IMI is at the crossroads of all the contradictions structuring this area of international contacts. The CIOS advocates a pure managerial and national approach based on regular meetings between businessmen organisations. The International Labour Organization obviously opposes this restricted vision, which is close to the International Chamber of Commerce agenda.¹⁷ The first director of the ILO, the French socialist Albert Thomas, insists on the necessary control of the social consequences of economic modernization. This trend of organization has to be accompanied by negotiations between unions and managers. It will only really be successful if it permits a new and durable form of social cooperation.¹⁸ For his part, Edward A. Filene, the President of the Twentieth Century Fund, is fascinated by Fordism. He considers the beneficial circle created by the balance between mass production and mass consumption as the basis of a new Industrial Revolution. However, the long-term stability of this system could only be secured if organized internationally. Filene has a utopian vision of the future of Europe where the Fordist model will ensure social stability, political co-operation and international peace.

¹⁶ Michael WERNER and Bénédicte ZIMMERMANN, « Penser l'histoire croisée : entre empirie et réflexivité », *Annales HSS*, n°1, janvier-février 2003.

¹⁷ On the history of the International Chamber of Commerce during the inter-war period, cf. George L. RIDGEWAY, *Merchants of peace. Twenty years of Business diplomacy through the International Chamber of Commerce, 1919-1938*, New York, NY, Columbia University Press, NY, 1938. (Second edition, *Merchants of Peace. The history of the ICC*, Boston, Litle, Brown, 1959) et Monika ROSENGARTEN, *Die Internationale Handelskammer. Wirtschaftspolitische Empfehlungen in der Zeit der Weltwirtschaftskrise. 1929-1939*, Berlin, Duncker&Humblot, 2001.

¹⁸ Cf. Martin FINE, « Albert Thomas, a reformer's vision of modernization, 1914-32 », *Journal of Contemporary History*, n°12, 1977, pp. 545-565 and Denis GUÉRIN, *Albert Thomas au BIT, 1920-1932. De l'Internationalisme à l'Europe*, Genève, Institut Européen de l'Université de Genève, Euryopa, 1996.

Therefore, the IMI has to promote transnational contacts in relation to economic modernization in order to foster the creation of a unified European market.¹⁹

E. A. Filene and Albert Thomas first met at the beginning of 1923 during a trip in the United States of the ILO director. They immediately began to envisage common actions. In 1924 and 1925, meetings were organized between Thomas' closest collaborator, Paul Dévinat, and a trustee of the Fund, the businessman Henry S. Dennison. Dennison had been President of the Taylor Society and was still one of its directors. The Taylor society was thus associated to this project from the very beginning. Since the First World War, the Society had developed an approach to "Scientific management" characterized by the claim of a "true professionalism" of organizers. Their knowledge should enable to ensure a form of mediation between the divergent interests inside a firm.²⁰ This progressive approach was in-line with the conclusions of the first International Congress of Scientific Management organized in 1924 in Praga. The new institute would help to reinforce this newly initiated international movement.²¹

In contrast, the second International Congress of Scientific Management organized in Bruxelles in 1925 was dominated by hard-boiled employers linked to the International Chamber of Commerce. They refused any kind of social vision of Scientific Management. They disagreed with the IMI project. They found it superfluous to create an international organisation to coordinate the Scientific Management movement. It would be enough to have an ad hoc council to organize International Congresses. More over, the American Management Association found problematic this international initiative where the Taylor society played the leading role. Its Managing director, W. J. Donald, deeply resented the ideological domination of these engineers. He was trying to define an alternative vision, a business-centered approach. In June 1926, this Bruxelles group succeeded in creating a minimal structure called "Comité International d'Organisation Scientifique" (CIOS). Its first General-Secretary was the main organizer of the Bruxelles Congress, the Belgian businessman, Edmond Landauer.

