

THE INSTITUTIONS OF ARCHAIC POST-MODERNITY AND THEIR
ORGANIZATIONAL AND MANAGERIAL CONSEQUENCES:
THE CASE OF PORTUGAL¹

MIGUEL PINA E CUNHA
Faculdade de Economia
Universidade Nova de Lisboa
Rua Marquês de Fronteira, 20
1099-038 Lisboa, Portugal
E-mail: mpc@fe.unl.pt
Tel: 351-212 822 725
Fax: 351-213 873 973

STEWART R. CLEGG²
School of Management
University of Technology, Sydney
Broadway NSW 2007 - Australia
E-mail: sclegg@uts.edu.au

ARMÉNIO REGO
Universidade de Aveiro
Departamento de Economia, Gestão e Engenharia Industrial
Campus de Santiago
3810-193 Aveiro; Portugal
Tel: +351-234 370 024
Fax: +351-234 370 215
armenio.rego@ua.pt

¹ We are grateful to Professor José Gil for his inspiration. Without his book, this paper would never have existed. We are also indebted to the several audiences of managers and management academics with whom we shared this argument for their comments and ideas. Miguel Cunha acknowledges support from Nova Forum.

² Stewart Clegg is also a Visiting Professor at Maastricht University, and Visiting Professor and International Fellow in Discourse and Management Theory, Centre of Comparative Social Studies, Free University of Amsterdam, Netherlands, as well as a Visiting Professor at Copenhagen Business School and EM Lyon, France.

THE INSTITUTIONS OF ARCHAIC POST-MODERNITY AND THEIR
ORGANIZATIONAL AND MANAGERIAL CONSEQUENCES:
THE CASE OF PORTUGAL

ABSTRACT

The long march of modernization of the Western societies tends to be presented as following a regular sequence: societies and institutions were pre-modern, and then they were modernized, eventually becoming post-modern. Such teleology may provide an incomplete or distorted narrative of societal evolution in many parts of the world, even in the 'post-modern heartland' of Western Europe, with Portugal being a case in point. The concept of archaic post-modernity has been developed by a philosopher, José Gil, to show how Portuguese institutions and organizations combine elements of pre-modernity and post-modernity. The notion of an archaic post-modernity is advanced in order to provide an alternative account of the modernization process, which enriches discussion of the varieties of capitalism. Differences in historical experiences create singularities that may be considered in the analysis of culture, management and organization.

Keywords:

Management, Portugal, history, archaic post-modernity, modernization.

INTRODUCTION

“Our archaic country, so close to post-modernism.”

Gil (2004: 106)

In the 25th of March, 2007, António de Oliveira Salazar, the late dictator, President and father figure of the fascist regime that endured between 1933 and 1974, was elected, for the first time, with 41% of the votes, as the “greatest Portuguese ever”, in a public contest conducted by the state TV channel, RTP. The result was received with diminishing surprise as the early results of the poll became known but with some mounting embarrassment from the organizing channel. Tellingly, Álvaro Cunhal, the historical leader of the Portuguese Communist Party, orthodox and faithfully aligned with the USSR’s official positions, was voted second (19% of the votes). A total of 159,245 votes were received by the organizers. The result hints at a hidden “national character”, not discernible in the media nor in the parliamentary representation since the end of old regime.

If there is something positive about the TV poll it is the possibility of confrontation with and cathartic release from a past that is all too evidently still there deep in the Portuguese psyche. Numerous recent books on the former dictator may indicate that the country is finally prepared for a much needed discussion, one that was simply evaded and repressed in the years after the 1974 *coup d’état*. The enormous challenges and efforts of changes lived through in the past few decades, as well as the proximity of the events, hindered this discussion from occurring. Our paper advances analysis of

management as a product of powerful historical forces: the force of history, and the way it is managed, resulting in a collective mentality and national identity that contributes to creating management and institutional processes that influence the dialectic between historical persistence and the motivation for change.

In this paper, we analyze management practice as a product of history. More specifically, we focus on the influence of Salazar and of the *Estado Novo* (New State) he helped to create. We suggest that some of the institutional pillars of this ideology are still a subtle presence in the country's life. We argue that this presence is still felt in the organization of the state, in the society as a whole, and in management practices. We suggest, in other words, that traces of the past retain all too much presence in the present; a dead weight of tradition weighing, like a nightmare, on the brains of the living, in Marx's evocative phrase from the 18th Brumaire.

The signs are all too evident: the presence of old regime practices and mental matrices is often used explicitly by opinion makers to explain processes as different as the alleged obedience of the public television channel to political powers, the prevalence of a "culture of fear" and a vestige of mutual suspicion typical of the time of the PIDE – the secret police of the old regime (Almeida 2007).

In this paper we specifically relate the persistent and pervasive influence of the former dictatorship for today's mode of life, in a state of archaic post-modernity, a notion introduced by José Gil, a professor of philosophy, to describe the Portuguese mentality at the turn of the 20th century. In a thought-provoking book, *Portugal Hoje, O Medo de Existir* (which translates as 'Portugal Today, The Fear of Existing'), Gil described

Portugal as a place of superficiality and “non-inscription”, where the old and the new coexist. The book has been the object of a heated debate and became an unexpected philosophical best seller, with eleven editions published up until 2007.

We apply Gil’s argument to the field of management and organization. The analysis provides a way of grasping national identity as a “symbolic resource” of significant importance in the construction of the institutional environment in which organizations operate. From Ailon-Souday and Kunda (2003: 1089), the notion of national identity can be understood as a “collective character type (...) that manifests itself in the work context.” The discussion starts with a brief analysis of the paths of development from pre-modernism to modernism to post-modernism, as often presented in the sociological and organizational literatures, not without some controversy. Next, the discussion moves to the case of Portugal, which offers a synthesis of the pre-modern and the post-modern worlds.

Portugal illustrates the dialectical relation of the pre-modern and the post-modern. From a socioeconomic perspective, it helps one understand why some nations may have more difficulty in converging than others. From an organization theory perspective, it facilitates understanding of how deeply entrenched institutional forces influence organizational action and management practice. From a social theory perspective, it explores the under-discussed path leading directly from pre-modernity to post-modernity, as well as the consequences of this radical change. We also add to the literature on divergent capitalisms (Hall and Soskice 2001) by exploring the case of Portugal as a country in transition of the less frequent non-communist type. A changing identity and the speed of the transformation help to explain the emergence of an archaic

post-modernity. Some consequences of the dialectics of archaic post-modernity are discussed at the individual, organizational and institutional levels of analysis.

The contribution made by the application of the notion of archaic post-modernity to organizational analysis enables us to make a multi-faceted contribution to the management literature. First, some peculiarities of management and organization in a Southern European country are made explicit, namely how the attraction of new, “global”, management practices combines with deeply persistent traditional ways of imagining organization. The dominant Anglo-Saxon and Protestant models of management may not be fully adequate to characterize management and organization in the Latin Catholic countries of the south, nor those post-colonial societies that they inscribed in Latin America (Caldas and Wood 1997). Second, we present an interpretation of why what are glossed by moderns as dysfunctional management practices persist, sometimes despite their recognized inadequacy.

The contributions advanced here may thus be relevant to researchers interested in the route of transition from closed to open societies. Finally, the potential relevance of the notion of archaic post-modernism is discussed, which offers a synthesis that complements the voluminous research on modernism and post-modernism. In a sense, this is a paper on the “long march” of modernism and on the subtle, non-linear paths it may follow. In line with Carter and Mueller (2002), we are especially interested in the modernization of management. The discussion starts with a brief analysis of the teleology of modernity and then focuses on the Portuguese case, presented as a deviation from the dominant pattern (Inglehart 1997).

THE TELEOLOGY OF MODERNITY

The process of modernization tends to be presented as teleology, or to use Mueller and Carters's expression, as "a long march": societies evolve in the pre-modern, modern, post-modern direction. Each movement would constitute a natural path of evolution. In this section, the teleology of modernity is briefly sketched. We do not intend to offer a detailed exploration of the process, but rather a broad illustration of the presumably natural evolution of societies and organizations in the modern era.

Inglehart (1997, 1999) detected a pattern of systematic change in values and motivations among countries as they approach the characteristics of advanced industrial societies, but there are certainly subtleties not captured by macro, transnational studies. The Portuguese path deviates in a number of aspects from any such systematic and linear process. It should be noted that we will be considering changes in worldview rather than a chronology. Bauman (1992) suggested that while post-modernity may be thought of as a number of things at the same time above all, it should be seen as a state of mind. Postmodernism is a moment in the unfolding of history – it is neither a territory that could be defended nor a paradigm that functions as a container. As Lyotard (1992) says, postmodernism is not the end of modernism, but its birth, its constant coming into being, its moment of reflection on its own auspices, as Clegg and Kornberger (2003) have argued in respect of management and organization. Modernity exists as a state of being in which the struggle for hegemony produces confusion and contestation, as the old orders refuse to die and the new orders struggle to be born. It is a constantly shifting edge, struggles over the meaning of which define both modernism and postmodernism, as well as pre-modernism.

