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SPECIAL ESSAY

The Unknown James Coleman: Culture and History in *Foundations of Social Theory*

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James S. Coleman's *Foundations of Social Theory* is a weighty text, in more ways than one. It is *the* utilitarian sociological summa. Coleman's own claims for it were not small, including, as they did, the goal of recasting the foundations of sociology along rational-choice lines, solving the micro-macro problem (and, while he was at it, Thomas Hobbes' classical "problem of order"), and finally, capturing the major dynamics of social development and history by reducing them to a set of sociological axioms.

The book initially provoked two kinds of responses. One was enthusiastic endorsement, generally accompanied by acceptance as the basis of a *nouveau* utilitarian sociology. But rejection and dismay were more common, as Coleman himself complained in his rejoinder to a *Theory & Society* symposium: "Here are four reviews, all negative in tone, with virtually no bursts of applause. There are only grudging acknowledgments of any merits at all in the book . . . " (1992: 263). My reaction upon first dipping into the book when it was published, now twenty years ago, was closer to "grudging acknowledgement," and no wonder. After all, I do not think that contracts explain all or even most of social order, and I do not share Coleman's fundamental assumptions about actors and social action.

As I began rereading it recently, however— or to be honest reading it cover-to-cover for the first time—I changed my mind. *Foundations of Social Theory* is so systematic a utilitarian argument (insisting on the strongest form of assumptions, such as actors being conceived of as rational maximizers, as a basis for proceeding) that it helps us see where the paradigm is useful and where it runs up against its explanatory limits, and must be linked to, and conditioned by, other theories. And it is an original and generative take on the formation of complex authority relations, of states, and the advent of modernity. Ultimately, as I will indicate, the argument collapses under the weight of its own contradictions. But it remains useful even under those conditions.

First we need to detail some of Coleman's baseline assumptions. At the outset of the opus, where Coleman articulates the explicit foundations of *Foundations*, all actors are assumed to be hedonic creatures who relate to the outside world through their desires for some of its available resources, possible outcomes, and their control over others. Each actor is linked to others in no way intrinsically, but only through the resources and events over which those other actors dispose. Thus the focus for each actor is on surrendering some resources and control to aquire others that they want more. When this involves a transfer of rights—rights of control over somebody's actions, including one's own—we get the precipitate of authority relations. These relations are actually composed of chains of principals and agents—principals who make deals with subordinates (agents), expecting those agents to pursue actions which deliver outcomes that the principal wants. This is the main way that people extend and distribute their capacities for action across time and space—including authoritative action and politics.

Author's Note: This article is part of a larger and still evolving project for which I owe many people acknowledgement and thanks. This particular incarnation has benefited from specific comments by Scott Boorman, Isaac Reed, Alan Sica, Lyn Spillman, and the remarkable students in my spring 2009 graduate seminar on agency.

In this seemingly ahistorical theory world, agents have their own desires, interests, and preferences—and they usually have better information than do superordinates about their tasks and performances. This is the characteristic problem of the principal. Agents take advantage of this situation and principals then try to respond by monitoring them; sanctioning; trying to pick agents with special qualities that seem to predict what they'll do in future; tinkering with contracts, enhancing commitment, and so forth. The agent has a problem too—as Coleman points out—keeping the superordinate from expanding the rights of control s/he received in the authority exchange over other events outside that domain. Both problems are constitutive of the utilitarian universe. There is always tension, always uncertainty and risk, not just from within the world which the principal and agent operate, but from the relation itself, which the principal, agent or both may bear in different contractual arrangements.

In everyday parlance, we switch back and forth between understanding an agent to be a fount of action on the one hand, a source of "free will," and someone who is supposed to follow marching orders on the other. And we get exasperated when somebody we think should be in the latter category—a real estate agent, say—is suddenly in the former. So the dual face of the concept and phenomenon of agency are very familiar to us in everyday life. But this duality is far less familiar in the social sciences. Utilitarians have so far been the only theorists who have captured both sides of the concept as linked, and registered the reticulate and unstable nature of the phenomenon itself, including some important conditions under which one type of agency shifts to another.