Yet, despite all these critics, the ILO and the Twentieth Century held fast to theirs objectives. The definitive decision of the foundation of the IMI was taken during a meeting in September

¹⁹ E.A. FILENE, *The Way Out. A forecast of coming changes in American business and industry*, New York, Doubleday, Page and Company, 1924. On this vision of modernization, Kim McQUAID, "An American Owenite. Edward A. Filene and the Parameters of Industrial Reform, 1890-1937", *American Journal of Economics and Sociology*, n° 35, January 1976, pp. 77-94.

²⁰ Harlow S. PERSON, ed.,(Taylor Society), *Scientific Management in American Industry*, New York, London, Harpers & Brothers, 1929

²¹ *Report of the Proceedings of the First International Management Congress in Prague*, Prague, PIMCO, 1924.

1926 and then confirmed by a favorable decision of the Governing Body of the ILO.²² It was decided to associate the CIOS to this creation in order to permit the reunification of the Scientific Management movement but without abandoning the initial objective of neutrality justifying international action.

2) Ambiguous discourses and strategies of gathering

E.A Filene and H.S Dennison wanted to develop local forms of action. They insisted on what they called a necessary “Field Work”. The representatives of the CIOS protested vehemently against this American propaganda. They refused to grant the IMI the right to act independently at a national level.²³ The quarrel worsened and nearly resulted in the closure of the Institute. In May 1928, Percy S. Brown, the American deputy director of the Institute, resigned to protest against the manipulations of the first director, Paul Dévinat. A commission of inquiry established that he had played Americans against Europeans and vice a versa in order to have a margin of action.²⁴ He was obliged to resign and, for some months, nobody knew whether or not the Institute would survive.

However, under the new direction of Lyndall Fownes Urwick, the IMI succeeds in embodying the ambitious project of a general rationalization from the most local to the most global level of action. This experience cannot be understood without analysing the in-between position and the specific discourse developed. For a while, its action opens up the crucial and highly controversial question of the link between “Scientific management” and “Industrial relations”, the link between economic modernization and social cooperation. Filene was not a theorist of Scientific Management and he pressed the Institute not to get involved in too general a debate. Yet, even the more conservative version of Filene’s fordist credo was surely not bound to be embraced by all in Europe. From the beginning, the Institute had been conceived to develop a wide-ranging discourse on Scientific Management in order to counterbalance its most conservative tenants. This justified its early connection with the Taylor Society.

ILO’s officials viewed this propaganda function –more so than the field work programs- as the principal role of the Institute. The deputy director H. B. Butler had already published a book on Industrial Relations in the United States.²⁵ In February 1927, the ILO initiated

²² Proceedings of the meeting of the Governing Body of the ILO, October 1, 1926, ILO Archives, N 401.

²³ Proceedings of the meeting of the Executive Committee in Berlin, October 16-17, 1927, ILO Archives, N 401/2/2/0.

²⁰ Confidential report of Hugo Von Haan sent to Albert Thomas (no date), ILO Archives, N 401.

²⁵ H. B. BUTLER, *Les Relations Industrielles aux Etats-Unis*, BIT, Série A, n° 27, 1927.

cooperation with the Industrial Relations Counsellors Company (IRC). This group of experts was financed by John D. Rockefeller Junior. They were organizing meetings between managers of the biggest firms in the United States on their policies of welfare.²⁶ Most of these personnel managers were part of anti-unions movements but it was a means for the ILO to trigger off discussions about the combination of social measures and economic modernization. Studying the American example was a way to question its own practices. ILO's initiative concerning industrial relations was never disconnected from its support to the IMI. Hugo von Haan, the interim director after Dévinat's resignation, advocated that the Institute should get involved in the international development of industrial relations studies.²⁷ Lyndall Urwick clearly adopted this policy. His participation to a conference organized in 1929 by the International Industrial Relations Association (IRI) was symbolic of this commitment.²⁸

Yet, the Taylor Society and some of its eminent members involved in the IRI, like Mary Van Kleeck from the Russel Sage Foundation, found problematic the idea of a "Scientific management of Industrial Relations". Through a truly professional application of "Scientific Management", it should be possible to obtain a real cooperation between employees and employers. The taylorist organizer would then be the natural intermediary between the divergent interests inside the firms. On the other hand, managers close to the American Management Association or to the Industrial Relations Counsellors Company used the rhetoric of professionalism of the "scientific management" movement in order to justify a form of "managerialism". A so-called "Scientific" system of Personal Management could take into account workers' interest without necessarily implying a negotiation with an independent union. From this point of view, it could be "scientifically" justified as more "efficient" to create a company union than to accept any form of unionization.

