Inertia and innovation

Göran Ahrne

Phone int+46 8 674 74 18
E-mail goran.ahrne@sociology.su.se

Apostolis Papakostas

Phone int +46 8 674 74 13
E-mail apostolis@score.su.se

Abstract

Our main argument is that inertia is not an obstacle to innovation but a precondition for innovation. New organizations do not destroy old ones. Social change does not imply that old forms of organization disappear, but that new forms of organization are added to old ones. The result is an increasing density of organizations in the social landscape. In the paper we concentrate upon a discussion of the important but often neglected phenomenon of inertia, but we do not say much about innovations per se. The question one should ask in order to see the relations between inertia and innovation is why the activities of new organizations were not already organized by old ones. First we discuss the mechanisms of inertia in terms of the inability and the unwillingness of organizations to change. Second, we discuss how various mechanisms of inertia contribute to the existence of open spaces between organizations that may become sites for new organizations.

Key words. inertia; innovation; social change; organiza-tionnal change; open spaces

Introduction

Spontaneously the concepts of inertia and innovation are seen as opposites: innovation is generally considered as a contradiction of inertia. Moreover inertia is often regarded as an obstacle to innovation. In order to succeed and have a chance it is believed that innovations have to destroy or at least overcome inertia. Joseph Schumpeter talked about creative destruction (Schumpeter, 1987).

Our argument in this article, however, is to the contrary. Entrepreneurs are no revolutionaries. Inertia is not an obstacle to innovation. Instead inertia is a precondition for innovations. Inertia is what makes innovations possible. It is because of the inertia of old organizations that there is space and resources for new organizations to emerge. Most new organizations are not interested in destruction: they thrive on free resources that they happen to find or consciously seek in open spaces between old organizations. The question we should ask when we study the emergence of innovations and new organizations is why its activities were not already organized and occupied by old organizations. If we can answer such a question we can also find the cutting edge between inertia and innovation. We will argue that we can do this by analysing how the inertia of old organizations give rise to open spaces between them that give opportunities for innovation. In this way we are interested in the interdependence between inertia and innovation.

The argument of the interdependence between old and new organizations (between inertia and innovation) is also an argument about how to understand social change. We are interested in the relationship between social change and organizational

change: how we can understand social change in terms of organizations. Does social change imply new organizations or should social change also be conceived in terms of change in old organizations?

A dominant way to conceive of social change both in the social sciences and in popular discourse is to see change as happening in stages. Periods of change are short and dramatic and they are both preceded and followed by longer "normal" periods. Periods of change are often perceived as unusual and painful, and they are often described as periods of transition between stages.

One reason why we are interested in the relationship between social change and organizational change is that stages in social change often have descriptions that allude to forms of organizing: such as industrial society, capitalist society, service society or network society. Thus, there seems to be a notion around that different stages are characterized by a certain form of organizing, and from this follows the assumption that new stages mean that old forms of organizations are substituted by new forms and that old forms disappear (cf. Bell, 1974; Castells, 1996; Giddens, 1990).

Our argument, however, implies that this notion of social change is false. If there is a strong interdependence between inertia and innovation new organizations do not destroy old ones. Due to the inertia of old organizations new organizations do not have to be destructive in order to establish themselves in the social landscape. The family farm did not disappear as an organizational form in industrial society; and industries do not disappear in the so called post-industrial or service society. This is especially not the case if we take a global perspective, which we, in our view, absolutely have to do. In the so called post-industrial society industries may have moved from the west to other parts of the world but industrial organizations have far from disappeared and neither has the family farm.

We will try to think about social change in terms of relations between new and old organizations, since we believe there is much evidence that old organizations do not disappear that easy and, furthermore, they do not change very rapidly either. The picture we get of social change in terms of relations between old and new organizations is a picture of an uneven social change that sometimes may be difficult to detect. And it is not a social change that happens in shorter periods of transition between longer periods of stability. Instead, it is a social change that happens in parallel processes of change and stability in the social landscape. Everything does not change at once and at the same time. Some things may change dramatically while other nearby social processes may go on as usual during long periods of time.