There is, however, a looming conceptual problem. What about those agents who take on others' interests as their own, via identification with rather than alignment of strategic incentives? Coleman creates a category for such people— "affine agents" (1990: 157) —and concedes that they are mysterious from the point of view of the theory. For why do "persons identify with" a principal in the first place? (ibid.: 161). In rational-choice theory, assuming that the associated costs are overcome, this only makes sense if an agent who changes his interests by identifying with a principal is subjectively better off than one who doesn't do so. But in at least some empirical cases this just is not how it works. Coleman acknowledges this, while arguing that these are unusual or rare social relations (e.g., identification with a powerful captor). But when he adds to P.O.W.s the relations between mother and infant, family ties, love relationships, corporate investment in other corporations, and our identification with nation, community, even rulers and bosses, well . . . is there *anything* left out? Coleman attributes some of this to "nature" and "constraints of physiology"; other agency identifications he simply describes as "bizarre and exotic." (ibid.: 158, 165). Finally—perhaps in a burst of irritation at the refusal of world to conform to theory—he attributes these inconsistencies not to the limits of his assumptions but to the fundamental imperfection of the self (ibid.: 504, 510, 513). These are all different ways of saying, of course, that these are inexplicable within Coleman's paradigm.

I think that there is a way around this quandary. It radically demotes utilitarianism from general to local theory. It preserves it as a family of theoretical mechanisms that may interlock with others within specified boundaries of time and space. It historicizes utilitarianism, while extracting its analytical resources for historical sociology. I will say more about that in a moment. One must first acknowledge that there *is* a history in *Foundations*, and that Coleman's version resembles other classical historical sociologists' stylized versions. Think, for example, of the famous couplets of traditional/rational-legal (Weber), or *Gemeinschaft/Gesellschaft* (Tonnies), feudalism/capitalism (Marx), mechanical solidarity/organic solidarity (Durkheim), among others. Coleman is but the latest, rational-choice, version of this exercise in historical shorthand. In *Foundations,* simple versus complex authority relations are the key. The transition—the advent of modernity—is the emergence of complex authority relations, and the correlative arrival of corporate actors.

In simple authority structures, which Coleman initially locates in the past, resources were held by "natural persons" or embodied individuals. All authority was supposedly exercised between or among these natural persons as well. People could project their authority/power outward and over time by vesting it in other actors, but they couldn't transfer the right to transfer that right. (ibid.: 163-67)[1] At some point, however, someone came up with the brilliant idea of having an actor other than the actor in whom authority was vested exercise authority over subordinates. (Or maybe people recognized and codified what they were already doing.) In any case complex authority structures, and positional rather than personal authority, became possible. (ibid.: 167-72) In their self-conscious and deliberately elaborated, institutionalized forms, in other words, these principal/agent relations have a history or histories.

We can read this in two ways. We can interpret Coleman to be arguing that this is *always* happening. In this case, *Foundations of Social Theory* becomes a contemporary tale of the continually regenerated contractarian foundations of political consent. This is consistent with the utilitarian story (which is also Coleman's) in which each monadic actor relates to others as external conditions of action, disposing of their rights to resources and control, or their rights over others' actions. Thus, notably in Chapter 25 ("The Linear System of Action"), the book is proposing a general theory of the exchange of rights that necessarily underwrites every principal/agent tie, every authority relation, that exists today. This part of the argument captures the pervasiveness, or capillary nature, of problems of trust and power, but it also puts us firmly back in the core of the problem that the basic assumptions about actors—especially "affine agents"—and the principles of action are too narrow to apply to most forms of social relationship. So of what I see as two ways that utilitarianism must be, or already is tacitly, bounded in time and space, the first is that it is a theory of very limited social extension.

These limits are compounded by technical problems with Coleman's particular version of the theory. On the way to deriving general systems of action with divisible private resources (ibid.: 667-700, esp. pp. 680-81), Coleman assumes that all divisions of control among actors are available, all allocations "unblocked." This amounts to assuming that no structural barriers (e.g., social stratification by class, race, gender, and so forth) obstruct the exchange process. The account of the continual regeneration of consent and competitive equilibrium is right as far as it goes, in other words, but where it goes is far more restricted than it appears at face value. Tom and John's game of trading baseball and football cards (ibid.: 670-680) can't be extrapolated to the wider forms of competitive equilibrium that Coleman seeks to illuminate.

The more fruitful avenue, as I've indicated, limits the theory to one that captures key aspects of the historical emergence and development of complex forms of authority. At times Coleman locates that moment as an actually existing historical watershed, vaguely positioned in early modern Europe. Early modern Europe was *one* key time and site for this moment of invention, or reinvention, for there were others, some broadly European but earlier (e.g., Roman Empire), some completely elsewhere (e.g., the Japanese shogunate; Chinese bureaucracy). *Foundations* wavers with respect to this problem (see for example pp. 169-70). Is this attributable to Coleman's historical ignorance? Does it stem from his having been unduly influenced by classical sociological stylizations of world history? Or is it just another problematical utilitarian assumption? In any case, I'm not sure which is more irritating to this historical sociologist—the claim that people have always been the same (Coleman I) or the tendency to posit a fictive moment at which the first agency relation emerged and was broken (Coleman II)—Adam and Eve and God, perhaps? It certainly behooves all of us to get clearer on the historical genesis of the concept of office as distinct from person. But whether singular or plural, a one-shot deal or a slowly aggregated innovation, it *was* "one of the most important social inventions in history" (ibid.:170) without which there would not be those great edifices of depersonalized agency—rational legal bureaucracy and corporate actors apotheosized "in the modern Western state" (ibid.: 169). Those innovations in fiduciary relations were of monumental importance; they enabled people to project strategic action over unprecedented reaches of time and space.[2]