Pre-modern to modern

The passage from pre-modern to modern society was based on faith in reason and a positivist view of science and technology were captured and exploited by the dominant capitalist class, as classical authors in the field of sociology, such as Marx (1867/1976) and Weber (1923/1978), theorized. The transition was seen to be due to a combination of elements such as the development of modern capitalism, the constitutional state, and modern bureaucracies (Hoogenboom and Ossewaarde 2005), which are mixed in different proportions in the classical theorists' explanations of modernity. The "brave new world" resulting from the modernist project was one of calculus, technicality and apparent rationality. For Marx (1976) the deep structures were clearly contradictory and powerfully destabilizing as they determined the proletariat on its long march to the future, with a commitment to utopia capable of excising the harsh exigencies of its accomplishment. For Weber (1976) the structures of modernity were more likely to settle down into mechanical routines within which human striving could, and would, be contained, with no greater purpose than to be a bigger cog in the organizational machine. Modernity, defined as "the increasing rationalization of the world through new institutions and a concomitant decline in beliefs in enchantment, magic and fatalism" (Clegg 2005: 533) substituted for the pre-modern world. Calculus, universality and science replaced the world of tradition, particularism and primogeniture, with the template for the modernist project provided by Taylorism, "the modernist model of organizational life *par excellence*" (Gergen and Thatchenkery 1998: 17), together with Fordist mass production. The pre-modern to modern transition created what Clegg (2005) described as a society of disciplined producers. The new modern logic eventually spread from the world of the state and organization to other spheres of life. As Shenhav put it, "the snowball of bureaucratization became a scheme for interpreting

and understanding private lives, personal experiences, leisure, love, and intimacy” (1999: 3). But it was not universal. Bureaucracies other than the rational-legal type flourished at the margins of modernity.

Different countries developed different mentalities on this way to the future and different understandings about the merits of technology. For example, in contrast with what happened in France and Germany, where engineering was an elite profession, in Britain, engineers were regarded as lowly individuals with dirty hands and were remarkably unsuccessful in attaining occupational status and power. The term *engineer* was stretched to refer both to professional engineers with formal qualifications as well as to people who use tools to do manual labour. British engineering owed far more to its craft origins than was the case either in the new world of the United States, where professional engineering and scientific management were conflated in the 1920s. Supporters of scientific management in the United Kingdom viewed it as a way of professionalizing British management, which they saw as unsystematic and characterized by nepotism (Guillén 1994). Despite the early impact of approaches to industrial management (Littler 1982), managerialism was slow to become really established in Britain. In fact, Prime Minister Thatcher was still railing against the complacent inefficiency of British management in the 1980s when she was promoting “efficiency in government,” much as had Prime Minister Wilson in the 1960s when he was spreading the “white heat of the technological” revolution.

In France, the interwar state, under Clemenceau, introduced some elements of technocratic rationalization from above, befitting both the elite status of engineering and Fayol’s eminence in its application to management. In

Germany, although America became increasingly an inspiration for engineers from the early years of the century, it was not until the rise of the National Socialist state that a management project premised on efficiency was widely adopted and diffused. In Italy, scientific management ideas were sponsored by notable industrialists, such as Gino Olivetti, in a counter-argument to ideas emergent from the workers' movement (Clegg and Dunkerley 1980: 110–111), and were also espoused by Mussolini's Fascist state—whose achievements, for many, were summed up in the idea that it “got the trains running on time.” In Russia, in the new Soviet Union after 1917, Lenin, the head of state and major theorist of Bolshevism, the prevailing ideology, proclaimed that electrification plus Taylorism represented the basis for building scientific socialism.

Although the founding ideas of modern management travelled far and wide, and underwent several transformations along the way, they were mostly cemented into place in the United States, from the 1930s onwards. As Grant and Mills (2006) argue, much of what became institutionalized in the US as the normal account of management during the post war period owed a great more to the context of the Cold War period in which it was produced than was acknowledged at the time. In the aftermath of World War II, with the onset of political divisions were to structure Europe for the next 55 years or so, and with the end of Fascism among the combatant countries and the bankruptcy of most of Europe, and the defeat of the Axis powers through the overwhelming superiority of US know-how and management, the importance of modern management was all too clear. The impact of American institutions on post-war Europe, through the Marshall Plan for post-war reconstruction, and Japan through the immediate post-war occupation, ensured a process of widespread dissemination of US management and organization theory. As Brewster argued (2007: 769), “[t]he spread of American culture and American business practices has

been widely heralded and, in HRM as elsewhere, there are signs of the hegemony of the US model". In Europe (including countries in transition from command to market economies; Hull 2000), as well as in Japan (Ishida 1997), business schools were created on explicitly American lines where they did not already exist.

There were exceptions to the story of Americanization sketched in the above paragraph. Spain and Portugal were neither defeated fascist states nor ascendant democracies in the post-war map of Europe. Their fascist dictatorships maintained a trajectory from the 1930s through to the 1970s, in an Iberian backwater apart from the European mainstream. We have addressed the case of Spain elsewhere (Carter et al. 2006); here we will focus on Portugal but first we will consider the whole question of what it means to be (post) modern.

Modern to post-modern

Much has been written on the transformations that led from modernity to post-modernity both in the broader social sciences and in management and organization theory. There is now considerable agreement that the post-modern world emerged around a new valorisation of information and knowledge as knowing labour or knowledge work (Lyotard 1984), with the industrial societies of the modern era evolving to networked, informational societies (Castells 1996), where environmental protection and cultural issues gain prevalence even when in conflict with the maximization of economic growth (Inglehart 1999).

Disciplined producers became trained to become consumers of discontinuity in styles, features, and capabilities (Gabriel and Lang 2006) in the affluent societies. If the imaginary centre of the modern world was the office and the factory and the work that

occurred within these contexts, in the public sphere, the imaginary centre of the post-modern world is the shopping mall, where the public and the private spheres leach and mingle, dribbling together, in spectacles, rituals and routines of consumption.

The new postmodernism is *not* a rejection of modernism so much as an attempt to *rethink* the modernist project, an extension of it. Postmodernism “complements” rather than opposes modernism. Even as it resists modernism in critiques of its performative qualities, it interacts with it and feeds parasitically on modernism. Postmodernism makes the modern more complex and more hybrid, just as that which came to be modern was the simplification and de-enchantment of the pre-modern world (Jencks 1992: 12; Weber 1976). Postmodernism is the moment when modernism folds itself back upon its own presumption, when it questions itself and opposes its dominant concepts and practices in order to invent them creatively anew. Postmodernism is the “obligatory point of passage” of modernity, the moment of its permanent birth and re-birth, which today is marked by an excessive ethic of consumption that, in turn, is sustained by the practices of modern rationalization and exploitation which take place behind Chinese and other faraway walls.

Life in post-modern places revolves around not only work as a life-project but also consumption: the “apotheosis of consumption” (Lipovetsky 1983) makes the shopping mall the essential space in which post-modern’s props are sought, bought and cued. Technical efficiency has led to what some authors describe as a disenchanted “McWorld” (Ritzer 2004). The same global brands can be consumed on a worldwide scale and the networked nature of society means that the fruits of “global production” cover the planet. The harmful effects of science and enterprise are as visible today as are

their benefits; critical eyes are frequently directed towards those global organizations in which contemporary enterprise is embedded, to account the unethical and unsustainable practices that the excesses of consumption require. Such organizations thus become subject to “the spectacle” (Debord 1967), with image becoming as relevant as substance (Alvesson 1990): to be seen to be green, for example, becomes an end in itself, irrespective of the substance of the claims being made. As the post-modern consumer behaviour researchers argue, image is a selling entity which the product tries to represent (Moutinho et al. 2007). It is not the image that represents the product, but vice-versa (Cova 1999). Objectivity gives way to symbolization (Venkatesh et al. 1993) and “seduction” has become the general process that tends to regulate almost all: consumption, organizations, information, education and customs (Lypovetsky 1983).

Contradictions abound in the post-modern world. Things seem not to be what they are represented to be. Images sustain realities that deny the images that the realities sustain; the shiny new world of the post-modern nestles up against the tarnished hulks of modernity, and that which had passed away is reinvented anew: canals, decaying docklands, and dead rivers are reborn as sites of post-modern consumption, in Birmingham, Brisbane, Barcelona ... and Lisbon.

Sometimes what is folded inside the post-modern is surprising: take, for instance, Casas da Serra, a tiny village in north-eastern Portugal. It has only five inhabitants. Electricity is not available. Casas da Serra is an example of what is described by nationals as the “deep Portugal”, the old, isolated, undeveloped country. Ironically, side-by-side with this village of the past, there is a wind power unit, where nine generators produce energy for a town of 24,000 people. Casas da Serra may be viewed as a metaphor for

contemporary Portugal, a place where the pre-modern and the post-modern live side-by-side, producing a state of “archaic post-modernity”. Its symbolic value, however, does not mean singularity: the description of Portugal as a country of asymmetries is an attempt to describe the tension between the very old and the very new. We next consider the case of archaic post-modernity in Portugal.

