

The Distinctions within Organizations: Luhmann from a Cultural Perspective

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Abstract. *Cultural theories of organization generally focus on deciphering and deconstructing forms of meaning and social constructions of reality used in organizational behaviour. In line with this approach, Luhmann emphasizes the important role of distinctions and semantics for the production and orientation of organizations. However, producing organizations is, in his view, not just a matter of reality construction. It means the actual production of a specific social system using specific distinctions in recursively related communications. This paper first shows that Luhmann's writings are helpful to identify the constitutive distinctions for organization as a specific type of social system. Relating Luhmann's theory of organization to his theory of functionally differentiated society, it identifies, second, the specifying distinctions that are responsible for the specific problem orientations typical of modern organizations. In a third step, it shows how the distinctions and schemes used in organizations fit into and contribute to a general functionalist culture of modernity. **Key words.** culture; distinction; Luhmann; organization; theory of social systems*



In the fields of 'symbolic-interpretive', 'critical' and 'postmodern' organizational theory, organizations are depicted as cultural phenomena. Such a cultural approach to organizations has gained increased weight in the past decades (Alvesson and Karremann, 2000). The theories indicated above take culture as a basic metaphor (Smircich, 1983); or they look at organizations as 'texts' and propose to read organizational actions, structures and artifacts as the results and indicators of socially stabilized



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meaning (Czarniawska, 1997); or they analyse organizations as ordered worlds, constructed by social discourses that underlie organizational behaviour (Chia, 1996). These approaches generally focus on deciphering and deconstructing 'forms of meaning' and 'social constructions of reality' used in, and reproduced by, discursive organizational behaviour. They treat the more or less fixed meanings that underlie organizational behaviours as contingent, culturally relative constructions, thus opening a critical discussion about seemingly self-evident cultural traits of organizations.

Such discursive and deconstructive analyses deal particularly with dominance, inequality and exclusion as persistent traits of organizations in modern society (Czarniawska, 1990; Knights, 1997; Wray-Bliss, 2002). They do not focus on the cultural forms that are used in the recursively related patterns of communication that produce organizations as specific social systems and as constitutive parts of the main structure of modern, functionally differentiated society. In Luhmann's theory of organizations and modern society, we can find such analyses of the cultural forms that constitute modern organizations and society. His analyses imply innovations with respect to (i) the specific subject that is dealt with and (ii) the role that culture, especially distinctions and semantics, plays in the production of social systems and structures.

The main subjects of Luhmann's analyses are not dominance, inequality and exclusion as traits of modern organization, but 'organization' and 'functional differentiation' as specific forms of social structure. The seemingly self-evident social structures 'organization' and 'differentiated societal subsystem', which pervade life in modern society, are critically discussed and displayed as products contingent on the use of specific distinctions. Thus, his approach deconstructs the domain of distinctions or cultural forms that are involved in the production of (i) an organization as a highly specific kind of social system and (ii) organizations as subsystems of differentiated social systems, like an economy, education and science.

In line with the so-called cultural turn in social and organization theory, Luhmann emphasizes the important role of distinctions and semantics for the production and orientation of social systems. Nevertheless, it would be a mistake to consider his writings merely as a form of cultural theory, for Luhmann pays attention to culture in an attempt to describe social systems. In his analysis of 'culture' and 'organization', Luhmann's theory displays an intense attention to the *social* character of organizations. Organizations do not simply result from the constructions of cognition. Producing organizations is, in his view, not just a matter of 'aggregative discursive acts of reality construction' (Chia, 2000: 513). An organization means production of a specific social system, as a bounded complex of recursively related communications and actions. The social nature of organization is emphasized in the model of autopoiesis or of the self-production of social systems. The production of organization entails,



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however, the use of specific distinctions in complexes of recursively related communications and actions.

At first sight, Luhmann's theory of social systems seems to reserve only a minor place for culture in its architecture. Culture occupies, for example, only a marginal position in texts like *The Society of Society* (*Die Gesellschaft der Gesellschaft*; Luhmann, 1997) and *Organization and Decision* (*Organisation und Entscheidung*; Luhmann, 2000), which are central to an understanding of Luhmann's organization theory. In these texts, culture is considered a second-level determinant of modern organization and society. This is why Luhmann's texts must be read in a specific way, taking into consideration not only what he explicitly signifies as 'culture', but also what he calls 'semantics' and 'distinctions', to see his contribution in what is normally called the cultural domain. When distinctions and semantics are interpreted as cultural phenomena, it appears that Luhmann's theory of social systems entails—in a hidden way—a considerable contribution to a theory of the culture of modern society and its organizations. In such a reading, culture appears to be crucially important to what characterizes organizations as such, to their actual form and to the thematic specialization of functionally oriented organizations and subsystems of society. As we shall see, Luhmann analyses the use of cultural forms that constitute specific kinds of social systems when he describes the distinctions and programmes of societal subsystems, like an economy, science, education and their structures.

In this paper, I will first elaborate and justify my reading of Luhmann's texts with respect to his general theory of social systems and culture. This section is also an, albeit very short, introduction to some basic concepts of Luhmann's theory. I continue with the consequences of my proposed interpretation for a theory of the culture of organizations, giving a more or less systematic picture of the cultural forms that constitute modern organizations. In the third section, I describe the specific distinctions that organizations use to orientate themselves among the differentiated subsystems of society. The fourth section describes the relation of the culture of organizations, dealt with in the second and third sections, to a general cultural system of modern society, which appears to be systematically oriented around 'problems' and 'functions'. The paper ends with some conclusions.

Meaning, Distinction, Semantics and Culture

Luhmann does not use the word culture with respect to the distinctions and semantics that we apply in everyday life, because he thinks that culture is 'one of the most awful concepts that has ever been shaped' (Luhmann, 1995a: 398). In several texts (Luhmann, 1980: 16–17; 1995b: 31–2), he complains about the wideness and lack of precision of the concept. Against this background, he proposes a restricted use of the word 'culture'. Instead of the wide and, in his eyes, imprecise notion of



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culture, Luhmann in fact uses three concepts: 'distinction', 'semantics' and a restricted concept of 'culture'. I will examine the plausibility and usefulness of this strategy. In order to do this, I will first carry out a short comparative analysis of Luhmann's concepts 'distinction', 'semantics' and 'culture' against the background of the concept of 'meaning'. Then I point out that the restricted meaning of the word 'culture' in Luhmann's texts does not seem to be very useful in the light of my comparative analysis. I conclude by indicating the unity of the concepts 'distinction', 'semantics' and 'culture' and propose naming their complex of forms the domain of cultural forms.

