

1. Organized organizations

All over the world, the media report daily on the debates and decisions in organizations such as the United Nations (UN), the World Trade Organization (WTO), the European Union (EU), and the Fédération Internationale de Football Association (FIFA), and the meanings of their acronyms and abbreviations are familiar to newspaper readers around the planet. A number of similar organizations are less generally known: the International Chamber of Commerce (ICC), the International Air Transport Association (IATA), the Universal Postal Union (UPU), and the World Association of Nuclear Operators (WANO), for example. There are yet other organizations known by few people outside their own memberships: the Confederation of International Soft Drinks Associations (CISDA), the International Egg Commission (IEC), and the International Cremation Federation (ICF), for instance.

The existence of these organizations is both an expression and a result of what is usually called the globalization of our contemporary world. Even as globalization has contributed to the growth of these organizations, the organizations have, in turn, contributed greatly to globalization. Several of them have been of crucial importance in the coordination of technical and administrative systems around the world. The technical inventions in transportation and communications, which are usually held to be driving forces for increased global contact, would not have exerted their major impact without organization. We take for granted that we can send a letter to any country by going into a post office, buying a stamp, and dropping the letter into a post box. But this convenience was not easily attained, and the work of the Universal Postal Union during the 19th century was of crucial importance to its realization. The Wright brothers made a key contribution to air

travel, of course, but it is through the International Air Transport Association's (IATA's) joint rules governing air travel that the international air transportation of today became possible. The International Telecommunication Union (ITU) has made international telegram and telephone traffic possible. International trade is another form of interaction regulated by organizations such as the WTO and the EU.

Other organizations create or augment global identities and create global status systems. The FIFA defines football, and through its organization of the World Cup, sports lovers everywhere know which soccer team is the best in the world. Still other organizations have the main purpose of changing the world around them by deed and talk. The UN and NATO (North Atlantic Treaty Organization) lead military endeavours all over the world, for instance. The International Egg Commission (IEC) is a pressure group that exerts influence over the rules and conditions for producing and trading in eggs; the World Ostrich Association (WOA) plays a similar role in ostrich breeding; and BirdLife International protects wildfowl.

Some of these organizations are attracting increasing scholarly interest. There is an entire corpus of literature dealing with the EU, for instance. Some scholars see the organization they are studying as being unique, and fail to make comparisons with other similar organizations. Others classify these objects of study as international organizations, emphasizing the fact that the members of all these organizations come from different countries.

In this book, we argue that organizations such as the EU, IATA or FIFA do not constitute unique cases, but that they exhibit strong similarities to each other and to many other organizations. We concede that organizations with members from different cultures and countries can have special problems with special solutions, of course, but we do not believe that the fact that they are international constitutes the most fundamental attribute for their functioning. Instead, we emphasize a common characteristic that we consider to be more noteworthy: rather than individuals being their members, the members of these organizations are other organizations. We call such organizations **meta-organizations**.

Far from all meta-organizations have members from several countries. There are many national meta-organizations. Most countries have national trade associations for companies in different industries, labour union associations for labour unions, and national sports associations for sports clubs, for example. We believe that such organizations have a great deal in common with the UN and the EU, and that we have much to learn about the UN and the EU by studying national trade and sport associations – and vice versa. The UN and the EU are more similar to other such meta-organizations than they are to organizations like Amnesty International and IKEA, which, although international, are not meta-organizations.

Meta-organizations are associations, and as such they differ from federative states and business conglomerates, which could perhaps be thought of as having organizations as members (see Chapter 2). The members of meta-organizations may be states, firms, or associations. The members have considerable autonomy. They have applied for membership by choice and they are free to leave at any time. They cannot be forced to become members or to be purchased. And as members they keep most of their autonomy and identity as independent organizations. Furthermore, in meta-organizations, as is typical for associations, members are equals.

The purpose of this book is to explain and discuss how and why meta-organizations differ from other organizations. The existence of meta-organizations raises a series of questions. Why do organizations want to be members of other organizations? How can member organizations be recruited and motivated? How is it possible to lead organizations that already have leaders of their own? How can organizations reach common decisions? How can the members of meta-organizations sustain their identity as organizations?

It is necessary to understand how meta-organizations work if one seeks to understand globalization processes. Globalization is often discussed in such vague and sweeping terms as global networks, or global governance. But we believe that in order to understand the fascinating politics and dynamics of globalization,

we must understand the forms in which it is carried out. Globalization is largely concerned with organization across national boundaries, and an important part of this organizing is constituted specifically by meta-organizations. We argue that an understanding of the particular conditions for organizing and decision-making that exist in meta-organizations will help us to make sense of some of the new forms of interaction and governing that are summarized in the all-too-inclusive concept of governance.

THE NEED FOR A THEORY

Almost all organization theories build on the assumption that the members of organizations are individuals. Theories on the recruitment of members and employees are based upon the notion of individual membership. The starting point of motivation and control theories is the assumption that individuals must be motivated and controlled. Leadership theories are based on the presupposition that it is individuals who are to be led. Theories addressing organizational positions and hierarchies refer only to people who are forging their careers and filling positions in their organizations. Within organizational theory, it is virtually always taken for granted that organizations have greater resources than their members do and that an organization's leaders have more power than any of its other members.