This type of social change is more problematic to conceive. If change is uneven how do you know it is a question of change at all? This poses the problem of defining change and giving some clues towards how to be able to say that things are changing at all, or if they are just what they used to be. This is not a problem if you see periods

of change and stability as clearly separated in time and also in place. Although we believe it is impossible to give an absolute definition of change we will later in this paper present some ideas about how to talk about different kinds and amounts of change in order to be able to say when things really change or when they are the same or at least to say something about how they have changed and in what ways. Yet, essentially change is per se a relative and relational phenomenon. Change has to be seen in relation to something else. Therefore we are interested in the interdependence between inertia and innovation.

One reason for the importance of understanding social change in terms of organizations is the more and more obvious inadequacy of the concept of society (cf. Urry, 2000). The present discussion of globalization has put new light on an old issue. The idea that social structures or social systems would be bounded within specific societies, or, in practice, specific states, has always been wrong (cf. Ahrne, 1990; Robertson, 1992; Tilly, 1984; Wallerstein, 1986), but today this has become even more obvious than before. Social scientists have all too long been preoccupied with explaining social processes and social change in separate societies, and they have placed societies into different stages of development. In the long run this has produced bad explanations for processes of social change. Too much emphasis has been put on endogenous explanations instead of exogenous processes (Boudon, 1986; Sztompka, 1994).

Instead of societies with their boundaries we want to picture social life in terms of a social landscape without fixed boundaries and where the horizon moves as people or researchers move (cf. Ahrne, 1990). We do not believe, however, that we have entered a social world without boundaries. It is not societies, however, that have boundaries but organizations. In a world with a more extensive traveling of people, goods and ideas boundaries have probably become more important; not less (Torpey, 2000). Thus, to understand social change, we have to understand the establishment, persistence and movements of organizations of various types and kinds (including states and families) (cf. Ahrne, 1990; Ahrne, 1998). A social world without societies is not a world of individuals, but it is essentially a world of organizations.

Our main proposition is that in order to explain innovations we first have to understand inertia. Thus, we start our analysis of relations between old and new organizations with an effort to understand the inertia of established organizations. Only after we have discussed inertia and outlined some forms of, what we may call relative inertia, will we continue to see how inertia creates opportunities for new organizations in the form of open spaces. If old organizations had not been characterized by their inertia established organizations would have occupied the social space and the resources required for new organizations already. We will analyze the interdependence between inertia and innovations by describing how various causes of inertia create different kinds of open spaces and opportunities.

Mechanisms of inertia

Inertia does not imply total stability. Inertia means that organizations change slowly and unwillingly and along tracks that are already laid out through the collective resources of the organization involved. Although there is much to say in favor of the phenomenon of inertia it seems it has been sparsely theorized, and, furthermore, it seems as if inertia is looked upon by many theorists as well as practitioners as an evil that should be overcome. Yet, one can argue that the establishment of organizations is very much about creating inertia. People establish organizations to try to create some certainty in an uncertain world (cf. March & Simon, 1958; Thompson, 1967). In organizations people accumulate resources to use for specific purposes and they want to have something to come back to. One of the *raisons d`etre* of organizations may in fact be their inertia.

In organization theory the argument of inertia has been put forward especially by population ecologists. They often refer to Arthur Stinchcombe´s (1965) arguments that organizations created at the same time keep some of their fundamental structural qualities throughout their existence. Stinchcombe mentions a few explanations to this phenomenon: "traditionalizing forces, the vesting of interests, and the working out of ideologies" (1965: 169). Within the population ecology tradition Hannan and Freeman (1989) distinguish "a hierarchy of inertial forces". One can also, for example, find arguments concerning inertia in the work of Alfred Chandler. In *Strategy and Structure* he considers the preoccupation of managers with the daily routines to keep the enterprise going as an important source of inertia (1962: 15).