In his later works, Luhmann emphasizes that organizations are social systems. They consist of recursively related communications. Communications process meanings. Meaning processing involves the use or incorporation of what he calls distinctions. The best way to understand communications and distinctions in Luhmann's theory is, therefore, probably to consider them against the background of the notions of meaning and meaning processing.

The word *meaning* is used in a specific way in Luhmann's language. It refers to a general form of thinking and communication. The form of meaning is characteristic of each thought and every communication, as it has something as its focus and refers marginally to a horizon for further thought and communication. For example, a reader concentrating on this text hopefully has this sentence in focus. Yet, his or her experience of this sentence involves both the retention of the previous and a protention of the next sentences. Because of this form, every thought or communication always refers marginally to other possibilities and anticipates the world as a continually receding horizon of references. The other possibilities, lingering on the horizon of the intended object, always imply an excessively broad range of possible selections (Luhmann, 1995a: 173–4; 1995d: 60). Starting from some sentence, I can look for quite a lot of related sentences, for articles and books, for the objects they describe, and so on. The form of meaning, which is typical of psychic and social systems, thus results in indeterminacy and instability, as any selection of an intended object must refer to alternatives.

Given that the selection of a communication has many possibilities for further communication, social systems run the risk of disintegration. Thus, contingency implies risk. Luhmann summarizes the relation between complexity, selection, contingency and risk as: 'complexity means being forced to select, being forced to select means contingency, and contingency means risk' (Luhmann, 1995d: 25). Structures transform complexity, which can disintegrate into incoherence any moment, into structured complexity; that is, the complexity needed for the autopoietic production of a system (Luhmann, 1995d: 282–5). Structures perform this function by constraining the set of possible relations between communications to a subset of permissible relations. It is in this way that systems



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'acquire enough "internal guidance" to make self-production possible' (Luhmann, 1995d: 283). Everything that functions to restrict some social system is called the 'structure of a social system'.¹ Used in this way, the word structure has a broad meaning: for a social system, it indicates anything the system selects as a restriction that facilitates ongoing communication, and therefore the autopoiesis or self-reproduction of social systems (Luhmann, 1995d: 285–6; 1997: 347; 2000: 54).

In this sense, distinctions function as structures. *Distinctions* are binary schemes—Luhmann also calls them 'forms'—held ready by society to restrict and stabilize the selections of observations and communications (Luhmann, 1995d: 65). They make a difference between something (e.g. sentences) and the rest (non-sentences) in some domain (language). 'Sentences' is the marked side of the distinction, 'non-sentences' is the unmarked side. These schemes imply rules on how to proceed in observation, thinking and communication. Starting with 'sentence', for example, I can make a further distinction in this category, distinguishing adverbial from other (non-adverbial) sentences. Or I can cross to the unmarked side of the distinction, the non-sentences, and make distinctions there; for example, between nouns and non-nouns.

Luhmann also uses the term 'semantics' for the complexes of forms or schemes used in communication. *Semantics* is defined as the social stock of standard forms or rules for the normal treatment of meaning (Luhmann, 1980: 18; 1995d: 163). The standard forms are the opposite of actual occurring meaning. They are generalized, typified and symbolized and can therefore be used again and again (Luhmann, 1980: 19). Words like 'sentence', 'chair', 'restaurant' and 'blue' but also 'health' and 'helpful' are parts of such semantic forms. Semantics identifies, records and helps us to remember worthwhile meaning structures (Luhmann, 1997: 538). Semantics functions as the memory of social systems (Luhmann, 1980: 22; 1995c); that is, in typified schemes (Luhmann, 2000: 173), it preserves those aspects of observations that can be used in new operations. Distinctions like sentence/non-sentence and blue/not-blue are typified schemes that are saved to be used in subsequent operations.

Finally, there is Luhmann's own concept of culture. *Culture*, in Luhmann's terms, is a result of a specific way of looking at the significant typified schemes that belong to the memory of social systems (Luhmann, 1995b: 47). Compared to the general concepts of distinction and semantics, he introduces a restriction here. Semantics is called culture only in so far as the implied stock of generalized standard schemes, held ready for use in social systems, is described via a second-order observation that compares different cultures (Luhmann, 1995b: 40–47; 1997: 880–2). As a result of this comparative perspective, in which, for example, different national cultures could be distinguished, the different generalized, typified semantics/rules/schemes/forms all appear as contingent—possible, but not necessary—schemes of sense making.



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The explication of this series of concepts makes clear that distinctions, semantics and culture all refer to the same phenomena: the forms or schemes that are used as structures for experiences and communications. That already legitimates considering them as one comprehensive complex of forms that, in this case, could simply be designated 'culture' or a 'complex of cultural forms'. A second argument for this procedure appears when we have a closer look at the restriction placed on the concept of culture in Luhmann's theory. When it comes to modern societies, this restriction seems to be void, for it is characteristic of modern societies to look at all the forms and schemes for interpretation, valuation and treatment of meaning and meaningful phenomena as principally contingent, and as being different from, and possibly exchangeable with, other schemes. In this light, all distinctions, schemes and generalizable rules—even those that in earlier times were seen as self-evident and natural, or that are taken for granted now—can at any moment be deciphered as contingent. Such a perspective is generally accepted, and, therefore, all distinctions and schemes appear as fundamentally contingent nowadays—appear as 'cultural'—also in the sense that Luhmann gives to this term.²

When we realize this, three conclusions can be drawn. In the first place, the seemingly differentiated and diverse complex formed of distinctions/semantics/culture in fact contains *one* rather precise determination, that, on the basis of the considerations given above, could simply be called 'culture'. Taking Luhmann's definitions of the concepts of distinction, semantics and culture together, *culture* can be defined as the generalized, typified, idealized and symbolized forms and schemes for the construction and processing of meaning, which we extract from observations and which—in symbols and memory—are held ready for recurrent use in thought, communication and action. Culture is an emergent object of its own: it cannot be reduced to the psychic or the social; it is used in both systems. Thought and communication are constituted with the help of these rules.³

In the second place, Luhmann's writing about the distinctions used in organizations and differentiated societal subsystems can now be read as an analysis concerning the cultural forms that produce these systems. On the basis of this interpretation, the totality of these forms can be analysed to find typical cultural patterns and relationships between them that are dispersed over different social systems.

In the third place, Luhmann's theory of society appears as a theory that puts culture in the heart of the description of functionally differentiated societal subsystems and modern organizations. According to Luhmann, the political, economic, legal, etc. systems are produced with specific distinctions. In my reading, cultural forms are responsible for the specific orientation of each of them towards the resolution of some specific problem of society. Orientation by means of cultural forms makes them functionally differentiated subsystems of society.