Despite these opposed visions, all these organizations continue to meet each other.²⁹ Thanks to the diplomacy of Urwick and the mediation of people like Dennison, national quarrels were never fully transposed to the international level. The ambiguities apparent in a comprehensive approach to Scientific management were not violently clarified in the effort to preserve a

²⁶ Concerning the IRC and its links with big firms, Sanford JACOBY, *Employing Bureaucracy. Managers, Unions and the transformation of work in American industry 1900-1945*, New York, NY, Columbia University Press, 1985.

²⁷ Letter from Hugo Von Haan to Albert Thomas, August , 8, 1928, ILO Archives, 6C-16-2.

²⁸ Lyndall Urwick, « Rational Industry », in Proceedings of the 1929 discussion meeting organized by the International Industrial Relations Association on the subject of "Human relations in a rationally organized industry", Amsterdam, 1929, ILO Archives, D 600-537-10.

²⁹ Guy ALCHON, « Mary Van Kleeck and Scientific Management», Chapter 5 in Daniel NELSON, *A Mental Revolution*, op.cit.

space of discussion between parties who did not claim the same “professionalism”. It permits dialogue between various actors and somehow links managerial justifications and social claims (albeit partially and ambiguously). The International Management Institute thus creates a unique space for the appropriation of different forms of organizational knowledge.

3) A promising network?

The Institute tried to create a European network of “Management Research Groups”. The model of these groups was the « Manufacturers’ Research association » (MRA) created by H.S. Dennison around his firm in collaboration with other businessmen in New England. This association was a group of local, non-competing firms exchanging extensively information about concrete applications of the “Science of Management”.³⁰ E.A. Filene and H.S. Dennison proposed and obtained to hire a new director who was a specialist of such groups. Lyndall Fownes Urwick had created the first Management Research Groups in England on behalf of B. S. Rowntree.³¹ The famous philanthropist and liberal leader was a close friend of H.S. Dennison. They were extensively corresponding on the new techniques of management and, more generally, on the future of industrial relations in Great Britain and in the United States. B.S. Rowntree had been convinced of the usefulness of these groups during one of his stays in the United States at the beginning of the Twenties.³²

The IMI succeeded in helping to the creation and the organisation of more than fifty of so called “Management Research Groups”. Lyndall Urwick organized a special conference in Geneva on the subject in July 1931. This meeting gathered people representing very different kind of associations. The creation of some of them had been based on principles completely opposed to the ones of the MRA. For example, all the present German groups were strongly linked to powerful associations of businessmen organized by branches of activities. They were clearly part of a process of cartelization. Yet, while promoting exchanges about organizational knowledge between non-competing firms, the Institute emphasized the richness of these various and sometimes controversial contacts. Lyndall Urwick was

³⁰Cf. Raymond L. TWEEDY, «The Manufacturers’ Research Association. An organization of Massachusetts Plants which enjoys the Benefits of joint investigation of common managerial problems », *Bulletin of the Taylor Society*, XI, n°5, December 1926, pp. 275-281.

³¹ Lyndall URWICK, « Management Research Groups in Great Britain », in ENIOS, *Atti del 3 Congresso Internazionale di Organizzazione Scientifica del lavoro*, Roma, ENIOS, 3 vol., 1927, Vol.2 and Lyndall URWICK, « Les groupements d’étude pour l’échange des expériences dans la gestion des entreprises », *Bulletin de l’Institut International d’Organisation Scientifique du travail*, n°7, juillet 1929.