This focus on individual-based organizations has its roots far in the past. In 1958 James March and Herbert Simon summarized organizational research up to that time in their influential book, *Organizations*, and laid strong foundations for further research. They established introductorily and explicitly that they were specifically interested in individual-based organizations, contrasting their concept of the organization with "the diffuse and variable relations *among* organizations" (March and Simon 1958: 4; their italics). Over the past 50 years, the field of organization studies has followed March and Simon's programme by continuing to address individual-based organizations, although this

emphasis is seldom articulated as explicitly as March and Simon stated it. As a result, students of organizations have shown little interest in meta-organizations, and when they have, it is to treat them as individual-based organizations.

We believe that it is high time for organizational theorists to pay more attention to meta-organizations. There are obviously many characteristics and processes in these organizations that can be understood on the basis of our current extensive knowledge of individual-based organizations, but we argue that meta-organizations contain special features that elevate them to a special category deserving of study. In this book, we present the fundamental features of a theory for meta-organizations.

The study of meta-organizations can also contribute to general organizational theory. Certain problems in meta-organizations constitute particularly clear illustrations of problems basic to all organizations and apply to the fundamental problem of how to devise and establish organizational forms. We suggest that meta-organizations are organizations that do not know who they are. There are fewer clear norms, rules, and models for meta-organizations than for individual-based organizations, a situation that provides greater scope for experimentation, innovation, and conflict in ways of organizing – and thus excellent opportunities for studying and analysing fundamental organizing processes.

In this book, we deal with two main themes of particular interest for the understanding of meta-organizations. The first theme deals with organization and other forms of order. In organization theory terms, this theme concerns the relationship between organization and environment. What are the differences between an order that is organized within a formal organization and one that is not? What are the differences between meta-organizations and other forms of collaboration among organizations, such as networks?

The second theme deals with membership. We discuss the essential differences between individuals and organizations and the effects of each of these types of members on organizational functioning. How do authority and management differ when the organizational members are other organizations rather than individuals?

And how can organizations sustain their identity in meta-organizations?

We have created our theory of meta-organizations through a combination of deduction and induction. We build this theory axiomatically on the basis of a number of assertions about the differences between individuals and organizations that give rise to fundamental differences between individual-based organizations and meta-organizations. Our conclusions follow largely from these assertions. The choice of assertions, however, has been based partially upon empirical studies of the structure and composition of meta-organizations and their methods of working. Empirical studies have also been important for a more precise investigation of the practical consequences of the formation of meta-organizations. They have also helped us to illustrate our theory with examples.

AN OVERVIEW OF THE BOOK

Before we become involved in our themes, the next chapter more closely defines what we mean by the concept of meta-organization, provides examples of meta-organizations, and demonstrates their commonality on both the national and the international stage. The number of international meta-organizations has increased sharply over the past half-century. Chapter 2 also offers a more detailed description of how we have studied meta-organizations and provides short summaries of our case studies.

In Chapter 3, we sketch the principal lines of our two main themes – environment and membership – beginning with the theme of environment. Many social scientists avoid the concept of organization in their analyses, relying upon concepts like bureaucracy, institution, regime, or network, even when describing phenomena that we and many other organizational theorists designate as organizations. In Chapter 3, we describe some fundamental characteristics distinguishing the formal organization from other types of order in society.

Social scientists do not always distinguish between individuals and organizations, often referring to both entities using the generic term “actors”. For our second theme of membership, the difference between the individual and the organization is key; we present a list of assertions dealing with the differences between these two entities.

In Chapter 4, we primarily discuss the theme of organization and environment, analysing why meta-organizations are established. Meta-organizations are attempts to convert part of the members’ environment to organization, and the success of these attempts is dependent upon the existing environment of these members and their opportunity to acquire a different environment. People trying to establish meta-organizations face other problems and find other solutions than do those trying to establish individual-based organizations.

Chapters 5 and 6 deal primarily with the theme of membership. We discuss two problems that are particularly difficult for meta-organizations because of the nature of their members. The necessity of finding a suitable balance between similarities and dissimilarities among the members is one of these problems: the tension between the members’ need for their own identity and the meta-organization’s need to create a common, all-embracing identity is discussed in Chapter 5. The second problem concerns acceptable forms of decision-making and conflict resolution. In this area as well, the prerequisites of meta-organizations differ from those of individual-based organizations. In Chapter 6, we discuss the problems that meta-organizations encounter with their decisions and their conflicts, as well as the solutions they choose.

In Chapter 7, we discuss the dynamics of meta-organizations. The nature of a meta-organization’s membership creates a certain instability. The central authority in many meta-organizations is strengthening or weakening. If these changes are far-reaching, they will lead to the meta-organization’s transformation into one or more individual-based organizations. At a certain point, we find meta-organizations with different relative strengths between organization and membership.

Chapter 8 summarizes the differences between meta-organizations and individual-based organizations as a function of their differing memberships. We list a number of hypotheses generated by our theory.

In Chapter 9, we develop the discussion around meta-organizations and their environments, paying special attention to globalization processes. In understanding these processes, concepts such as governance, institution, and network are not enough; rather, a major part of globalization is created through organizing in different forms. In this chapter, we explain why meta-organizations constitute a key form of global organizing. Furthermore, we compare meta-organizations with other forms of collaboration between organizations and with other forms of organizing.