The Constitutive Culture of the Organization

What implications does the above interpretation of the culture of social systems have for a theory of the culture of organizations? I think it reveals three different strands or layers of cultural forms. The first strand concerns the forms described in standard approaches to organizational culture. They concentrate on the culture existing alongside the so-called formal structure. The second one concerns the main distinctions or cultural forms responsible for the existence of the modern organization as such. The third relates to the cultural forms that organizations use for their orientation towards specific societal problems. This paper concentrates on the last two complexes of cultural forms. They are at the centre of Luhmann's analyses and are, above all, not very well examined in other theories of organizational culture.⁴ The distinctions responsible for the constitution of the organization—I will call them 'constitutive culture'—will be analysed in this section. The distinctions for an orientation towards a specific societal problem—I will call them 'specifying culture'—will be dealt with in the fourth section.

Luhmann describes an organization as a specific type of social system, produced by a specific kind of recursively related communication. Organizations consist of communicated selections from explicitly identified *alternatives*. The existence of alternatives produces a visible contingency and indeterminacy of organizational selections. Luhmann calls the specific kind of communication that is typical of organizations; that is, the communication of the selection of an alternative, '*decision*'. The *differentia specifica* of the organization as a type of social system is produced by its repeated decisions. As Luhmann also points to non-decided actions and communications, and even to non-decided decision premises, I take it that this thesis does not mean that organizations consist of decisions only.⁵ Organizations consist of communicated decisions and other communications. The recursively related decisions, however, are constitutive for the particular characteristics of organization as a specific type of social system.

This consideration brings us to the first distinction, which is constitutive for the existence of organizations. Organizations make a distinction between what is decided on and what is not decided on. In other words, they distinguish between *decisions* and *non-decisions*. Decisions are those selections that are treated as decisions by the other organizational decisions. The selections decided on—producing the *differentia specifica* of organizations—build the backbone of the organization.

This does not mean that the entire specificity of the organization as a particular type of social system can be explained at the level of the elements; that is, by the specific form of its elementary operations, called decisions. The specificity of the modern organization must also be analysed on a structural level; it depends on what Luhmann terms 'the specific structures that are produced by organizations themselves' (Luhmann, 2000: 52, 54; my translation). This kind of specificity depends



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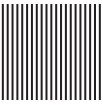
on the existence of *decision premises*, especially in the domains of *decision programmes*, *communication channels* and *personnel*. These are the premises that have been decided on and are accepted as the starting point for a multitude of follow-up decisions. They restrict and therefore stabilize these follow-up decisions. In other words, these decisions function as structures for a lot of subsequent decisions.

However, Luhmann does not concentrate his description of organizations on these structures. He does not describe the decision programmes that are found in organizations, nor the main forms of the communication channels and the kinds of personnel management. He is much more interested in the general distinctions that are constitutive of all these different structures.

In *Organization and Decision* (Luhmann, 2000: 9) Luhmann explicitly states that he neither wants to provide a normative model of best organization structures, nor an empirical description of the main forms of organization. He does not give descriptions of best or of prevailing divisions of tasks; communicative relations between them; hierarchy and heterarchy; span of control; informal communications, and so on. Instead, he explicitly expresses his interest in the *cognitive consistence* of organizations; that is, in the related distinctions that produce the specificity or distinctiveness of organizations. For Luhmann, organization means in the first place processing a specific complex of distinctions (Luhmann, 2000: 8). In fact, he focuses on the distinctions used in the production of the manifold 'structures' of organizations. So the most important organizational phenomena he describes have a semantic nature, or in my words are cultural forms. In *Organization and Decision*, Luhmann is looking for the logic of the distinctions that are processed in the basic operations of organizations and in the descriptions they make of themselves. The use of these distinctions is constitutive of the existence of modern organizations. The distinctions are the means of dealing with the typically modern problem of an abundance of alternatives through the choice of temporary self-restrictions.

With the help of which distinctions does an organization produce decision premises (decision programmes, communicative relations, personnel) in such a way that the resulting restrictions are clearly temporal in character? I will answer this question on the basis of an analysis of Luhmann's text *Organization and Decision*. I will give a systematic description of the distinctions that Luhmann sees as being basic to these decision premises.⁶ However, I will not rigorously restrict my answer to the distinctions that can be found in Luhmann's text. As far as possible in this paper, I will describe the whole complex of main distinctions and their relations, in order to reveal the cultural logic of modern organizations.

To begin with, Luhmann's argument supposes that *decision premises* are distinguished from *operative decisions*. Decision premises, which themselves have been decided on, are generalized restrictions for a lot of subsequent decisions (Luhmann, 2000: 223). They open restricted fields



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for those operative decisions that are allowed to be elements of an organization (Luhmann, 2000: 238). The operative decisions take the decision premises as an accepted reference point. By means of decision premises organizations restrict complexity, without, however, laying down the individual operative decisions.

The first kind of decision premises are the *decision programmes* (Luhmann, 2000: 256–78) that concern the tasks of an organization. They imply making a difference between ‘task’ and ‘performance’, or ‘function’ and ‘realization’, and allow a valuation of the performance or realization in terms of correct/wrong. Assessments of the correctness of strategy or goal realization are examples of such valuations. The distinction task/performance is normally used in a recursive way. The distinction is repeatedly applied to the result of a former application. This operation leads to a series of related distinctions: strategy/goal, goal/subgoals and goals/means.

These last categories belong to the domain of what Luhmann calls the *target or goal programmes* (Luhmann, 2000: 265–71). These programmes are, in his view, constituted by such distinctions as goals/means; cause/effect (we must be able to think in terms of these last concepts, to find the effective means for the goals we set); main/secondary goals; and costs/benefits.

Target programmes are related to *conditional programmes* (Luhmann, 2000: 263–5) that tell us what to do under what conditions. In the case of a given goal, for example reaching a market share *X*, they say which means (publicity campaigns, price reductions) must be selected under condition *A* (sales growing fast) or condition *B* (sales growing only slowly). So, given the existence of goal programmes, the distinction of condition/consequence is fundamental for conditional programming. Further important distinctions here are regular/exceptional and, related to this, application/non-application.

The second decision premise with which Luhmann (2000: 302–29) deals is *communication channels*. These are interwoven with the decision programmes described above. They indicate the information that, because it creates commitment and relates to decisions, should circulate in the organization and in which way. Here relevant distinctions are address/no address; responsible/non-responsible; different/identical; perspective/information; occupational competence/hierarchical competence; and horizontal/vertical relation.