In Europe, for example, the development of corporate organizations devoted to the rule, or the exercise of social authority—a.k.a. states—involved many entwined processes, including the division of labor among official functions (the forms of specialization that separate the political from other tasks), the genesis of hierarchies, and the separation of person and position. It is Coleman's as it was Weber's intuition that all these bore on the distribution of what had been more personal capacities for action across an array of positions. As decision-making was multiplied and devolved, the innovations necessarily created expanded vulnerability for both states and the emergent interstate system, as well as wholly new problems of internal coordination and trust, even among the elite, between rulers and their staffs, as well as ''we the people'' and our putative political representatives. But there are no paeans to ''small is beautiful'' (Schumacher 1989) or its ilk in *Foundations*, which stands as a clear-eyed endorsement of a necessarily insecure modernity. For these and other agency-related innovations formed the technical basis of a global organizational revolution that is still ongoing, and that has been enormously empowering, collectively.

This part of Coleman's argument, which is separate from his effort to enunciate a general theory with universal applicability, helps lay the foundation of a broader historical sociology of agency relations. It is also necessarily partial, conditioned by other historically situated theoretical mechanisms. Those include theories of value, or what gets valued, theories of affect and emotion, and finally culture—mechanisms of signification, of signs and the relationship among signs, that actors use to address problems in culturally and historically specific ways. Culture, too, has to be part of any explanation of the extension, depersonalization, and re-enchantment of political authority and power. For while utilitarians generally think of culture as a mere supplement to strategic action, a set of exogenous preferences that can be manipulated to keep subordinates in line and therefore cut down on principal-agent problems, it is actually much more. At some level, Coleman knew that: *Foundations* is tacitly pervaded by historically generated and meaningful dimensions of strategic action.

Take rights, for example, which are part of his overall attempt to link individual action to system-level properties. Rights rest on intersubjective agreement, to wit: ''A right exists only when there is general consensus among the relevant actors about which actor holds the right'' (Coleman 1990: 67). If the socio-historical development of ''intersubjective agreement'' had been explicitly incorporated into a more conditioned theory, Coleman's claims about the emergence of complex authority structures and positions would have been much more coherent.

Or take the basic workings of groups of political principals in developing states, foregrounding the early modern European state builders that figure in different ways in Coleman's book and my monograph on elite patriarchs and patrimonial state formation in the Netherlands, France, and England (Adams 2005). As members of elite ruling groups, they were defined by specific signifiers that marked the boundaries and content of group identity. That was one form of basic cultural inscription that shaped their ''affine'' identifications, embeddedness in principal-agent relations and capacities for collective action. Those rulers, the groups and corporate entities that they constituted and that in turn constituted them, also managed those boundaries, developing protection strategies aimed at detecting mimics, outsiders who tried to deploy the signs of privilege to lay claim to group membership. In early modern patrimonial states, for example, an individual man could not be part of a ruling group without having made an effective claim to would-be peers of honorable patrilineal descent. Some early modern Tom Ripleys risked ostracism, jail time, or worse, in order to worm their way into the elite. Were they caught out? Sometimes. These interactions can be understood as signaling games, in which the legitimate members of ruling groups had to assess both the trustee and whether apparent signs of trustworthiness were to be trusted.[3]

In general, styles and strategies of signification structure historical actors and interactions, and more specifically the emergence and functioning of systems of generalized trust, which Coleman rightly thematizes as a major explanatory problem for historical sociologists (Coleman 1990: 175-96). This is one crucial point, however, at which Coleman's particular form of utilitarianism reaches its absolute limits. Because *Foundations* conceives of trust as an individual-level property or decision, part of the calculus of the means-ends relationship (ibid: 91-116), Coleman can't address even the communicative strategic, game-theoretic, or any other interactive properties of social action, much less consider whether these properties differ along socio-historical lines.[4] One of the lurking mysteries heightened by a present-day rereading of *Foundations of Social Theory* is that Coleman insisted on a version of economics that was not only strikingly unsuited to its objects of analysis, but also outdated when the book was composed.