HISTORY, MANAGEMENT AND ORGANIZATION

Portugal’s path to modernity was one of arrested development; as the ‘long sixteenth century’ (Wallerstein 1974) saw the axis of maritime power shift from the Mediterranean to the Atlantic seaboard, Portugal lost its status as the premier naval power when the “Dutch and English entered the arena” (Landes 1998: 127). The country did not take advantage of the potential for modernization provided by the fruits of the empire and ended little richer in the end than at the beginning. It closed itself off from “foreign and heretical influences” (Landes 1998: 135) and the more enlightened Portuguese abroad who came back (*estrangeirados*) were targets of deep suspicion. “By 1600, even more by 1700, Portugal had become a backward, weak country. The crypto-Jewish scientists, mathematicians, and physicians of yesteryear were fled; no dissenters appeared to take their place” (Landes 1998: 135-136). This celebration of ignorance re-emerged later, as we will suggest below. Slowly, the country slipped into decline, living in large part of domestic agriculture but more especially from its colonies, namely the plantation economy that developed from the energies of the slaves in Brazil and the exploitation of precious minerals wherever they could be found. Decline was accelerated by the loss of the colony of Brazil in 1822, and the nineteenth century saw Portugal become largely a backwater to the industrial revolutions occurring further north. Religious and intellectual intolerance flourished, while industrial development

did not and around 1900, when only 3 percent of the population of Great Britain was illiterate, the figure for Portugal was 78 percent (Landes 1998). The struggle that was central to Portuguese politics in this period was neither class struggle nor the struggle for innovation and markets so much as a series of complex struggles over the state and its form that went on until the early years of the 20th century.

During the 20th century the Portuguese state assumed the classic contours of corporatism. The state and society became constructed as a system of interest intermediation with the Catholic Church exercising sovereignty over society and the governmental bureaucratic apparatuses exercising sovereignty over the state. The situation was characterized by functionally differentiated and state-licensed interest associations highly centralized as peak organizations in Lisbon. There was a relatively high degree of state concertation of economic management, with a strongly clientelist flavour. The *Lei do Condicionamento Industrial* (Law of Industrial Licensing, in force from 1931 until 1969) created barriers to the entry of new competitors (both within Portugal and from abroad), hindering the development of Portuguese multinational corporations (Lopes, 2005) and weakening the institutional environment necessary to build a competitive economy in the international arena. Societally, there was a collectivist consensus-promoting environment, dominated by the Church and contested by the Communist Party. The corporatism was effectively steered by and from the state through the long years of the Salazar New State (1933-1974), a regime that was established in response to a period of social and political turmoil. Its ideology was provided by a form of Catholicism deeply suspicious of the corrosive power of modernity, industrialism and education on the faith. It was a deeply rural, agrarian and Catholic conservatism, where the “purity” associated with the traditional order was

preserved, and the risks of the new industrialized world were carefully avoided. The result was an illiterate country by design. Two quotes from dignitaries of the regime are illustrative: “The most beautiful, the strongest, the healthiest part of the Portuguese soul lies in these 75% of illiterate individuals”, and “Much worse than the darkness of illiteracy in a pure heart is a materialistic pagan instruction” (quoted by Mónica 1979: 7 and 8, respectively). The result of this interpretation of illiteracy as purity was visible not only in the continent but also in the colonies: some planned projects of white colonization in Africa were made by means of the exact recreation/transplantation of the Portuguese countryside. As observed by Anderson (1962b: 103) this celebration of ignorance was ideological work. The outcome was what the same author qualified as “ultra-colonialism”, an archaic form of colonization that did not follow the usual path of exploitation.

These ‘backward’ factors gave rise to a particular and peculiar state form, Portugal’s archaic modernity. The descriptor, archaic post-modernity, characterizes an economy and society that almost skipped the ‘modern’ stage. Traditional values and loyalties, a large state apparatus with a paternalistic pose and visible pre-modern traits comprised the legacy of pre-modernity. We will suggest that the functions performed by the contemporary state are still marked by an ethos that has persisted since the days of the New State, constituting a force for archaism such that the action of the modern state perpetrates a mentality of corporatism that may not differ significantly from the times of the New State, despite the pressures for post-modernity arising from integration in the European Union, cultural openings and increasing awareness of external ideas, and the attraction of world of consumerism, that characterize contemporary Portuguese post-modern society.

Portugal was a backwater for most of the twentieth century, experiencing a precarious balance in the international arena due to its imperial possessions, which explains “the apparent contradiction of Portugal’s position as both the weakest and the most tenacious of the European imperial states” (MacQueen 2003: 183). In less than three decades, the country experienced a number of significant transitions (economic, financial, social, labour market, education, cultural, demographic, political; Baer and Leite 2003; Belke and Hebler, 2001; Lains, 2003; MacQueen 2003; Pereira 1998; Royo and Manuel 2003). As described in an editorial of the weekly newspaper *Expresso*, “from dictatorship to anarchy, from a Stalinist matrix to democratic socialism, from Maoism to social democracy, the country lived singular moments” (*Expresso* 2005). It lost a dictator, its colonies, and its stigma in rapid succession – at the same time succeeding in integrating seven hundred thousand Portuguese repatriated (*retornados*) from the ex-colonies (Santos 2004). The state only loosened the shackles of clerical fascism with Salazar’s death in 1968, a loosening that was punctuated by the 1974 coup d’état of 25th April by the armed forces and supported by the people, known as the “Carnation Revolution”, a virtually bloodless coup. The Carnation Revolution led to an unseemly scramble out of the remaining colonies, leaving them adrift in the horrors of a wholly unprepared post-colonialism unfolding in Mozambique, Angola, East Timor ...

Pre-modern Portugal

During the period of the New State, especially after World War II and 1974, the regime was largely politically isolated by the international community. This isolation was attenuated by feelings of grandeur associated with imperial possessions, with colonies that multiplied the geographical surface of the country several times, suggesting to the

feverish imaginings of the general and his cronies that the country had a “pan-continental destiny”. The colonial power over the territories of Cape Verde, São Tomé e Príncipe, Guinea Bissau, East Timor, Angola and Mozambique, allowed the country to remain “proudly alone”, ruling subject peoples at home and abroad under the primordial principle of “One State, One Race, One Faith, and One Civilization” (Anderson 1962b: 112). With the 1974 *coup d'état*, suddenly everything changed, engendering a “post-colonial identity crisis” (MacQueen 2003).

In ideological terms, as a cultural hegemon, Portugal has been diminishing and in decline for several hundred years. The stagnation of the twentieth century finished any illusions to cultural superiority and in football, music, the arts generally, trade and industry the dominant Portuguese speaking nation was the former colony of Brazil. Just as the United Kingdom became a cultural outpost of the dominant linguistic hegemon – the United States – so Portugal became increasingly dominated by Brazil, soaking up its music, following its footballers, watching its soap operas. Meanwhile, coming from an inefficient, stagnant and largely agrarian economy (before World War I, about 60 per cent of the population was employed in the agricultural sector; Lains, 2003), national economic developers lacked a vision for the future as anything much other than as a cheap manufacturing zone in Europe for goods of diminishing value, such as textiles and shoes (Lains 2003), which were rapidly being outflanked by cheaper Asian competitors. The relatively small tax base that the economy yielded meant that the state remained inefficient.

The former empire had become a small country isolated on the western most part of Europe, with a significant percentage of the population working in the primary sector,

with low levels of formal education. The low degree of formal education (a chronic century-old “wound”, as described by Landes 1998) resulted from the confluence of two social forces: (1) “the New State lack of interest in industrializing the country and even less in forming enlightened citizens”; and (2) in the mid-20th century, the society was still predominantly rural, with low expectations of social mobility and a stifled educational system (Mónica 2007: 47). As a result, access to privileged positions was viewed (and to some extent still is, Rego et al., 2006; Wise, 1997) as resulting more from informal contacts and the exchange of favours rather than from merit. As described by a politician and deputy, José Pacheco Pereira (2007), “We live in a society that did not yet break the bonds with a world essentially nepotistic and patriarchal. (...) Every Portuguese knows the role of the *cunha*, of petitions and bribery. Because it is very difficult to go through the bureaucratic system, there is always anybody who helps. If we had a simpler system, such a thing would not happen”.