³² On the friendship between H. S. Dennison and B. S. Rowntree, Asa BRIGGS, *Social Thought and social action. A study of the work of Seebohm Rowntree. 1871-1954*, London, Longmans, 1961.

obviously conscious of these ambiguities and misunderstandings but he privileged the multiplication of these “weak links”³³

This variety of actors was representative of the membership of the Institute. By the end of 1930, there were more than 700 members from more than 30 countries. Most of the national associations of Scientific Management in the world were linked to this institution. The American Society of Mechanical Engineers, the American Management Association and the Taylor Society were representing the American Movement. Most of the members were big firms, associations of engineers and businessmen but the International Federation of Unions, some workers’ leaders such as Léon Jouhaux for the CGT and civil servants were involved in this international project. Despite all the obvious divergences between these actors and their different degrees of involvement, the idea was to preserve an international clearing-house of modernizing ideas linked to reformist networks.

During the afternoons of this Management Research Groups Conference, more general discussions on the “Advantages and Disadvantages of Rationalization” were organized. Henry de Peyerhimoff of the Comité des Houillères was the chairman of these sessions. Albert Thomas and H.B. Butler were representing the ILO, Lyndall Urwick and Hugo Von Haan, the IMI. Edmond Landauer, the executive secretary of the CIOS, was also participating to these meetings. From the United States, E.A. Filene and H.S. Dennison expressed their support in a message to be read during the first session. The national movements of Scientific Management were also represented. For example, Maurice Lacoïn, Jean Milhaud and Robert Sated were in Geneva for the Comité National de l’Organisation Française (CNOF), Otto Schaefer and Hans Hinnenthal for the Reichkuratorium für Wirtschaftlichkeit. Harlow S. Person and the consulting engineer Wallace Clark were also there for the Taylor Society, Arthur H. Young, for the Industrial Relations Counsellors, and the Dutch businessmen and philanthropist, C.H. Van der Leeuw, for the International Association of Industrial relations (IRI).³⁴

During these four afternoons, it was impossible to define a precise programme of action or even a common definition of the rationalization to be applied. However, the real aim of these meetings was to make all these different people reaffirm together their faith in this general trend of modernization. Even though the principles of Scientific Management could have been

³³ Concerning the analysis of such networks, the seminal article of Mark S. GRANOVETTER, «The strength of weak ties», *American Journal of Sociology*, vol.78, n° 6, May 73, pp. 1360-1380.

³⁴ IOST, *Deuxième Conférence de l’Institut International d’Organisation Scientifique, Genève, 1er-4 juillet 1931*, Genève, IOST, 4v., 1931.

wrongly applied, the rationalization movement as a whole was not responsible for the world economic crisis. Albert Thomas and H. B. Butler were obviously more insisting on the social problems to be solved and Henry de Peyerhimoff on the economic forces to coordinate but their positions were presented as integrated in the same process. This dialogue was the only way to define a viable long-term solution to these economic and social problems. This linkage would be also the best protection against authoritarian temptations. The final resolution adopted by the participants confirmed the crucial role of the International Management Institute in this perspective. It should embody the international openness of the whole movement and foster transnational contacts at different scales. Yet defending this idealistic and pluralist vision was soon to become a desperate mission.

3) The end of a seminal experience

The ebb of internationalism

Lyndall Urwick had often criticized ILO's projects of critical studies on the social consequences of rationalization.³⁵ He had also lambasted the pro-business positions of the CIOS. He had been trying to hold a balanced position in order to play the intermediary role between all these different actors but, by the end of 1931, this policy seemed to be no longer sustainable. Edmond Landauer radically criticized the whole policy of the Institute. The IMI had to focus only its activities on concrete and profitable services to individual firms.³⁶ On the other hand, progressive taylorists such as Morris L. Cooke or Harlow. S. Person thus considered that the logical development of Scientific Management was the definition of a "Social Economic Planning" at a national at an international level. There should be a general scheme of economic modernization that would organize cooperation between the State, the unions and the firms. This rather vague approach was nevertheless attractive for most of the ILO officials who had been involved in the Scientific Management movement. Albert Thomas clearly expressed his interest for these new initiatives.