Let me add a final note. The categories of agency are not just analytical categories in utilitarian modes of thought, but folk categories, for actors, and this makes a difference for the historically changing constitution of social action. These categories were at more than one point, explicitly named and specified (and although Renaissance and early modern Europe is an important site for this transformation, it is not the only one). The categories of agency have since become elaborated, mobile and available for adoption and diffusion into new signifying systems, practices, stereotyped roles and relations. The principal/agent model may not crystallize fundamental laws of human action. But as a set of signs, cultural categories of the language and codes of contract that were produced and institutionalized at certain socio-historical junctures, it now structures our institutional practices and everyday lives. This goes without saying with regard to many seemingly esoteric contractual relations. But it is woven into the fabric of our everyday lives as well. Every time you log onto Facebook, for example, you parse yourself along these lines, delegating social facework (Goffman 1955) to your on-line identity, while giving over creative control and legal leverage to others, including Facebook's corporate honchos, who are perfectly capable of misunderstanding their enabling role and even the workings of Facebook itself (see for example Salam 2009). It is a multiplex street, of course.

With this and other examples in mind, we can begin to endogenize Coleman's fascinating Chapter 19, "The Self," in which Coleman is now arguing that the typical actor is neither unitary nor rational, and which represents the complete paradigmatic breakdown of the theory. This would seem to be an absolutely fatal case of theoretical slippage. And it is! But it should also be understood symptomatically, as a precipitate of modern individuals' having thoroughly internalized the principal/agent trope, and much of the utilitarian frame, as a mode of organizing self and action. That frame necessarily fractures psyches, which are then either reintegrated, or not. When you act as an agent in parts of your life explicitly charged with satisfying the interests of others, you may have to act in a way that imposes costs on yourself. But just what is "yourself" in this context? "Or, just as a person may unilaterally transfer control of his action to another person who then exercises authority over him, he may transfer control to an actor he has known only in imagination (such as Jesus) or in the past (a parent long dead)" (Coleman 1990: 504).[5]

Such a self is systematically differentiated. It is "an organization with one component in imperfect control of other components"—in which an acting self, ego, or I, makes itself the agent of the rest. The unitary rational actor, with which Coleman began his analytical journey, is thus highly conditioned by the end. Correlatively, the "natural person" of Coleman's simple authority relations is now a signifier as well as an embodied individual and as such has acquired a cultural history. Rather than arguing that there were, somehow, "natural persons" who invented the concept of office, as Coleman argued, I think it far more likely that the emergence of an articulated concept of office—and therefore of formalized and differentiated roles—correlatively engendered the notion that there is a part of us that is untouched by roles, that is an authentic core "I."

In conclusion, if we can't take from Coleman's *Foundations of Social Theory* a general social theory, as he would have wanted, or basic principles foundational to all social action, we can still get something valuable and indeed historical sociological. We can abstract a series of situated mechanisms—the institutionalized cultural form of the principal/agent relationship is a central one—that have structured corporate forms of all sorts, including states, and have since become templates available for adaptive and creative reinterpretation by those actors of modernity, whose complexity Coleman himself was ultimately forced, by the logic of his own argument, to recognize.

Notes

1. The subordinate vests authority in the superordinate, who transfers it to the lieutenant, who in turn exercises it toward the subordinate." (ibid.: 166) Note that there are not one but two putative transfers of authority here: the first in which one person surrenders her or his rights (or has her or his rights signed over) to the principal, and the second in which the principal delegates to his or her agent, who then exercises derived authority over that subordinate. Coleman's building-block dyadic principal-agent relation is actually Georg Simmel's (1908: pp. 141ff) unstable triad.
2. For one early historical example, see Avner Greif's (1994) illuminating contrast between practices of the medieval descendants of Jewish traders who had emigrated to North Africa and those of Genoese traders of the same era. The Magribis relied on family connections to run their firms. This made for high-trust linkages but, when opportunities for expansion were there, less than optimum firm size. The Genoese official system, equipped with segmented person and office, took more work to police but was expandable, flexible, and fared better in competition.
3. For a general discussion of signification in trust games, a mesh between Saussurean signs and game theory, see Bachrach and Gambetta (2001).
4. The sections on trust are therefore among the most internally contradictory, even tormented, in the text. See for example Coleman's curiously Hitchcockian discussion, or narrative, of a rape as an example of a violation of trust (1990: 94).
5. Or to a child, as in Coleman's own mother and baby example, in which the mother—or father, in my view!—makes of herself the infant's agent. Or to an abstract principle (see Meyer and Jeppersen 2000). Or to some combination of principle and fantasized, projected, object/subject . . . we are all familiar with actions taken on behalf of "the fetus" (as opposed to individual fetuses), panda bears, or even, these days, Barack Obama.

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