Lack of systematization may partly be attributed to the incipient nature of the penetration of modern bureaucracies of the Weberian type. The values of modernity, instilled further north with adaptations of the Weberian model, were lacking. Bureaucracy, more than an organizational structure, is a system of values and behaviours, highly influenced by ideological systems of thought (Bendix 1974). All effective bureaucracies are alike in the Weberian imagination; each ineffective bureaucracy is dysfunctional in its own way. The Germanic ideal type proclaimed by Weber differed from the Chinese Red variety promulgated by Mao (Shenkar 1984) just as it did from the 21st century Czarist version being promulgated in Putin’s Russia with the help of “an archaic 17th century legal mechanism” (Osborn and Cullison 2007: 10).

In Portugal, a rural pancontinental version of bureaucracy moulded the country for decades.

The confluence of these elements resulted, according to those who produce these constructs, in “mental software” high on power distance, with a strong need for uncertainty avoidance, and a feminine and collectivist culture (Hofstede 1980). Portuguese culture has been described as fatalistic, particularistic, and traditionalist (Gannon 2004). As Maniha (1975) observed, particularism is a matter of degree, even in bureaucratic contexts, but some societies are more particularistic than others. The management of culture is marked by low levels of participation (Cabrera, Ortega and Cabrera 2003; Gill, 1993); there is a comparatively low number of engineers³, and widespread evidence of poor managerial practices of planning and systematization (Cunha 2005).

PORTUGUESE ARCHAIC POST-MODERNITY

“The end of an epoch is imminent”

Perry Anderson (1962c: 112)

Peripety leads to post-modernity

Peripety is a dramaturgical term used to describe sudden shifts in a play (Engwall and Westling 2004). The 25th of April, 1974 *coup d'état* was a moment of peripety in the evolution of Portuguese society: suddenly everything changed. As pointed out by

sociologist António Barreto, the country has subsequently passed through a significant evolution in the last three decades, following this historical episode of national peripety: “We have been through a revolution, a counter-revolution, nationalized and denationalized the economy, ended colonial wars, taken in 700,000 refugees from Africa in the 1970s and another 500,000 immigrants more recently. We have established a modern democracy and joined the EU.” As a result, Barreto concludes, the country has reached a point of exhaustion after 30 years of intense transformation (in Wise 2005).

One consequence of such sudden shift is that pre-modern traits in contemporary Portugal coexist with elements of a post-modern nature. The process of globalization facilitates the diffusion of practices and ideas, and creates mutual awareness (Guillén 2001a). Hence, new concepts and expectations permeated Portuguese institutions and organizations. The discourse of the knowledge economy, for example, entered the political vocabulary. The EU’s agenda for competitiveness, known as “the Lisbon strategy”, was elaborated during Portuguese presidency of the European Union.

In the field of business administration, best practices were diffused by academics, consulting firms and the business press. Although the absolute figures are still relatively low, the Portuguese research system has been growing fast since the latter half of the 1990s and in recent years, and the number of PhD’s produced in the country has been growing very rapidly (OECD 2006). Companies rushed to obtain quality or environmental certification. Rankings of corporate social responsibility or workplace quality, also common today, constituted an institutional pressure for change.

³ In 2000, the percentage of graduated engineers in the active population was 0.8%, against 1.5% in USA and 3% in Germany; in 1970, the percentages were, respectively, 0.2%, 1.5% and 2.1% (Ministry of

Competencies in the new economy also developed. A new breed of start-up IT companies with international ambitions (e.g., Chipidea, Critical Software, YDreams, Out Systems, NewVision, Enabler, WeDo) were praised and given awards for their entrepreneurial drive by COTEC, a consortium for innovation sponsored by the President of the Republic. The combination of their activity with the local investments of multinationals such as Siemens, Nokia and Fujitsu led to a “boom” in technological exports. At the end of the first half of 2007 Portugal became, for the first time, a net exporter of technology: the exports of technological products were superior to the imports, according to the *Agência de Inovação* (AdI), a trend that will be continued in the future, according to experts, and that will contribute to further structural changes in the labour model (Ramos and Andrade 2007). Another positive change is taking place in R&D investments: again, for the first time, companies are investing more than universities. Government-mediated protocols between Portuguese companies and Universities, and some top US schools are also part of a change effort to reorient the economic model.

At the level of individual consumption, signs of coming into being in the post-modern era became abundant, to fashion a clumsy but analytically appropriate phrase. Mobile phone penetration is amongst the highest in Europe. The debt of Portuguese families increased from 20% of income in 1990, to 118% in 2004, a situation that led former President Jorge Sampaio to criticize the banking sector violently for stimulating credit (Campos 2005). Fashionable young Portuguese people, much as all other good Europeans, are dressed by H&M, Zara and similar Euro-chains.

Archaic post-modern Portugal

One of the fundamental traits of modernity was the expansion of rationalized state activities through the bureaucratic process (Weber 1978). The modernization project that started in northern European countries was never fully implemented in Portugal. A fundamental characteristic of modern bureaucracy is the existence of a general system of abstract rules, whose application is expected to improve the efficiency of the system as a whole. In the case of Portugal, the prevalence of a particularistic approach to problems clashed with the intended rigor and impersonality of the bureaucratic system. The result was the development of pre-modern bureaucracies, in the sense suggested by Tsoukas (Ballas and Tsoukas 2004; Tsoukas and Papoulias 2005), that persisted long after they had diminished to insignificance in more northern climes.

Modern bureaucracy is established around four constitutive elements: a fixed division of labour, a hierarchy of authority-based positions, written documents and general rules, and the use of expert personnel (Walton 2005). Pre-modern bureaucracy blends the modern system of depersonalized rationality with the traditional system of personalized relationships and kinship. The resulting lack of rigor and accountability in the system allows individuals to take advantage of the systems' "cracks" and "fissures", those spaces and folds through which personalism, clientelism and cronyism can flourish. In Portuguese corporatist bureaucracy the proliferation of rules was not accompanied by their application. As an illustration, more than 4000 articles regulate the Portuguese state administrative workforce. In Sweden, 42 articles serve the same purpose. The Portuguese rules are presented in two thick volumes with more than 1500 pages each; in Sweden the 42 articles appear in 4 A5 pages (Santos 2005). Such a proliferation of rules and the high formalization of organizational structures might be interpreted as a result of a high uncertainty avoidance culture (Hofstede 1980; Rodrigues and Kaplan 1998)

but should also be seen as a device for ensuring that a lack of accountability may be quietly cultivated, as responsibilities can be subtly shifted and exploited.

Typical of the pre-modern or particularistic bureaucracies (Pearce et al. 2000) in familiaristic societies (Fukuyama 1996), the plethora of detailed rules does not prevent irregularities: complex rules are difficult to enforce and do not develop a sense of accountability. The so called *cunhas*, or “pulling strings” (as Rego and his colleagues [2006] translated this colloquial expression) provides a way of circumventing the difficulties raised by Kafkaesque bureaucracies and perpetuate a generalized lack of trust in public bureaucracies.

The lack of trust was accentuated by the sophisticated system of surveillance instituted during the New State regime. As scholars of the control system show, the political police PIDE created a simulacrum of a total institution with a panoptical effect (Pimentel 2007). Not as pervasive as the Stasi in East Germany, perhaps, but, if the PIDE may be everywhere, you should trust nobody (see Clegg et al 2006). The “system”, as a result, was distrusted but it was also slack and permeable to cheating, creating a situation in which state bureaucracy lacked those liberal guarantees that are so important to the Weberian model, premised on acting without regard for persons; instead one had to assume the position of supplicant and cultivate especial regard from persons within the bureaucracy, through family, favours, friends, if one wanted effective results. The state machinery ran on the oil produced by its own patrimony. Consequently, claims for state modernization have been repeated over and over, from McKinsey’s office in Lisbon (Carioca et al. 2004) to the national business community (Cabrita 2005). In summary, if the process of modernization led other countries from

chaos to systems (Shenhav 1995), in the Portuguese case the move has been presented as going from chaos to “The System”, a diffuse entity fused in the New State that now assumes the contours of a labyrinth, omnipresent but vulnerable to special pleading – if one has the right connections to cultivate, can access the right patron, or become a good client.

The institutional environment in Portugal is heavily influenced by the state. The Portuguese economic system may be characterized as state-dominated capitalism (Tsoukas and Papoulias 2005). It is a country in which the economic rationalism of neo-liberalism, which swept through the Anglo-economies like a bush fire from the 1980s onwards, has barely sparked. Its main organizations were monopolies until recently. They performed broad social functions, were imperfect Weberian bureaucracies, some of their top managers were appointed by the government, their strategy (when it was explicit), being influenced by political cycles. The state was and still is viewed as a paternalistic power that regulates collective life and protects people from every kind of threat. The state is expected to repair the damages caused by floods or dry seasons for farmers; to buffer industries from the competition of Spanish or Chinese firms; to find jobs for the unemployed; to grant decent pensions to the retired; to regulate the nomination of referees to football matches. In other words, Portugal and the Portuguese state can be viewed as fairly equivalent entities. Of course, this equivalence leads to an ambivalent relationship: the same business leaders may at one moment proclaim that what business needs is “less state regulation” and, on a subsequent occasion, demand “more intervention” when their specific interests are threatened. The quality of service provided by the state is normally criticized by business; however, when attempts are made to by-pass state inefficiencies the situation changes. For instance when there was

an announcement of new forms of governance for public hospitals, in the public/private partnership mode, the initiative was viewed with suspicion by significant societal sectors. They interpreted it as meaning the dismantling of the state under the pressures of particular interests – which were not those that they espoused.