The third decision premise is called *personnel or employment* (Luhmann, 2000: 279–301). It concerns the selection of persons, the design and filling of jobs and job ladders in organizations. In short, it is about personnel recruitment and assignment. Personnel is an important decision premise, because the qualifications/motivations of an organization’s employees restrict decisions. The distinctions made in the framework of personnel management, for instance between academic and non-academic competences, are important because they select these



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personnel decision premises. Qualifications and dispositions of individuals cannot simply be decided on by the organization. Luhmann describes the difficulties with which organizations are confronted in cases of training and motivating the individuals they employ (Luhmann, 2000: 279–301). The reason for these difficulties resides in the point that the creation of qualified persons with the right dispositions is a matter of individual development, depending on psychic structures and individual reasoning. An organization cannot really decide on its personnel, yet that is an important decision premise. Therefore, it decides on the premises for these premises: rules of personnel management. The main distinctions in this domain are membership/non-membership; authorized/non-authorized; individual/person; person/job; character/motivation; competent/incompetent; recruit/transfer; and job/career.

Decision premises are temporarily valid self-restrictions, that can be reconsidered and decided on again by organizations, when they observe problems related to them. In this case, there are distinctions governing the *reform* and change of these temporary structures (Luhmann, 2000: 330–60). Distinctions governing reform are applied in organizations incessantly. They accompany the daily operations, looking for their failures. Now/future and shortcomings/improvements, related to the existing decision programmes, communication channels and personnel, are the main distinctions used here.

As a result of often manifold changes, organizations are confronted with a diversity of strategies, goals, conditional programmes, personnel, and so on. They deal with this problem in *self-descriptions* or identifications (Luhmann, 2000: 417–43). These reconcile, unite and identify the different ‘gestalts’ and aspects of the one changing, multifaceted and yet self-identical organization. Self-descriptions occur in the form of brands, identification of core competences, cultural identities or value orientations. Important distinctions in this domain are own/foreign, with respect to values/goals, culture/formal organization and competences/performances.

The decision premises described in the previous paragraphs are accompanied in organizations by a complex of communications using distinctions for the *attribution of responsibility* and the *control* of decision-making.⁷ Both attribution of responsibility and control focus on organizational decisions as decisions that are made by a plurality of individuals and each of which provides operations for organizational decisions. As a result of the distribution of decision-making operations, attribution of organizational decisions to individuals and, therefore, their control are in a certain sense illusory. At the same time, however, control is possible, in so far as each of the individuals has to perform well-defined operations in order to contribute to the constitution of an organizational decision.

Organizations deal with this issue, in the first place, by means of distinctions for *attributing responsibility*. Individuals are distinguished



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and made responsible for certain operations or for their outcomes. Important distinctions here are this individual/other individuals, this task/other tasks, relevant/non-relevant, responsible/non responsible and good choice/bad choice. They help to structure both organizational communications and individual attitudes towards what are adequate contributions to the organization.

In the second place, organizations use distinctions for the *control* of individual choices. Control relates to desire, will, inclination and the interests of individuals. For actual contributions to organizations, it is not sufficient that individuals are held responsible and think about themselves as being responsible for certain operations and/or their outcomes. The expected operations often contradict desires, inclinations and interests; therefore, organizations put in regulating communications to overcome resistance and to motivate staff to fulfil a task. These 'additional' communications indicate the consequences of accepting or not accepting decision premises.⁸ Important distinctions in this domain are correct/wrong decisions, realization/non-realization of a task and, related to these, penalties/rewards, like career/non-career and membership/non-membership. The use of these distinctions is a prerequisite for the specific kind of systematic, and yet changeable, orientation of communications and actions on tasks that is typical for organizations (Luhmann, 1975a: 11 ff; 1975b: 114).

This analysis of the distinctions that constitute the coordinated production of the decisions of modern organizations is certainly incomplete and could be improved by further analysis and discussion. However, I hope it is clear enough to be a basis for a few general remarks.

To begin with, it should be stressed that the distinctions described are those distinctions that are actually used in the social production of organizations. They are the distinctions for the design and production of the operations and structures of organizations. In this sense, they constitute organizations.

Moreover, they are the distinctions used particularly in mature organizations. They have not always been used in their entirety as devices for observing and designing organizations. In the past especially, and in simple organizations nowadays, distinctions like strategy/goals, goals/subgoals, job/career, hierarchical/occupational competence, and so on, may not have been used, or are not at all useful. An implicit use of them, however, seems at least, to be necessary for developed organizations. As a result of the observation of organizations, especially in organizational science, the indicated distinctions have become ever more explicit and refined. They have developed into important means of describing, designing and administrating many organizations.⁹

Finally, the described system of distinctions is, in a certain sense, abstract and formal. It does not yet imply restrictions on the content and orientation of decisions. It only provides a set of related distinctions and rules that make it possible to produce a systematic and yet temporary



coordination of decisions in *some* direction. The complex of distinctions described above always implies the setting of some, not yet realized, state of affairs as a state that has to be realized. Its non-existence is depicted as problematic. In this sense, organizations have a task. Organizations are social systems that set themselves tasks and try to realize them through directed operations. Organizations as such, however, have no specific orientation as to the content of this task. They can decide to take on any task and are prepared to change the task they have elected. They are able to process a complex set of distinctions, rules and schemes for the systematic (re)production of the task orientation they decide to adopt.¹⁰

The Specifying Culture of Organizations

Obviously, organizations always have *some* orientation as regards content. They restrict their decisions to certain subjects, no matter how rapidly these may change. The concepts of function, strategy, goal, competence, and so on, all imply that a choice is made for some orientation of organizational operations. The choice of orientation and content depends on the use of distinctions, which means that it is ultimately a matter of culture. Decision-making on organizational orientation is an issue that is not very well elaborated in Luhmann's texts, but there are clues in his theory for such an elaboration. In the first place, there is the thesis that most organizations in modern societies are subsystems of a functionally specialized subsystem of society. They are subsystems of, for example, the political, the economic, the legal, the medical or the scientific subsystems of society (Luhmann, 1997: 840–41; 2000: 408, 348). Political parties, parliament, ministries, and so on, are organizations of the political system; enterprises and banks are organizations of the economic system. In the second place, Luhmann states that the differentiated subsystems of society gain their specific functional orientation towards a generalized societal problem through the use of leading distinctions or preference codes, like health/illness for the medical system; payment/non-payment for the economy; true/false for science; legal/non-legal for the legal system, and so on (Luhmann, 1997: 841). These leading distinctions are two-sided forms, from which one side is actually used in communication. A code participates in every operation of subsystems: every operation of the scientific system is related to true/false; operations of the economic system are related to payment/non-payment. Operations are the operations of a subsystem only when a code cooperates. The positive value of a code (health, payment, justice) is the preferred one, on which the operations of the systems are oriented. Thus, functional subsystems gain their coherence and systematic orientation through this use of codes or leading distinctions with respect to all their operations (Luhmann, 1997: 360–93).