³⁵ Letter from Lyndal Urwick to Fernand Maurette, 11th January 1929, ILO Archives, N 401. Maurette was the chief of the Research division of the ILO.

³⁶ Letter from Edmond Landauer to Lyndall Urwick, 20th November 1931. Archives BIT, N 401.

Lyndall Urwick succeeded in making reaffirm the necessity of the neutral approach adopted but it was to be a short-lived victory.³⁷ The network of individuals who had rallied around the concept of Scientific management either through their participation in the IMI or in some forms of cooperation with the ILO were collapsing. This unique international space of discussion was disappearing. After his participation at the World Social Economic Planning Congress in August 1931 in Amsterdam, Albert Thomas charged Hugo von Haan to study the different forms of planning in the United States³⁸. This interest was linked to his projects of European plans of public works. He used this American documentation to prepare his last director's report at the International Labour Conference. Before his death in May 32, he had thus already reoriented the policy of the ILO towards a much more national and state-centred vision of economic modernization. The new director, H.B. Butler, would reaffirm this priority. Lyndall Urwick had then to propose a new programme of action based on the study of Economic Planning. He thus concluded his memorandum on this necessary change:

“The problems of management still remain. But for the present and for some time to come they should take second place to those wider problems of economic structure which press for solution ; and which can alone yield a permanent escape from recurring crises of increasing severity. Russia, Germany, Italy and the United States have already embarked on national experiments in the control of economic life. [...] The plane of action has moved away from the individual enterprise.”³⁹

Filene refused this last resort proposition. European leaders had often mocked his prophetic manners but Filene truly believed in the economic unification of Europe. Surely an economically unified Europe would have been all the best for his business but his actions cannot be reduced as self-seeking intentions. As a true Wilsonian, he thought that it should be possible to establish peace through the multiplication of contacts between people and the discovery of mutual interests. Therefore, when he realized that the cause of internationalism was to be lost in Europe, his interest for the Institute suddenly vanished. His final decision was taken during his trip in Europe in the spring of 1933. He was horrified by his visit in Berlin and despaired by the failure of the Economic Conference in London. He then decided to come back directly to the United States without going to Geneva for the ILO Conference. This decision clearly marked the end of his engagement in Europe.

³⁷ Proceedings of the meeting of the Executive Committee of the Institute, November 1931, ILO Archives, N 401.

³⁸ Letter from Albert Thomas to Mary van Kleck, January, 6, 1932, ILO Archives, CAT 5-31. Cf. Hugo von Haan, “American planning in the words of its promoters. A bird's eye survey expressed in quotations”, *The Annals of The American Academy of Political and Social Science*, March 1932 reprint in Archives BIT, N 401.

³⁹ Lyndall Urwick, Memorandum on a Program of work for the International Management Institute (1934-1939), ILO Archives, N 401.

Even after some modifications by Lyndall Urwick and the reaffirmation by the ILO of its claim of neutrality, E.A. Filene refused the programme proposed. This plan would have permitted national comparisons but would not have restored the possibility of the “concrete internationalism” to which he had aspired. As the International Labour Office could not finance it alone, the International Management Institute then had to close its doors in January 1934.

2) A fruitful failure ?

