

ZICKLIN CENTER FOR BUSINESS ETHICS RESEARCH SEMINAR SERIES

SPEAKER: Nien-hê Hsieh, Legal Studies Department, The Wharton School
J. Hans van Oosterhout, Rotterdam School of Management, Erasmus University

TITLE: Organization and Authority: The Firm as a Political Institution

DATE: November 16, 2004 – Noon – 1:30 PM – Room 641 JMHH

*If you plan to attend and would like a lunch, please email Gale Davis,
agale@wharton.upenn.edu*

ABSTRACT:

What distinguishes firms from markets remains a subject controversy in the literature on the theory of the firm. Following Ronald Coase, a number of scholars have argued that managerial authority is the distinguishing feature of firms. In response, there are those who deny that there is anything like authority in the firm. In this paper, we defend an account of managerial authority in the firm by drawing on Joseph Raz's conception of authority, according to which a defining feature of authority is its preemption of the judgment of others. We then consider some theoretical and moral considerations that this account raises.

BIOS:

J. (Hans) van Oosterhout is an assistant professor at Erasmus University's Rotterdam School of Management. He holds an MA in political science from Leiden University and a PhD in organization studies from Erasmus University. His research interests include the positive and normative theory of institutions and organizations and (corporate) governance issues in particular.

Nien-hê Hsieh (Ph.D., Harvard; M.Phil., Oxford) is an assistant professor in the Legal Studies Department at the Wharton School, University of Pennsylvania. His research examines the justified exercise of managerial decision-making in the governance of firms. Specific areas of examination include decisions about MNCs in developing countries and workers as well as decisions involving incomparable alternatives.