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Eric W. Orts  
*University of Pennsylvania*

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# Book Review: Bowman's 'The Modern Corporation and American Political Thought'

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*The Modern Corporation and American Political Thought: Law, Power, and Ideology.* By Scott R. Bowman. University Park: Pennsylvania State University Press, 1996. Pp. ix+436. \$55.00 (cloth); \$15.95 (paper).

Eric W. Orts  
*University of Pennsylvania*

This book addresses an important topic that deserves careful consideration by political theorists, legal academics, and other social scientists. The rise of large business corporations counts as one of the most important organizational transitions of the 20th century. *The Modern Corporation and American Political Thought* aims to make sense of this transition by proposing “a political theory of the corporation” (pp. 15, 237–38, 284). This project is worthy, but the book fails to deliver completely on its ambitious promise. It is well researched but unevenly edited and lacking in thematic coherence. Scholars working in the field will nevertheless find aspects of this work useful, especially its rich collection of sources given in the text and extensive footnotes.

The book first outlines the uncontroversial proposition that large corporations have become very influential in our society. It then attempts to place this social development of large corporations in the context of political theories of liberalism. Again, the topic is an important one, but my guess is that most political theorists will not find that this book advances their understanding of the relationship between business corporations and political liberalism much beyond previous treatments, such as the one by Robert Dahl (*A Preface to Economic Democracy* [University of California Press, 1985]).

Most useful is the author’s straightforward and clear discussion of the primary texts of six significant American critics of the business corporation, most of whom may be correctly labeled “progressive.” The first three are in fact early-20th-century political progressives: Herbert Croly, Walter Weyl, and Thorstein Veblen. The book provides a very useful service in reminding us that these early critics have much to say about business corporations and their influence in society that remains relevant and thought provoking. Their basic message is that society as a whole and its political system must take the phenomenon of large corporations seriously and regulate some aspects of their structure and behavior for the general welfare. The second trio—Adolf A. Berle, Peter F. Drucker, and John Kenneth Galbraith—appears later in the 20th century. The author’s choice of these figures provides a helpful, if somewhat eclectic, focus for the contemporary study of the influence of business corporations in society. Berle in particular, who is the only legal academic among the group, deserves close attention. The author reminds us of Berle’s important contributions to the understanding of the social issues of “corporate power” (p. 203).

Unlike Berle, however, the author does not bring the same level of

legal sophistication to the task of understanding the nature of business corporations. He focuses on the difference between “internal” corporate governance and “external” regulation of corporations (e.g., pp. 11–12). But this distinction is not new, and the author does little to add to its critical potential. In addition, his analysis of both internal and external aspects of the corporation omits some major developments. The analysis of internal corporate governance, for example, ignores the significant change in corporate culture occasioned by the rise of large and powerful institutional investors. On external matters, the author spends a great deal of time on antitrust regulation and the first amendment rights of business corporations but omits any mention of the development of federal securities law. These oversights undermine the author’s broader claim to lay an interdisciplinary foundation for a new political theory of the business corporation.

The most significant substantive weakness of the book lies in its reliance on the idea of “corporate power” without stopping to analyze clearly what this term means (pp. 1–5, 14–27). The author says repeatedly, and accurately, that the legal form of the corporation is pervasive. But the author’s relatively unreconstructed Marxian class analysis does little to advance our understanding of this important social phenomenon.

Still, scholars interested in the important and complex topic of corporate governance will wish to consult this book, as well as other recent treatments of the political dimension of business corporations given by J. E. Parkinson (*Corporate Power and Responsibility: Issues in the Theory of Company Law* [Clarendon Press, 1993]) and Mark Roe (*Strong Managers, Weak Owners: The Political Roots of American Corporate Finance* [Princeton University Press, 1994]). The book points the way toward new directions in interdisciplinary research, but it leaves the task of building an adequate political and social theory of business corporations to future scholars who will find this work a helpful resource from which to draw.

*Constitutive Criminology: Beyond Postmodernism.* By Stuart Henry and Dragan Milovanovic. Thousand Oaks, Calif.: Sage Publications, 1996. Pp. 288. \$79.95 (cloth); \$26.95 (paper).

Mark Colvin  
*George Mason University*

Henry and Milovanovic develop their “constitutive” theory of criminology by critiquing modernist thought and drawing upon some recent post-modernist conceptions. The authors reject the nihilism, subjectivism, despair, and anarchy of knowledge that pervade “skeptical” post-modernism. While they view deconstruction as an important analytic technique and an essential component of social change, they reject post-modernism’s obsession with deconstructionism. Instead, they point to-