Taken together, these theses mean that most modern organizations use the leading distinction, or preference code, of a societal subsystem as the dominant distinction in their communications and decision programmes.



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Business enterprises, for example, use the distinction payment/non-payment with respect to investment/non-investment, in the light of more value/less value. They somehow use these distinctions in relation to all further distinctions, like those in the programs for deciding on products, location, division of tasks, technology development, careers, and so on. Enterprises always ask whether the outcomes of decision programmes will contribute sufficiently to profit and more value. Should they not expect this contribution, they will not pay for the means necessary to the output. The dominance of these particular distinctions in an organization makes it a business enterprise, an organization of the economic subsystem of society. The systematically inter-related distinctions entail the cultural logic of the typical modern enterprise. Similar remarks can be made about the specific organization of scientific systems, health systems and so on. The organizations of these systems use the distinctions true/untrue, respectively health/illness, as their code, and they investigate whether their decision programmes—which distinguish, for example, several knowledge problems and methods and typical illnesses and treatments—contribute to true knowledge or cured patients. Thus, the dominant codes of the societal subsystems are also used in organizations, where they are the cultural forms that produce a dominant orientation towards some generalized, and simultaneously specific, societal problem.

In this way, the generalized-yet-specific orientation of modern organizations functions as a framework for the selection of more concrete tasks. Under a code's continuous influence on operations, the implementation of a specific societal orientation functions as a premise for further decisions concerning the contents or themes of the organizations. Such specifying decisions are also made on the basis of an existing range of generalized, typified and symbolized distinctions, held ready for use in the operations of organizations. A business enterprise, for example, chooses industry, products, competences, markets, distributions of decisions and job ladders, using the ready-made distinctions of different branches of industry, different products, different qualifications and so on. Each time, however, such further specifying choices are made in conformity with the dominant economic distinctions and programmes that were indicated above.

The systematic use of codes in organizations is crucial for the production of functionally differentiated subsystems of society. An organization orients its decisions towards a generalized problem of society in a systematic way, through the recurrent use of the specific leading distinctions of some societal subsystem in its complex of recursively related communicated decisions. Organizations also transform the general orientation on a problem of society in relation to the existing conditions for their realization. They perform this transformation by a systematic specification of the dominant code. In using and specifying leading distinctions, the constitutive distinctions of the organization, which were dealt



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with in the third section, play a very important role. The specification of a code takes place with the help of the distinctions typical of organizations, like identity/strategy, competence/performance, strategy/goal, goals/means, shortcomings/improvements. That is to say, these distinctions build a repertoire for conditioned specification and systematic application. Corporations, schools and political parties are each led by a different preference code, but they all decide with the help of the same constitutive distinctions about identities, strategies, goals, decision programmes, personnel management, and so on. Corporations take their decisions, directing them systematically to relative returns on investment. Schools make their choices, while asking for the consequences in terms of learning, science departments are led by the truth of knowledge that is innovative in their work area, and so on. They all use, however, distinctions like task/performance, goals/means, cause/effect, responsible/not-responsible, person/job, and so on.

The distinctions of attribution, responsibility and control—like responsible/non-responsible, correct/wrong, penalties/rewards and career/non-career—play a special role in the production of a systematic orientation of organizational decisions. As we emphasized above, they are part of a motivating apparatus aligned to decision premises. Without this apparatus, it is very improbable that actions and communications can be culturally oriented by the leading distinctions of societal subsystems in a systematic, long-lasting way. The use of the distinctions of attribution, responsibility and control produces desire and interest in, and inclination towards, applying code-oriented decision premises. They are the coping stone in the realization of a systematic orientation of decisions on a social problem.

Using this complex of constitutive distinctions, the organization of functionally differentiated subsystems is by far the most prominent location for implementing the systematic dominance of a preference code and, therefore, of a specific problem orientation. Organizations build the only social context in which decisions are systematically directed at solving a general social problem.

This realization of a general functional orientation through specification in organizations should not be conceptualized as a matter of simple execution of a societal function. Differentiated systems of society are not equipped with organizations as ways of performing functions or enforcing interests and ends in a top-down manner. Differentiation cannot be thought of in terms of goals and means, but it implies a displacement of problems from the level of the society to the level of subsystems. Neither the differentiation of functional subsystems of society nor the differentiation of organizations is simply a process of delegation or decentralization of responsibilities. They are not simply matters of finding means for the ends of society, but imply the self-production of systems that define their problems in relation to their environment (cf. Luhmann, 1977: 39; Drepper, 2005).



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The displacement of problems is, in Luhmann's texts, reflected in the notion of organizations as autopoietic; that is, operatively closed, autonomous systems (explicitly Luhmann, 2002: 160). Organizations are autonomous and delimited complexes of recursively related decisions, which themselves select a dominant orientation on some societal subsystem. The complex of recursively inter-related decisions itself decides whether it uses, for example, the code of economy or health as its dominant distinction. The recursively related decisions also decide on the weight that is given to other societal distinctions and, in the final analysis, they decide on the specification of these very general orientations, by the choice of a branch of industry, a specific competence, a decision procedure and so on. In this way, organizations interrupt dependency chains in societal subsystems (Luhmann, 2000: 414). As a result of the autonomy and specific logic of organizations, it is also never really certain that communicatively stabilized alternatives chosen by organizations are 'rational' realizations of the general orientation of a subsystem of society.

There is one more point I want to discuss here. The foregoing exposition of specification and realization of general functional orientations could still give an impression of organizations in which cultural forms and recursively related communications are all-pervasive and contingency and freedom are eliminated. The openness and contingency of meaning seem to be closed by the use of distinctions in the autopoiesis of the recursively related decisions of the organization. Together, communications and distinctions seem to determine which cultural forms are used continuously, which ones change in the course of time, and which relations between communications give rise to well-founded expectations. However, neither in the choice of a general problem orientation—meaning the dominance of a preference code—nor in the specification of such an orientation in programmes and communicative patterns are the decisions of organizations necessary. Luhmann (2000: 132–40) calls this indeterminacy the 'contingency' and 'incalculability' of decisions. In this respect, he cites von Foerster's (1992: 14) dictum: 'Only those questions that are in principle undecidable, we can decide'; in which undecidable stands for incalculable.