Reform of public administration and the relationship between the state and the citizens has been attempted. Forms of e-government are now being implemented, including e-voting. The Global E-Government Report (West 2007) ranks Portugal in seventh place among 198 countries of the world in their development concerning e-government, having advanced 41 places compared with 2006.

The need to alleviate bureaucratic procedures remains at the centre of contemporary debate. In other words, strong and intrusive bureaucracy is hard to dismantle, especially when the state apparatus remains highly politicized. The need to reduce political nominations for management positions in state-owned firms is one on which there is an apparent ‘modern’ consensus but one which is inconvenient from the point of view of the major political parties.

In search of a new identity

The result of this tension between the pre-modern past and the current pressures for post-modernity is a country in search of a new identity. The symptoms of confusion caused by the clash of the pre- and post-modern imaginaries are clear. Five decades of parochial isolation under a dictatorial regime left their mark at the level of individual attitudes. Trust in people and most institutions was eroded (Fukuyama, 1996; Rego et al. 2006). The lack of public trust is especially low with regards to business firms and

the State, by this order, as demonstrated by a recent survey (Delicado and Gonçalves 2007). Such an institutional lack of trust is problematic when trust is often presented as a fundamental ingredient of the new competition. Michael Porter (1994) suggested that cooperation is fundamental for building clusters but the clusters developed for the Portuguese economy by his Monitor Company were never truly constituted. Porter's contribution to modernizing Portugal, when discussion of the Monitor Company's report returns to the public arena from time to time, is basically seen as an index of failed national reform unable to create appropriate strategies for the desire to be different – as well as being comparable with late modernity in (imagined) places elsewhere. The tendency to look for outsider “remedies” is a dialectical reaction to the isolationist pre-modern mindset nourished during the “New State”. A healthy nationalism is interpreted as fundamental for achieving necessary agreements at the level of the society as a whole. However, to turn another trick on a familiar formulation, if all happy nationalisms are alike, each unhappy nationalism is unhappy in its own way. Nationalism was a touchstone of Salazar's dictatorial and quasi-fascist regime, and is now viewed somewhat suspiciously by the intelligentsia (Fernandes, 2005) while, if the poll results with which we began this paper are to be taken literally, with deep nostalgia by the wider populace.

Nationalism and democracy were not bedfellows for the long period of the New State. Consequently, nationalism was never a mass project of emancipation and popular imagination, as it was in the Irish and Finnish imaginations, struggling against the colonial yoke of their over-bearing neighbours. In Portugal nationalism was the dominant ideology of an utterly corrupted ruling class of authoritarian institutionalism, nurtured in the officers' mess and formulated in the generals' HQ and the state.

Authority became confused and confounded with authoritarianism, as is common in such projects. While the military led the Revolution and retired to the barracks, the traces of authoritarianism still pervade coercive organizations.

Police forces are often criticized for the ways that they exercise authority in terms of an excessive use of force: authority is muddled up with authoritarianism. As one police officer declared to a newspaper (Carvalho and Marcelino, 2005, p.2), “We have a recent democracy, with the fear of State authority”. Where authority is interpreted as a license to behave in an authoritarian manner, liberal bureaucracy finds it hard to flourish. The PSP (*Public Security Police*) commander for the metropolitan area of Lisbon declared that new public perspectives of police action limited its authority (Carvalho and Marcelino 2005: 3). The country has been described as “discontinuous”: commenting on the advances brought by three decades of democracy, one observer noted that “we have already the best but still have the worst. The country is generous and petty, sophisticated and provincial, tolerant and prejudiced to the genetic core.” (Silva 2005: 6).

Archaic post-modernity at the management level

At the management level, the results of this synthesis are explicit, particularly in fundamental aspects of social life, such as time-reckoning systems. The polychronic approach to time, typical of pre-industrial societies, is now under pressure. Foreign expatriates view it as unprofessional (Cunha and Cunha 2004). The typical short-term orientation combined with lack of planning, is evaluated differently by Portuguese and foreign managers: as something natural to the former, but unacceptable to the latter. The Portuguese preference for (or at least, comfort with) improvisational approaches to

work, expressed in the practice of *desenrasque* or “disentanglement”, is criticized by expatriates but painted with an almost aesthetic quality by Portuguese managers, proud of their skills to deal with surprises – often resulting from lack of planning (Cunha 2005). What in the management literature is seen in positive terms as improvisation is redefined into the art of working around obstacles, such as bureaucracy (Cunha et al., 1999). This lack of orientation to planning and organization is, of course, far from new. It has been discussed by Fernando Pessoa. Pessoa is known as a poet, one of the most representative of the 20th century, but he also wrote about management and organization. In one of his texts he remarks that “We need to (...) organize organization in Portugal, to create the industry of organization. This is simple, it is evident. What, at least in principle, seems not so simple, is the discovery, not of the formula but of the concrete sense of such a need” (in Fernandes 2007: 48-49).

There is a dialectical relation between tradition and globality, an opening to the world outside of particular tradition, as a result of which habitual ways of doing things are coming into question. Multinational companies often bring and impose their own approaches. These are then institutionally acknowledged as more efficient and effective, as is often the case according to the “best companies” rankings (<http://www.greatplacetowork.com/>), thus setting up templates for institutional change. As in other southern European countries, such as Greece (see Ballas and Tsoukas 2004; Tsoukas and Papopulias 2005), managerial discourse increasingly embraces some of the central modernist keywords, including “competitiveness” and “efficiency”. At the core is what has been termed the politics of ‘non-inscription’.

The politics of non-inscription

Gil (2004) presented non-inscription as a major characteristic of the Portuguese national *zeitgeist*. To understand the notion of non-inscription, we should begin with that of inscription. Inscription refers to action, affirmation, and decision. Through these actions, individuals conquer autonomy, develop a sense for existence, and leave a mark. They challenge the status quo and assume a state of agency. Inscription, as such, represents a state of psychological adulthood and decisiveness. In Portugal, the country of non-inscription, “it was salazarismo that taught us irresponsibility – reducing us to children, big children, childish adults” (p.17). Non-inscription, as a state of arrested development, is thus used by Gil to denote the refusal of inscription: a diffuse sense of fear, inherited from the dictatorial days, is still active, notably in a fear of hierarchy which is consistent with the empirical observation of high power distance (Hofstede 1980). It resonates, like a mirror image, with the notion of domination as the opposite of emancipation. The result is a society of non-emancipated workers and pessimistic consumers. According to a 2006 AC Nielsen world survey on consumption attitudes, Portuguese participants ranked as the most pessimistic in the world (*Público*, 10 February 2006: 36). The lack of “inscription”, or the inconsequentiality of events, manifests itself in several other ways that Gil notes: the members of the secret service from the pre-1974 days were “forgiven”; the notion of accountability is not easy to translate into the Portuguese language and so it is not surprising that it seems absent from practice; politicians involved in irregularities invariably reappear after a small period off-stage; managers in state-owned firms change from one company board to another, despite the accumulation of poor results. In short, salazarismo, “the mental AIDS”, created a “psychic white”, a fog, or better, “a multiplicity of psychic whites that

cross the clear conscience, in such a way that without it being perceived, major obscurities and confusions are created” (Gil 2004: 19).

The organizational consequences of the case presented here are notorious. Competence, the touchstone of managerial decisions in the modern world, is often secondary to connections. The world of business is full of mediations – of others whom one can importune to intercede on one’s behalf; it is a world of powerful intermediaries. Another key element shaping the peculiar backwardness of Portugal’s arrested development, as we have said, was the Catholic religion. Here, a plethora of intermediaries, from the parish priest to Fátima, could intercede on one’s behalf. As noted by Guillén (1994), Protestant and modernist mentalities facilitated the receptivity of scientific management ideas, whereas the Catholic tradition facilitated human relations – which in Portugal had a distinct corporatist cast. The secular saints were the cadres in elite positions in the state: just as offerings were made to the saints so they could be made to the cadres. Career decisions could depend more on importunacy and obedience rather than on competence. If Protestantism prepared religious virtuosi then (some praxis of) Catholicism created religious clients and supplicants; the rational Protestant self-managed while the faithful Catholic sought intermediation from on high – in both spiritual and secular life⁴.