An anecdote concerning the forgotten legacy of the IMI is quite revealing. In the fifties, a French businessman went to the United States in order to study techniques of Budgetary Control. But, upon his return, he said that he had not learnt much compared to Robert Satet’s methods. Robert Satet was one of the most well-known French specialists in the thirties and after the war.⁴⁰ He was present at the International conference on Budgetary Control organized by the Institute in 1930⁴¹. This meeting initiated the creation of well-informed research groups on this subject. Nicolas Berland in his thesis has clearly demonstrated that most of the French specialists of Budgetary Control have been directly or indirectly influenced by the results of this seminal conference.⁴²

However, this early knowledge has not been simply updated by the missions of productivity organized after the Second World War but this complex process of learning has been deeply influenced by the context of its first appropriation. Even though the conference was first constructed out of the texts of three American specialists, James O. McKinsey, Harry S. Coes and Louis F. Musil, European congressists were not then much interested in the technical details of these American contributions. They were discussing these budgeting tools within the more general framework designed by the international Scientific Management movement. In the context of the beginning of world economic crisis, they were notably trying to define new ways of controlling and coordinating economic activities. Their questioning was quite influenced by all the ambiguities linked to the definition of forms of “planning”. In the Taylorist tradition, consulting engineers, such as Wallace Clark, used this word to designate a

⁴⁰ Robert SATET, « Le Contrôle budgétaire, instrument de direction des entreprises », *Bulletin du CNOF*, mai 1935, pp. 149-165 and *Le Contrôle Budgétaire*, Paris, Dunod, 1936.

⁴¹ IOST, *Conférence Internationale du Contrôle Budgétaire*, Genève, IOST, 1930.

⁴² Nicolas BERLAND *L’histoire du Contrôle budgétaire en France. Les Fonctions du Contrôle budgétaire, influence de l’idéologie, de l’environnement et du management stratégique*, Thèse de Doctorat en sciences de gestion, Université de Paris Dauphine, 1999. Cf. also Nicolas BERLAND and Trevor BOYNS, « The development of budgetary control in France and Britain from the 1920s to the 1960s : A comparison », *The European Accounting Review*, Vol. 11, n°2, July 2002, pp. 329-356.

technique of coordination of the flux of materials⁴³. The use of budgeting techniques was also conceived as a contribution of this research of fluidity in the production process. This approach could be applied inside a firm, to a branch of activities or even at the national level. The functioning of these ideals of control and of the claim of a certain economic harmony in different contexts designs a complex and differentiated process of appropriation.⁴⁴

Other cases could be developed to assess the seminal influence of these original networks. For example, Victoria De Grazia has recently studied the importance of the International Association of Department Stores for the modernization of distribution in Europe. This group had also been founded thanks to the help of the Twentieth Century Fund and was an active member of the IMI.⁴⁵ Lyndall Urwick had then tried to link these initiatives and the Ford-Filene inquiry of the ILO on the comparison of real wages in Europe and in the United States. He wanted to show the crucial role of these techniques of distribution in a more general perspective of economic modernization. These works were continued in the thirties by the ILO and constituted the basis of important international studies on “Standards of living”.⁴⁶

The analysis of what was at stake through the concept of “Scientific management” thus sheds light on the ideological complexity of the development of techniques and the unpredictable reactivations of networks. The focus on the IMI experience points to the necessary deconstruction of an often too linear history of management in analyzing the scale and scope of different forms of expertise.

Perspectives from the continuity/ discontinuity of networks

In the thirties, the exaltation of nationalism and social differences no longer permits the claim of this in-between position of modernization. The whole rhetoric of “professionnalism” is strongly called into question. The actors have to choose more explicitly between serving the State or big firms. The ambiguity of the role of the State and the unions embodied by a general approach of “Scientific management” does not suddenly and totally disappear. However, even theoretically, the subversive idea of a form of “social taylorism” can no longer

⁴³ Aimée MOUTET, *Les logiques de l'entreprise. La rationalisation dans l'industrie française de l'entre-deux-guerres*, Paris, Editions de l'EHESS, 1997, pp. 286-287.

⁴⁴ Cf. Lyndall URWICK and Hugo von HAAN, « Quelques réflexions sur le contrôle budgétaire », *Bulletin de l'Institut International d'Organisation Scientifique du Travail*, juillet 1930.