In terms of calculated rationality, an abyss opens between the situation before and that after an organizational decision. Before the decision, there are several alternatives that can reasonably be chosen. To decide means to choose one of them. This choice, however, cannot be calculated as a necessary outcome. This impossibility has several causes. Single organizational decisions and selections of programmes and distinctions are choices from alternatives. These choices could have been different. This creates a fundamental contingency and also a lack of transparency with regard to the possibilities that are open to choice (Luhmann, 2000: 133). Moreover, indefinite and incommensurable values, goals and means



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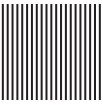
make a simple calculation of general social orientations, strategies, products and so on impossible (Nussbaum, 2001: 294--312). So, contingency can never be excluded by calculation; that is, by the application of a clear rule on a clear set of variables, depending on social expectations. Yet, the decision closes the abyss between possibilities and actual choice. Cultural forms and social regularities can contribute to this closure, while their existence and use restrict the possible choices, but they cannot produce it. Organizational decisions select alternatives, claiming, on the one hand, that there are 'grounds' for this choice, inevitably indicating, on the other hand, that there are other possibilities that could reasonably have been chosen instead. This point is very much emphasized in Luhmann's systems theory, which takes contingency as one of its basic assumptions.

The contingency left by social and cultural structures implies that there is room for individual choices. These, in the final analysis, close the abyss, combining social and cultural restrictions with psychic structures in some voluntary choice (cf. Achterbergh, 2004). The communicated decisions of organizations are, on every occasion, mediated by interpretations of the situation and the free and voluntary choices of individuals. They close the gap between the cultural forms and organizational structures, on the one hand, and the actual choices that reproduce organization and culture on the other.

Returning to the main subject of this section, the cultural forms used for the production of functionally specialized organizations, we can draw a number of conclusions. First, the general distinctions constitutive of organizations do not yet imply a selection of a specific problem, theme, goal or object on which an organization is working. These constitutive distinctions only demand that some selections in this regard are made. Second, these constitutive cultural forms are means for the production of the self-restrictions of organizations with respect to some content they pursue. Third, in modern societies, this thematic orientation means, in the first place, an orientation towards a general societal problem through the use of the code and programmes—specifying cultural forms—of a differentiated subsystem of society. Fourth, these specifying cultural forms in turn function as decision premises governing the choices of branches, products, services, competences, values, technology, division of tasks, and so on. Fifth, the decisions on branches, products, competences, and so on, also use distinctions and schemes that are held ready for use in society. Sixth, the use of cultural forms demands interpretations, deliberations and voluntary choices of individuals. These recur to cultural forms and communicative regularities, when they close the gap between more or less general schemes and specific situations.

The Cultural Significance of Modern Organizations

The preceding sections analysed the culture of organizations. The starting point of this analysis was our experience of organizations and societal



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subsystems as specific social entities. This experience gave rise to reflections on their production. The main question I tried to answer in these reflections was: with which cultural means—distinctions, schemes, rules—are organizations as specific social systems, and the orientation of organizations as moments of social subsystems, produced? To complete this paper, I will take these analyses as a starting point for some remarks on the *cultural significance* of organizations. The main question here is: how do the described distinctions and schemes used in modern organizations fit into and contribute to a system of culture that is generally typical of the differentiated systems of modern society?

Readers familiar with Luhmann's texts may find it improbable that they could contribute to the Weberian theme of 'cultural significance' (see Weber, 1972: 12; 1988: 165, 171; Tyrell, 1994: 392). The premise that there is a common, well-integrated, general culture in modernity may seem still more doubtful, as Luhmann stated several times (Luhmann, 1980: 29, 45, 54; 1997: 25–35) that modern society is split up into subsystems with their own orientations and distinctions; that is, with their own culture. It seems impossible that there can be a common, general culture of these systems. Yet, I believe that we can find relevant remarks and analyses on this subject in Luhmann's texts. To see this, we only need to interpret the distinctions and rules used in the different subsystems of society and in their organizations as moments of a comprehensive cultural system. Such an interpretation makes sense in a theory that does not only look for the *functions* of distinctions for given social systems—as Luhmann tends to do—but is also interested in culture as such; that is, in a complex of typified, idealized and symbolized general concepts, that can be used again and again in observation, action and communication.

Luhmann almost grasps the general cultural system that is basic to the functionally differentiated modern society; for example, when he states that it cannot be an accident that the heterogeneous functional domains of modern society can be analysed with the same concepts—those of problem, function, code and programme. Apparently, these domains have comparable structures (Luhmann, 1997: 12). For Luhmann, this is an indication of the specific nature of modern society (Luhmann, 1993: 7). That seems to be a plausible interpretation. Taking this interpretation as a point of departure, I think that the specific nature of modern society can be characterized as following from the use of a general culture of modernity, common to all functionally differentiated subsystems of society, including their organizations.

Because Luhmann looks at cultural forms as functional devices for the reproduction of social systems and, at the same time, emphasizes the boundaries and different orientations of the functionally oriented subsystems of society, it is understandable that he focuses on the different distinctions they use. He does not search for the common ground, or for unity in the different distinctions used in the differentiated systems. Yet,



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in fact, he indicates a unified culture, when he states that all differentiated systems of modern society work on some specific problem of society; that they, therefore, all have a function; that they use a preference code for the realization of this function; that they apply this code in several programmes; and that they construct, in this way, the diverse functional meanings of the world.

Luhmann can confidently use the concepts of 'problem', 'function', 'code' and 'programme' for a description of the differentiated subsystems of society, because these concepts are already used in the production of these systems. In fact, his theoretical description more or less repeats the concepts used by the differentiated subsystems. He transforms these practical concepts into theoretical ones, when he states that subsystems of modern society are problem-oriented, functional complexes that orient their communications with the help of codes and programmes.

Luhmann's theory analyses the specific codes and programmes of differentiated subsystems of society as complexes of distinctions that are used in society. His analysis of these distinctions and their use shows that we have to do with contingent meanings and contingent social systems. This type of analysis is carried out with respect to the specific codes and programmes that are directly constitutive of the production of the different systems in modern society and of their organizations. As a result, these social systems appear as the products of a stabilized use of distinctions in communication.

Such an analysis is not applied to the concepts 'code', 'function' and 'problem' themselves.¹¹ In Luhmann's theory they only appear as theoretical concepts, they are not deconstructed as the sides of the distinctions code/non-code, functional/non-functional and problem/non-problem that are used in modern society and are productive of it. 'Code', 'function' and 'problem', therefore, do not appear as the sides of distinctions that belong to modern culture, as used in the production of typically modern social systems. If, however, we apply the method that Luhmann used with respect to the distinctions of the subsystems of society to modern society as a whole, we can see that the distinctions of coded/non-coded, functional/non-functional and problem/non-problem are constitutive for each of its subsystems. They are common distinctions of these subsystems, which mean general cultural forms of modern society. They appear as the operatively used distinctions that are fundamental to the use of the specific distinctions of subsystems, like payment/non-payment, true/untrue, legal/non-legal and so on. In other words, looking this way reveals that not only these latter, specific distinctions are contingent and applied in interpretations, actions and communications, but that this also holds true for coded/non-coded, functional/non-functional and problem/non-problem. The coding of actions and communications with the different leading distinctions of the subsystems of modern society, which is constitutive of these subsystems, presupposes the use of the distinctions coded/non-coded, functional/non-functional



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and problem/non-problem. These distinctions are part of the common culture of modern society.