As a result of the previous stages, Portuguese civil society may be said to be somewhat dormant (Gil 2004). Some observers describe the country as “amorphous”, “stupid”, “envious” and “mediocre” (Alegre 2002). One example: when the mother of a missing girl, and prime suspect in the case, was beaten by police investigators, public opinion

ignored the violation of the woman's rights. Interestingly, however, when confronted by journalists on the event, the national director of *Polícia Judiciária* [Judiciary Police] said that conclusions from the judicial and disciplinary authorities should be awaited calmly. Inês Serra Lopes, director of the *Independente* newspaper remarked that "Only a stupid and amorphous country would accept this type of news without asking people to assume their responsibilities. I am not speaking about penal responsibility. I am speaking about functional responsibility, political responsibility. At the limit, I am speaking about civic responsibility" (2005: 48). Nowhere was this aspect more visible than in the case of the missing Madeleine McCann: the old style police approach was suddenly in the global media spotlight, exposing the lack of preparation of the Portuguese police to deal with one of the fundamental factors of the post-modern age: image.

IMPLICATIONS

A first implication of this paper for organization studies refers to the role of history in the construction of national identity. History is part and parcel of a nation's present. Therefore, it is impossible to understand management practice without putting it in its historical context. Historical understanding is crucial for capturing the genealogy of management concepts (Chan and Clegg 2002) but also management practices and the appropriation of management ideas. To understand the specificities of management in Portugal, one needs to consider the role of a very old and persistent identity, marked by centuries of history of early success (the first globalizing nation, as some historians

⁴ Alternative explanations for the relationship between capitalism and Catholicism can be found in Novak (1993). We also remind the reader that we are speaking about the Portuguese case, not about the relationship between economic and religious systems in general.

have put it)⁵ and late decadence (the 19th century was characterized by an incipient process of industrialization that was tightly controlled and perceived with distrust by the New State, whose rural orientation aimed to preserve the *bom povo*, the good people, from the dangers of literacy and industrial civilization. As discussed by Melo [2001], a detailed propaganda scheme had been created to maintain this ideal of the happy village).

Second, national identity still matters in a time of globalization. Nicolas Sarkozy, the President of France, commented on this very recently when he mentioned “the extremely deep identity crisis” linked to globalization and excessive commercialization, two major facets of the post-modern era (Hall 2007: 2). Therefore, national identities are a central policy issue, deserving attention from the scholars of organizations. The persistence of history should not be discounted and the process of change is not a linear evolution from traditional to modern values. Traditional values may persist in one way or another, be prized and appreciated. The past is not fixed and elapsed but remains relevant for contemporary understanding (Clegg 2006).

Third, collective forms, such as national elites, may not easily lose the narratives that formed their past, even in the name of progress. The preservation of the old narratives of the rural community has been an attempt to protect the self-representation of the Portuguese people: “The Portuguese man is, above all, profoundly humane and kind-hearted without being weak”, Salazar said (Anderson 1962b: 113). The preservation of

⁵ Some observers have been extremely critical of the Portuguese discoveries, described as reactive and primitive and externally-determined (see Anderson 1962 a, b, c). It is difficult, however, to understand the global role of Portugal and events such as the Tordesillas treaty as a result of luck. The globalizing strategy resulted from a number of innovations, including geo-economic and geo-political innovations, such as a global system of fleets, bases, alliances and commerce routes, a clear strategic intent delineated the Escola de Sagres, and the crafting of a global leadership system that would eventually be matured by the British in the 18th and 19th centuries (see Pereira 2007; and Rodrigues and Devesas 2007).

this mythical idea was, in a sense, the protection from the evils of the industrialized/modern world, viewed with suspicion rather than enthusiasm. The persistence of some of the old symbols and marks of identity is notable and enduring, suggesting that the past may be tenacious. The Salazarist trilogy Fátima/Fado/Futebol metamorphosed from the old basilica/Amália/Eusébio to the new basilica/Mariza/Cristiano Ronaldo.

Fourth, political and business leaders are producers of discourses with identity consequences. The management of symbolism has long been known as a major leadership function (Pfeffer 1981). The transformation of an organization's identity may be welcome and even viewed as reinvigorating and necessary. The reformulation of a nation's identity is far more complex – and it frames all those organizations within its confines. For a country with a very old, long established identity, a precocious identity in comparison with most other world nations, changing its coordinates will never be easy, as the history of post-imperial nations, notably Britain, indicates. Portuguese national independence has been established since 1143 and the national territory has been stable since 1249. Additionally, the very high level of national homogeneity, an “extreme homogeneity” (ethnic, linguistic, religious, cultural) in the words of Martins (2006: 101) reinforces the pressures for stability and continuance. Stability and continuance have to be continually worked at to be achieved; hence, national identity should be viewed as a dynamic process. More than crystallized versions of national cultures, researchers may prefer to develop dynamic theories of culture and identity, interested in explaining how history and enterprise mould one another: organizations are partly a product of their cultural matrix, but they are a force for change, especially when

traditional economic models fail, as is happening in Portugal with regards to the traditional forms of low-cost competitive advantage.

Fifth, the technical-functional side of management is the outcome of historical processes. In this sense, the long march of modernization is not a teleological journey from archaism to modernity, but a collective process involving old values and historical narratives that give sense to communities, which are, to a great extent, a result of state bureaucracies. The focus on bureaucracy as an organization form rather than as institution should be reconsidered. The study of national clusters around institutional state bureaucracies complements the analysis of cultural-values clusters. For example, is there a persistent element of institutional/bureaucratic archaism in the countries composing the Latin Europe cluster in the GLOBE project (Gupta et al. 2002), of which Portugal is part?

Finally, as an implication, there is consideration of the role of the state in the creation of organizational environments. The way the state organizes itself has a tremendous repercussion on how it structures environments for business.

CONCLUSIONS

In this paper, institution and organization in Portugal were analysed to elucidate a specific case of how countries may follow singular development trajectories due to historical reasons, and how these trajectories have an impact on the context and conduct of managerial practice. More specifically, we discussed how the country is struggling to cope with a rapid transformation from pre-modern to post-modern mentalities, with political discourse still emphasizing the necessity of modernization – as President

Cavaco Silva pointed out in November 2007 (Branco 2007). Attempts at rapid modernization, however, are being slowed down by important vestiges of pre-modern thinking and practice. Archaic Portugal constantly looks to the blue sky of the postmodern imaginary, through the clouds of history's presence.

The paper contributes to the theory of organizations in several ways. First, it suggests that the pre-modern to modern to post-modern evolutionary path may not be linear, something that is in line, for example, with the evidence presented by Nelson and Gopalan (2003). These authors found that forces of modernization combine with tradition to produce distinct shapes of modernity. Second, it shows that the application of management knowledge is not simply a technical issue. The meaning and applicability of techniques is influenced highly by the social and institutional context within which it is applied. Rather than being adopted, management techniques are adapted and translated (Czarniawaska and Sevón 2005). Doing business in Portugal, then, due to the coexistence of pre- and post-modern elements, may require a high degree of ability in mental switching between pre-modern and post-modern frames. Zones of post-modern dynamism coexist with areas of pre-modern archaism, immobility and particularism.

The notion of archaic post-modernity is one that may be explored subsequently in other national contexts to explain deviations from the grand narrative of evolution across the "normal" evolutionary eras. Good candidates for additional exploratory research are countries such as the Philippines (where pre-modernity lives together with management practices inspired in the American paradigm, and whose cultural influences have been described as three hundred years in a convent, fifty years in Hollywood, and regular

sojourns into Chinatown; Galang 2004; Selmer and Leon 2002), the United Arab Emirates (with prayer rooms in luxurious shopping malls, in which burkas and western dressing live side by side) and India (“the ultimate fusion of modernity and tradition”; Gagilan 2006: 18). Such research may contribute to the literature on divergent capitalisms (Clegg and Redding 1986; Guillén 2001b), by showing that the world of organization and institution cannot be separated from history and that what appears to be the normal path in one country or cluster of countries may be different from other countries or clusters of countries. Organization studies have long suffered from the presumption of normalcy of US exceptionalism. The conclusions of this study, together with those of such authors as D’Iribarne (1994), Ballas and Tsoukas (2004), and Tsoukas and Papoulias (2005), express the existence and persistence of “pre-modern” bureaucracies or “unbureaucratic bureaucracies”. The distance between regulation and practice can be significant and understanding the gap between formality and practice has been an aim of this paper.

We have offered an alternative to the teleological grand narrative of evolution from the pre-modern to the modern to the post-modern. We adapted the concept of archaic post-modernity to the context of organization and institution, and suggested that the modernist project may follow distinct modalities. The notion of archaic post-modernity promises to benefit organizational debate by advancing a framework that may facilitate the understanding of management practice in peripheral countries. Managerial ideas do not simply diffuse and then become adopted because of their overwhelming technical rationality but rather are adapted and amalgamated with local institutions.