⁴⁵ Victoria DE GRAZIA, *Irresistible Empire. American's Advance through 20th Century Europe*, Cambridge, MA, The Belknap Press of Harvard University of Press, 2005.

⁴⁶ Cf. Anthony ENDRES and Grant A. FLEMING, *International organizations and the analysis of economic policy, 1919-1950*, Cambridge, New York, Cambridge University Press, 2002.

constitute the basis of a reorganization of the production process. The discourses of a so-called “Modern Management” originate from this erasure of the Taylorist doubt from its object of organization. The end of this period of compromise determines, and is determined by, the appearance of new approaches segmenting the studied milieu.

“Management” has become a new and major discipline of study in American Universities. A cohort of specialists- often sponsored by big businessmen - defined an ideology of defence of the firm. Its structure thus had to be preserved by managers from a hostile and chaotic outside world. At the International Congress of Scientific Management organized in London in 1935, Elton Mayo presented a text symbolically entitled “The blind spot of Scientific Management”.⁴⁷ Quoting the first results of the Hawthorne studies and using references from anthropology, and psychology, he thus defined the firm as an idealized social group integrating individuals in society. He opposed this more “human” vision to the mechanist and sometimes “brutal” approach of Taylorist engineers. This organicist theory will be the basis of the “Human Relations School”.⁴⁸

Elton Mayo had been working with the Industrial Relations Counsellors for years and was in contact with the IMI at the very end of the twenties. He had been always very critical of its relations with the Taylor Society and the ILO. In 1938, he was one of the main organizers of the International Congress held in Washington. This conference was deeply influenced by the anti-New Deal positions of the U.S. Chamber of Commerce. However, at the margins of this international congress, historical figures of the scientific management movement such as Harlow S. Person and Morris L. Cooke organized a counter-meeting with officials of the Roosevelt Administration. They succeeded in gathering a lot of foreign congressists. They reaffirmed solemnly the legitimacy of their commitment and the necessity of an independent expertise at all the levels of the process of production.⁴⁹

⁴⁷ Elton MAYO, « The Blind Spot in Scientific Management », in *Sixth International Management Congress in London, Reports and proceedings*, London, P.S. King, 1935.

⁴⁸ Cf. Ellen S. O’CONNOR, « The Politics of Management Thought : A case study of the Harvard Business School and the Human relations School », *Academy of management review*, vol. 24, n° 1, 1999, pp. 117-131.

⁴⁹ “By some accident the program of the congress, by offering a program of the Congress insofar as it is concerned with problems above the levels of operating operations, offers but a single theme, the theme of return to a free economy and of less public interference with business. In the absence of this evening supplementary session many of our distinguished European guests might depart from the United States with impression that we have no comprehension of the significance of the recent economic debacle; that our government does not recognize the need of constructive action in the face of consequent grave problems, that top management generally in the United States is still thinking in terms that bear the hall-mark of an era that has passed”, Harlow S. PERSON, « The total situation. The critical problems of Statesmanship (address at a meeting of the Washington Chapter of the Society for the Advancement of Management, September 21, 1938) », *The Society for the Advancement of Management Journal*, vol. IV, n° 2, March 1939, p.31.

The analysis of networks around the IMI thus allows the following of the next game between actors. It permits the comprehension of the complex and partial opposition between different forms of “Planning” and the definition of a “General Management”.

The spectrum of choices that this approach permits to capture leads to a more general questioning about the synchronic variety of systems and modes of justification of the production process. This micro–perspective can thus be the starting point of research on the logic of organization, on the edges of the national and the international levels, that is, in-between the State and firms, during the 1930’s and after the Second World War.

Our analysis of the experience of the International Management Institute also demonstrates the need for a more systematic study of forms of institutionalization at the margins of international organizations. The deconstruction of these fragile processes unveils the interstices of international action. The study of other institutions at the periphery of the League of Nations could be thus a good way to evaluate the American influence and to think differently about a so-called “Americanization” during the inter-war period.