In this interpretation, not only the specific orientations of the differentiated subsystems in modern society appear as contingent, but also the general modern orientation on the solution of social problems, and the correlated interpretation and coding of the world as a complex of functional features. 'Problem', 'function' and 'code' are sides of distinctions that we apply to things.¹² They are the preferred and marked sides of the distinctions problem/non-problem, function/non-function and coded/non-coded that we use in dealing with the features of things. The concepts 'problem', 'function' and 'code' appear as contingent and variable means for the construction of reality and the production of social systems. We do not need to look at a state of affairs as problematic, instead we could just be in it, enjoy it, endure it. We do not need to look at things as the carriers of useful or detrimental, functional or dysfunctional features, in the context of working on some problem; so we do not need to code things and actions as, for the moment, belonging primarily to one general functional domain.

If we look at problem, function and code as sides of cultural forms, we see that the schemes that are responsible for the differentiation of the world into distinct domains of things and actions—that is, into domains of things and actions that have predominantly an economic, a legal, a scientific meaning and so on—operate on a presupposed use of distinctions that are taken for granted. For modern society this taken-for-granted use of distinctions can be described as follows: (i) there is a tendency to observe features instead of objects or substrates; (ii) features are divided into problem/non-problem; (iii) problems are marked, features and operations are categorized as functional/non-functional for the solution of a problem; and (iv) features and operations, which are relevant in the framework of the continuous creation of the conditions for dealing with one of the generalized problems of society, are coded to indicate this.

It is only on the basis of these very general distinctions that the modern, functionally differentiated subsystems can operate. These subsystems use the general distinctions, while at the same time specifying them.

Organizations fit into this complex in four ways. First, organizations use the very general distinctions of problem and function for the structuring of their own actions and communications. It is not accidental that the management of organizations is seen as a matter of problem solution and as an ever more important factor in modern society; see for example, George (1972); Malik, (1994) and Checkland (1993). Organizations are the social systems in which the categories of problem and function are most powerful, where activities are most pervasively directed at formulating and dealing with problems. Second, organizations, as we have seen, do not only institutionalize the general problem-oriented, functional way of



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thinking, acting and communicating. They also select one of the generalized societal problems and use a well-developed set of concepts and rules—specific codes and programmes—to handle this in a broad set of concrete productions. Third, the resulting complex of highly regulated, recursively related operations can only be handled thanks to the use of the constitutive distinctions of the organization. In other words, these constitutive distinctions have a crucial place in the whole fabric of modern cultural forms. When we let them disappear in a thought experiment, we are left without the clear and explicit means for the use of the general categories of ‘problem’ and ‘function’. In that case, we see an enormous gap between these categories and their systematic application. Organizations ensure the systematic prevalence of problems, functions and codes. Finally, organizations are the main agents for the symbolization and socialization of the distinctions of modern functionalistic culture. Their systematic use and sanctioning of the discourse of general and specific problems and functions, and of the conceptual equipment for their solution, continuously reimpregnates the relevant cultural forms into the memory of modern man.

Starting with a reflection on the logic of Luhmann’s analysis of the distinctions that are used in the functionally differentiated subsystems of modern society, we arrived in this section at a description of a general culture of modernity and of the position and role of the distinctions of organizations within this culture. In the first place, we were able to describe a general culture that is used in each of the functionally differentiated subsystems of modern societies. The concepts that are fundamental to this culture are ‘feature’, ‘problem’, ‘function’ and ‘code’, which, taken together, form the self-evident core of the instrumental way of thinking and dealing with things and persons that is typical of modernity. In the second place, we found that these common concepts can be analysed as aspects of distinctions. This shows that they are anything but natural and self-evident. On the contrary, they appear as our contingent concepts that we apply to things. Only when they are used do things, actions and communications possess functional meanings, and only then can there be functional classifications and functionally differentiated systems of society. In the third place, organizations appeared to be crucial social systems for the realization of this ‘logic’. The cultural forms that are typical and constitutive of the existence of organization as a specific social system are indispensable for the functionalistic culture of modernity.

Conclusion

This contribution aimed to show that Luhmann’s writings on organization and society offer very valuable insights from the perspective of a cultural theory of the organization. And indeed, in a first step, we have seen that Luhmann identifies the main distinctions that are used in the production and description of organizations. That is to say, he describes



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the constitutive cultural forms for organization as a specific type of social system. Such constitutive distinctions are, among others, decision/non-decision; task/performance; goals/means; conditions/consequences; member/non-member; responsible/non-responsible; career/no-career. These distinctions are general cultural forms held ready on the level of society for use in the communications of the decisions that produce organizations. Only when these distinctions are used in organizational decisions, especially in decision premises, does the specific type of social system that we call organization come into existence. We identified the distinctions or cultural forms that are used for the decisions on decision programmes, ways of communicating, personnel and attribution and control, which are key structures in modern organizations, and the distinctions for the reform of these structures and the description of the unity of the diverse 'gestalts' and structures that organizations take. These distinctions are not merely used for discursive constructions. Organizations are not, in the first place, constructed in discursive descriptions. They have, above all, an existence as real social entities, produced by recursively related communicated decisions, which use specific distinctions. As such, they delimit themselves from communications in the environment. The self-descriptions—descriptions of organizational identity—are part of the recursively related decisions constituting organizations.

Relating Luhmann's theory of organization to his theory of functionally differentiated society, we identified, in a second step, the cultural forms that are responsible for the specific functional orientations typical of most modern organizations. Organizations are nowadays, for the main part, organizations of functionally differentiated subsystems of society. Enterprises are organizations of the economic system, hospitals of the medical system and schools of the educational system. Each of these organizations is predominantly oriented towards the solution of one specific problem of society. In this way, they are subsystems of functionally differentiated subsystems of society, like economy, politics, the scientific system, the medical system, and so on. Organizations like enterprises, hospitals, ministries, schools, and so on, are such subsystems of functionally differentiated subsystems of society, because they use the codes or dominant distinctions of these societal subsystems—payment/non-payment; health/illness; true/untrue; legal/non-legal and so on—as the dominant distinctions in their decision programmes. The programmes of these organizations, necessary for the application of the codes under different conditions, use further distinctions to classify these conditions and the operations that apply to them. Through the use of a complex of distinctions, the organizations of functionally differentiated subsystems are the most prominent places where the systematic dominance of a preference code and, therefore, of a specific problem orientation is implemented.