The pre-modern world was not simply dissolved by the modernist movement. On the contrary, the notion that there may be a succession of eras may itself be a grand narrative that functions as a teleological fallacy. Traces of pre-modernity shape and frame the present. Future research will necessarily have to test the rigor and usefulness of the notion of an archaic post-modernity, as well as its presence in contexts other than the one that triggered this discussion. Some countries may have confronted such a rapid change process, that it has led them from the rural to the knowledge economy with little intermediation. Modernity, for such countries, is less a stage than a state of confusion, an imaginary project for some elites, and a source of bewilderment for others.

REFERENCES

- Ailon-Souday, Galit and Gideon Kunda 2003 'The local selves of global workers: The social construction of national identity in the face of organizational globalization'. *Organization Studies* 24: 1073-1096.
- Alegre, Manuel 2002 'O reino cadaveroso'. *Expresso Revista* 26 de Outubro: 22.
- Almeida, São José 2007 'A cultura do medo'. *Público* October 13rd: 42.
- Alvesson, Mats 1990 'Organisation: From substance to image'. *Organization Studies* 11: 373-394.
- Anderson, Perry 1962a 'Portugal and the end of ultra-colonialism (part 1)'. *New Left Review* May-June: 83-102.
- Anderson, Perry 1962b 'Portugal and the end of ultra-colonialism (part 2)'. *New Left Review* July-August: 88-123.
- Anderson, Perry 1962c 'Portugal and the end of ultra-colonialism (part 3)'. *New Left Review* Winter: 85-114.

- Baer, Werner and António Nogueira Leite 2003 'The economy of Portugal within the European Union: 1990-2002'. *Quarterly Review of Economics and Finance* 43/5: 738-754.
- Ballas, Apostollos A. and Haridimos Tsoukas 2004 'Measuring nothing: The case of the Greek National Health System'. *Human Relations* 57: 661-690.
- Bauman, Zygmunt 1992 *Intimations of postmodernity*. London: Routledge.
- Belke, Ansgar and Martin Hebler 2001 'Social policy and Eastern enlargement of the EU: Labour market impacts for the accession countries'. *Journal for Institutional Innovation, Development and Transition* 5: 48-61.
- Bendix, Reinhard 1974 *Work and authority in industry: Ideologies of management in the course of industrialization*. Berkeley : University of California Press.
- Branco, Sofia 2007 'Cavaco Silva elogia no Chile "reformas profundas" que estão a ser feitas em Portugal'. *Público* November 9th: 6.
- Brewster, Chris 2007. 'Comparative HRM: European views and perspectives'. *International Journal of Human Resource Management* 18/5: 769-787.
- Cabrera, Elizabeth F., Jaime Ortega and Ángel Cabrera 2003 'An exploration of the factors that influence employee participation in Europe'. *Journal of World Business* 38: 43-54.
- Cabrita, Rui 2005 'Construtoras acusam Estado de ineficiência e desorganização'. *Diário Económico* May 16th: 26.
- Caldas, Miguel P. and Thomaz Wood Jr 1997 'For the English to see': The importation of managerial technology in late 20th century Brazil'. *Organization* 4: 517-534.
- Campos, Anabela 2005 'Famílias jovens são as mais vulneráveis ao eventual aumento das taxas de juro'. *Público* June 2nd: 37.

- Carioca, Maria João, Rui Diniz and Bruno Pietracci 2004 'Making Portugal competitive'. *The McKinsey Quarterly* 3: 61-67.
- Carter, Chris and Frank Mueller 2002 'The "Long March" of the management modernizers: Ritual, rhetoric and rationality'. *Human Relations* 55: 1325-1354.
- Carter, Chris, Stewart R. Clegg, Martin Kornberger, Frank Mueller and Ivana Contardo 2006 'Sketches of Spain: The politics of fashion'. *Management Research* 4: 205-212.
- Carvalho, Catarina and Valentina Marcelino 2005 'Anatomia do crime'. *Expresso* March 25: 2-3.
- Castells, Manuel 1996 *The rise of the network society*. Oxford: Blackwell.
- Chan, Andrew and Stewart Clegg 2002 'History, culture and organization studies'. *Culture and Organization* 8: 259-273.
- Clegg, Stewart 2005 'Puritans, visionaries and survivors'. *Organization Studies* 26: 527-545.
- Clegg, Stewart R. 2006 'The bounds of rationality: Power/history/Imagination'. *Critical Perspectives on Accounting* 17: 847-863.
- Clegg Stewart R. and D. Dunkerley (1980) *Organization, Class and Control*. London: Routledge & Kegan Paul.
- Clegg, Stewart R. and Martin Kornberger 2003 'Modernism, postmodernism management and organization theory', in *Postmodernism in Organizational thought: Pros, cons and the alternative*. Edwin Locke (ed.), 57-89. Amsterdam: Elsevier.
- Clegg, Stewart R. and Gordon S. Redding 1986 *Capitalism in contrasting cultures*. Berlin: de Gruyter.

- Clegg, Stewart, Nelson Philips and David Courpasson 2006. *Power and organizations*. London: Sage.
- Cova, Bernard 1999 'From marketing to societing: When the link is more important than the thing', in *Rethinking marketing*. Douglas Brownlie, Michael Saren, Robin Wensley, and Richard Whittington (eds), 64-83. London: Sage.
- Cunha, Miguel Pina e 2005 'Adopting or adapting? The tension between local and international mindsets in Portuguese management'. *Journal of World Business* 40: 188-202.
- Cunha, Miguel Pina e, João Vieira da Cunha and Ken Kamoche 1999 'Organizational improvisation: What, when, how and why'. *International Journal of Management Reviews* 1: 299-341.
- Cunha, Miguel Pina e and Rita Campos e Cunha 2004' Changing a cultural grammar? The pressure towards the adoption of "Northern time" by Southern European managers'. *Journal of Managerial Psychology* 19/8: 795-808.
- Czarniawaska, B. and G. Sevón 2005 *Global ideas: How ideas, objects and practices travel in the global economy*. Oslo and Copenhagen: Liber and CBS Press.
- D'Iribarne, Philippe 1994 'The honour principle in the 'bureaucratic phenomenon''. *Organization Studies* 15: 81-97.
- Debord, Guy 1967 *La société du spectacle*. Paris: Buchet-Chastel.
- Delicado, Ana and Maria Eduarda Gonçalves 2007 'Os portugueses e os novos riscos: Resultados de um inquérito'. *Análise Social* 42: 687-718.
- Engwall, Mats and G. Westling 2004 'Peripety in an R&D drama: Capturing a turnaround in project dynamics'. *Organization Studies* 25: 1557-1578.
- Fernandes, Filipe 2007. *Organizem-se! A gestão segundo Fernando Pessoa*. Lisboa: Oficina do Livro.

- Fernandes, José Manuel 2005 'A Irlanda, a Finlândia e Portugal'. *Público* March 22nd: 6.
- Fukuyama, Francis 1996 *Trust. The social virtues and the creation of prosperity*. New York: Free Press.
- Gabriel, Yannis and Tim Lang 2006 *The unmanageable consumer*, 2nd edn. London: Sage.
- Gajilan, Arlyn Tobias 2006 'Posing for profit'. *Foreign Policy* 154: 18.
- Galang, M. C. 2004 'The transferability question: Comparing HRM practices in the Philippines with the US and Canada'. *International Journal of Human Resource Management* 15/7: 1207-1233.
- Gannon, Martin J. 2001 *Understanding global cultures – metaphorical journeys through 23 Nations*, 2nd edn. Thousand Oaks, CA: Sage.
- Gergen, Kenneth and Tojo Joseph Thatchenkery 1998 'Organizational science in a postmodern context', in *In the Realm of Organization*. Robert Chia, editor, 15-42. London: Routledge.
- Gil, José 2004 *Portugal, hoje: O medo de existir*. Lisboa: Relógio d'Água.
- Gill, C. 1993 'The involvement of trade unions in quality: Evidence from EC enterprises'. *New Technology, Work and Employment* 8/2: 122-133.
- Grant, James D. and Albert Mills 2006. "The quiet Americans: Formative context, the Academy of Management leadership, and the management textbook, 1936 – 1960", *Management and Organizational History*, 1(2): 201-224
- Guillén, Mauro 1994 *Models of management: Work, authority and organization in a comparative perspective*. Chicago: University of Chicago Press.

- Guillén, Mauro 2001a 'Is globalization civilizing, destructive or feeble? A critique of five key debates in the social science literature'. *Annual Review of Sociology* 27: 235-260.
- Guillén, Mauro 2001b *The limits of convergence*. Princeton, NJ: Princeton University Press.
- Gupta, Vipin, Paul J. Hanges and Peter Dorfman 2002 'Cultural clusters: Methodology and findings'. *Journal of World Business* 37: 11-15.
- Hall, Ben 2007. 'Sarkozy warns of Europe's 'identity crisis''. *Financial Times* November 14: 2.
- Hall, Peter A. and David Soskice 2001 *Varieties of capitalism. The institutional foundations of comparative advantage*. New York: Oxford University Press.
- Hofstede, Geert 1980 *Culture's consequences*. Beverly Hills, CA: Sage.
- Hoogenboom, Marcel and Ringo Ossewaarde 2005 'From iron age to Pigeon House: The birth of reflexive authority'. *Organization Studies* 26: 601-619.
- Hull, Galen S. 2000 'U.S. MBA and management training programs in Central and Eastern Europe'. *Journal of Technology Transfer* 25(3), 319-327.
- Inglehart, Ronald 1997 *Modernization and postmodernization*. Princeton, NJ: Princeton University Press.
- Inglehart, Ronald 1999. 'Globalization and postmodern values'. *The Washington Quarterly* 23: 215-228.
- Ishida, Hideo 1997 'MBA education in Japan The experience of management education at the Graduate School of Business Administration, Keio University, Japan'. *The Journal of Management Development* 16/3: 185-196.
- Jencks, Christopher 1988 'Deconstruction: The pleasures of absence'. *Architectural Design* 58/3-4: 16-31

- Kamoche, Ken, Miguel Pina e Cunha and João Vieira da Cunha, editors 2002 *Organizational improvisation*. London: Routledge.
- Lains, Pedro 2003 'Catching-up to the European Core: Portuguese economic growth, 1910-1990'. *Explorations in Economic History* 40: 369-386.
- Landes, David S. 1998. *The wealth and poverty of Nations*. London: Abacus.
- Littler, Craig (1982) *The Development of the Labour Process in Capitalist Societies*, London: Heinemann.
- Lopes, Inês Serra 2005 'País demitido' *Independente* March 4th: 48.
- Lopes, Teresa da Silva 2005 'Competing with multinationals: Strategies of the Portuguese alcohol industry'. *Business History Review* 79/3: 559-585.
- Lyotard, Jean-François 1984 *The postmodern condition: A report on knowledge*. Manchester, Manchester University Press.
- Lyotard, Jean-François 1992 *The postmodern explained to children: Correspondence 1982-1985*. Sydney: Power Publications.
- Lipovetsky, Gilles 1983 *L'ère du vide: Essais sur l'individualisme contemporain*. Paris: Gallimard.
- MacQueen, Norrie 2003 'Re-defining the "African Vocation": Portugal's post-colonial identity crisis'. *Journal of Contemporary European Studies* 11/2: 181-199.
- Maniha, John K. 1975 'Universalism and particularism in bureaucratizing organizations'. *Administrative Science Quarterly* 20, 177-190.
- Martins, Hermínio 2006 *Classe, status e poder*. Lisboa: ICS.
- Marx, Karl 1876/1976 *Capital: Volume I*. Harmondsworth: Penguin.
- Melo, Daniel 2001. *Salazarismo e cultura popular (1933-1958)*. Lisboa: ICS.
- Ministry of Science, Technology and Higher Education 2006 *Tertiary education in Portugal: Background report prepared to support the international assessment of*

the Portuguese system of tertiary education. Available at: http://www.mctes.pt/docs/ficheiros/Background_Report_on_HE_OECD_Final_10may061.pdf.

Mónica, Maria Filomena 1979 *Moulding the minds of the people: Views on popular education in 20th century Portugal*. Presented at the International conference on modern Portugal. Durham, ICMP.

Mónica, Maria Filomena 2007. Vale a pena mandar os filhos à escola? *Público* October 23rd, 47.

Moutinho, Luiz, Pedro Dionísio and Carmo Leal 2007 'Surf tribal behaviour: A sports marketing application'. *Marketing Intelligence & Planning* 25/7: 668-690.

Nelson, Reed E. and Suresh Gopalan (2003) 'Do organizational cultures replicate national cultures? Isomorphism, rejection and reciprocal opposition in the corporate values of three countries'. *Organization Studies* 24: 1115-1151.

Novak, Michael 1993 *The catholic ethic and the spirit of capitalism*. New York: Free Press.

OECD, Organisation for Economic Cooperation and Development 2006. *Reviews of national policies for education: Tertiary education in Portugal – Examiners' Report*. EDU/EC(2006)25. Lisbon: OECD.

Osborn, Andrew and Alan Cullison 2007 'Casting Putin in history'. *Wall Street Journal* November 8th: 10.

Pearce, Jone L, Imre Branyiczki and Gregory A. Bigley 2000 'Insufficient bureaucracy: Trust and commitment in particularistic organizations'. *Organization Science* 11: 148-162.

Pedro, Ana Navarro 2005 'Lisboa, capital In'. *Público* April 11th: 13.

- Pereira, Luís Brites 2007. *Portugal e a globalização: Um destino histórico?*. Working paper, Faculdade de Economia, Universidade Nova de Lisboa.
- Pereira, Miguel Castro 1998 'Portugal: Portuguese securities market transition to the euro'. *International Financial Law Review* 17/10: 59.
- Pacheco Pereira, J. 2007. Interview to *Jornal de Negócios* November 30th: 22
- Pfeffer, Jeffrey 1981 'Management as symbolic action: The creation and maintenance of organizational paradigms' in *Research in Organizational Behavior*. Larry L. Cummings and Barry M. Staw (eds), vol.3, 1-52. Greenwich, CT: JAI Press.
- Pimentel, Irene Flunser 2007 *A história da PIDE*. Lisboa: Temas e Debates.
- Porter, Michael 1994 *Construir as vantagens competitivas de Portugal*. Lisboa: Monitor Company.
- Ramos, João and Vítor Andrade 2007. 'Exportações tecnológicas disparam'. *Expresso Economia* November 10th: 12.
- Rego, Arménio, Cláudia S. Sarrico and José M. Moreira 2006 'Trust in Portuguese public authorities'. *Public Integrity* 8: 77-92.
- Ritzer, George 2004 *The McDonaldization of society*. Newbury Park, CA: Pine Forge Press.
- Rodrigues, Carl A. and Eileen Kaplan 1998 'The country's uncertainty avoidance measure as a predictor of the degree of formalisation applied by organisation in it: Propositions for the European union countries'. *Management Research News* 21/10: 34-45.
- Rodrigues, Jorge Nascimento and Tesseleno Devesas 2007. *Portugal: O pioneiro da globalização*. Famalicão: Centro Atlântico.
- Royo, Sebastián and Paul C. Manuel, editors 2003 *Spain and Portugal in the European Union: The first fifteen years*. London: Frank Cass.

- Santos, Nicolau 2005 'E a Suécia ali tão longe'. *Expresso Economia* March 5th: 2.
- Santos, Vanda 2004 *O discurso oficial do Estado sobre a imigração dos anos 60 a 80 e imigração dos anos 90 à actualidade*. Porto: Alto-Comissariado para a Imigração e Minorias Étnicas (Available at: <http://www.oi.acime.gov.pt/docs/pdf/EstudoOI%208.pdf>).
- Selmer, Jand and Corinna Leon. 2002 *Management and culture in the Philippines*. BRC Papers on Cross-Cultural Management. School of Business, Business Research Centre. Hong Kong Baptist University (Available at: <http://net2.hkbu.edu.hk/~brc/CCMP200202.PDF>).
- Shenhav, Yehouda 1995 'From chaos to systems: The engineering foundations of organization theory, 1879-1932'. *Administrative Science Quarterly* 40: 557-585.
- Shenhav, Yehouda 1999 *Manufacturing rationality: The engineering foundations of the managerial revolution*. Oxford: Oxford University Press.
- Shenkar, Oded 1984 'Is bureaucracy inevitable? The Chinese experience'. *Organization Studies* 6: 289-308.
- Silva, Paulo Cunha e 2005 '31 anos depois'. *Diário de Notícias* April 23rd: 6.
- Tsoukas, Haridimos and Demetrios B. Papoulias 2005 'Managing third-order change: The case of the public power corporation in Greece'. *Long Range Planning* 38: 79-95.
- Venkatesh, Alladi, John F. Sherry and A. Fuat Firat 1993 'Postmodernism and the marketing imaginary'. *International Journal of Research in Marketing* 10/3: 215-223.
- Wallerstein, Immanuel 1974 *The Modern World-System, vol. I: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century*. New York: Academic Press

- Walton, Eric J. 2005 'The persistence of bureaucracy: A meta-analysis of Weber's model of bureaucratic control'. *Organization Studies* 26: 569-600.
- Weber, Max 1976 *The protestant ethic and the spirit of capitalism*. London: Allen & Unwin.
- Weber, Max 1978 *Economy and society: An outline of interpretive sociology*. Berkeley, CA: University of California Press.
- West, Darrell M. 2007 *Global e-government, 2007*. Taubman Center for Public Policy, Brown University. (Available at: <http://www.insidepolitics.org/egovt07int.pdf>).
- Wise, Peter 2005 'End is clear – but no means'. *Financial Times*, Special report Portugal, March 30: 5.
- Wise, Peter 1997 'Portuguese government tries to cut influence-peddling'. *Financial Times* May 10, p. 2.