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In a third step, we identified some cultural forms that are typical for the whole of the functionally differentiated subsystems of society. This complex of cultural forms is only indicated, and not really analysed, in Luhmann's writings. It concerns the very general distinctions (problem/non-problem, functional/non-functional and coded/non-coded) that are most of the time taken for granted in the functionalist and instrumentalist culture of modern society. These general distinctions underlie the distinctions of societal subsystems and organizations.

The *general and fundamental distinctions* of the culture of modern society; the *specifying distinctions* that are used for the identification of societal problems and the production of functional means for their solution; and the *constitutive distinctions* that are crucial for the production of organizations—all these build one consistent whole. They build the system of dominant modern culture. The identification and analysis of this systematic, and yet contingent, complex of productive cultural forms, which we apply to things and on which we base our actions and communications, can help us to see our self-imposed constraints. It enables us to think about alternatives to the existing weighting of functions and, eventually, to our problem-oriented, functionalist culture and social systems. Organizations are social systems, where alternatives explicitly appear as contingent options. By looking at the consequences of their current valuation of functions, organizations could start reflections on the weight that should be given to the different social problems, and therefore to the different codes that are used in modern society. This reflection could even lead to the wish to restrict the prevalent functionalist culture. Most probably such reflections would at least come to the conclusion that some new distinctions related to relatively new problems, like those of pollution and sustainability, and a radical shift in the weight of distinctions in such cases as the extreme poverty, powerlessness and lawlessness of large parts of the world population, are urgently needed. The analysis in this contribution makes clear that such changes can be realized in organizations, when they manage to change their dominant codes or the relative weight of the distinctions they use.

Notes

I thank Jan Achterbergh, Dirk Vriens and the two anonymous reviewers together with the editors of this issue for their helpful comments.

- 1 There are some places (Luhmann, 1993: 49, 56; 1997: 93), where Luhmann distinguishes these 'functional structures' from 'structures as such', meaning with the last expression the repeated communicative relations resulting from the autopoietic operations of the system itself. In this contribution, I will only deal with the consequences of the 'functionalist' conceptualization of the interpretation of culture. For a detailed discussion of both concepts of structure, see Martens (2003).



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- 2 Even Luhmann (1995b: 49; 1997: 881) seems to see this. The phenomenon meant here is generally discussed as 'reflexivity of modernity'. See, for example, Beck et al. (1994).
- 3 In thought and communication, the rules that underlie the constitution of information and the interpretation of the message are not present as such, they are absent/present. They can, however, themselves be made an object of observation. See for a comparable analysis of rules Giddens (1979: 63).
- 4 Luhmann (2000) also analyses the first strand, speaking of culture in the term's sense as a distinction between 'formal structure' and 'culture'. In this case, he accepts the distinction used in the management-oriented tradition in organization studies that treats worldviews, meaning structures, values, symbols and rituals, alongside the formal structure of the organization, as important variables that influence the output and functioning of organizations (Peters and Waterman, 1982; Deal and Kennedy, 1982; Schein, 1985). Luhmann calls formal structures 'decision premises', meaning conditions that have been officially decided on and accepted for subsequent decisions. Alongside the decided, formal decision premises, there are other premises not decided on. These informal conditions partly control the decisions on decision premises and fill the gap between these premises and operative decisions. These non-decided premises are called organization culture. Organization cultures arise when problems turn up that cannot be resolved by formal instructions (Luhmann, 2000: 241). When formal and central control fails, when divisions and categorizations become weak and informal, organizational culture comes into play (Luhmann, 2000: 240). The wide interpretation of culture developed above implies that both the distinctions that are used in formal decision premises and the distinctions used in informal communication and gossip—and the resulting habits, attitudes and values—can be considered as cultural phenomena.
- 5 Luhmann's texts oscillate between two theses. On the one hand, he suggests that organizations consist of decisions only (Luhmann, 2000: 61). On the other hand, he says that decisions produce just the specificity of organizations (Luhmann, 2000: 68). The first thesis leads to problems because, under its condition, routines, non-decided actions, gossip, and so on, should be excluded from organizations. This restriction is not acceptable to Luhmann. The second thesis contradicts one of Luhmann's general theoretical assumptions, stating that a specific kind of autopoietic system consists only of specific elementary operations of its own (Luhmann, 1984: 60; 1995d: 34; 1990: 480). This contradiction is also something Luhmann cannot accept. For a discussion of these problems, see Martens (1997).
- 6 In Luhmann's text, the description of distinctions is intertwined with descriptions of empirical examples of decision programmes, communication structures, forms of personnel management, and so on, and of their problems and possible solutions. I refer specifically to his description of distinctions.
- 7 These distinctions are insufficiently developed in Luhmann's recent description of modern organizations. This aspect of organizations was, however, accentuated in Luhmann's earlier writings. See for example Luhmann (1964; 1975a; 1975b). This change is not surprising, as the earlier texts were written under the presupposition of including human operations in organizations and the later were not. I think the total exclusion of human operations from



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- communication is unnecessary for Luhmann's theory of social systems (Martens, 1991).
- 8 Such mobilizing communications are often indicated as the 'control' or 'power' dimension of organizations. See for example Foucault (1975) and a whole branch of literature based on his analysis of power. See also what is known as the labour process discussion, concerning control in capitalist organizations, which started with Braverman (1974). See also Knights and Willmott (1990); Parker (1999).
 - 9 For a description of this explicit use of the concepts of organization science in the field of public administration, see Brunsson and Sahlin-Andersson (2000).
 - 10 In Weber's terminology, this is 'formal rationality' that is, on the one hand, characteristic for western societies and, on the other hand, a phenomenon of universal historical meaning and validity. According to Weber, rationality existed in several different historical forms, but always concerned the same thing: a consistent and systematic orientation of thinking and acting towards a certain end (Weber, 1972: 540; Schluchter 1979: 19).
 - 11 For the sake of simplicity, I have restricted myself in the following to an analysis of 'problem', 'function' and 'code'. Programmes can be compared to codes.
 - 12 Applying cultural forms to things, giving them a certain meaning while doing this, and dealing with them only as far as this construction is concerned, is a typically modern phenomenon—a trait of modern culture. This trait is critically analysed by Husserl (1993) and Heidegger (1975). As a dominant basic attitude of modernity, it implies forgetting 'the thing as such' and an exclusive attention to its meaning as constructed by the distinctions used in action and communication (Husserl, 1993: 193; Heidegger, 1967: 28). For a discussion of Luhmann's theory of distinctions in this context, see Martens (2000).

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