Below we will outline and summarize some of the explanations of organizational inertia that have been suggested. Altogether we believe that these arguments make a strong case for the importance of inertial forces in most organizations and thus that it is a rather obvious and not very surprising phenomenon that in a strange way has been overlooked and misunderstood in all talk about and pressure towards innovation. In understanding inertia we will distinguish between an organizations *inability* and its *unwillingness* to change or adapt quickly, where we believe there are strong reasons to think that the factor of inability is most important. *Inability* may be understood in terms of the resources of the organization, in terms of established decision processes and also in terms of their inability to perceive the possibility or need for change. *Unwillingness* is related to vested interests, ideological or cultural factors and a fear of change.

Altogether it is likely that the foremost source of inertia in established organizations is the collective resources that they have accumulated and that they use. The collective resources of an organization enable it to accomplish its activities, and it is to a large extent the collective resources of an organization that motivate people to come back. At the same time, however, they set limits for what an organization

can do and how things can be done. Collective resources give strength and power to an organization, but also limitations. Resources are designed and accumulated to do certain things and thus changes in activities could mean a waste of resources. This is the argument of Hannan and Freeman (1989: 72).

Resources may be of several kinds, for example: physical assets, buildings, organization specific knowledge (tacit knowledge), employees and members or a trade mark. In most cases organizations are so specific that any change in its activities would imply at least some loss of resources. Of course, some resources are easier to transform than others like financial capital.

Moreover, the name of an organization is also one of its resources and it is generally connected with certain expectations among customers and clients or the general public to do certain things and not others. Its whole network structure is built upon doing certain things and not others. A rapid major change in activities would imply a loss of legitimacy and customers.

Another source of inertia through inability is in the organizational structure itself: in its rules and its decision making processes, and also in its authority structure. The system of rules is the memory of an organization (Perrow, 1986). Members and employees have agreed upon doing certain things and not others. Generally speaking inertia is one of the prerequisites for organizational action, which is another way to say that there is a contradiction between a strong capacity to act and change. "Solving the problem of action poses the problem of change" (Brunsson, 1985: 9; Fligstein, 1991: 313).

A third source of inertia is the inability to perceive new things or a need for change. This inability also lies in the structure of the organization. It is connected with the bounded rationality of organizations and their methods of what has been called uncertainty absorption (March & Simon, 1958; cf. Perrow, 1986). Organizations learn to report and handle certain kinds of information and not others, and they are only able to handle and transmit parts of this information within the organization. Thus they are to a certain extent blind towards what is going on around them, which adds to the tendency towards inertia.

Apart from inertia caused by the structure and the collective resources of an organization itself there is also an *unwillingness* to change that may be rooted in people´s motives to join an organization which is connected with its ideology or culture. This is typical of many voluntary organizations whose members will not accept too obvious deviations from the original ideology. But such tendencies towards stability may also be rooted in an organizational culture once it has been established (cf. Peters, 1992). There are also other types of unwillingness that contribute to the overall tendency towards inertia, such as vested interests among people in favorable positions in an organization or a general fear among members or employees of loosing influence or security if things would change. These last causes

of inertia probably belong to the more popular notions of inertia, but our assumption is that these factors are among the least important, although we do not intend to rule them out altogether.

Together these arguments about inertial forces point towards strong tendencies in all established organizations to change unwillingly and as little as possible and in directions already outlined through existing practices and resources. This later point is nicely illustrated by a conclusion from Alfred Chandler´s study of big corporations in the United States: ”the nature of the company´s original line and the resulting accumulation of resources determined the extent to which the new products could be developed and new markets captured” (1962: 392).

Relative inertia

Now, how does this picture of inertia of established organizations fit with all talk and discussion of organizational change? Our argument is precisely that we have to understand talk about change in organizations against this background of inertia. It is difficult to change organizations, especially in a conscious way, and that is the reason why people do talk so much about change.

If you look into the literature on organizational change it seems to us that little has been written about what is really meant by change, and when researchers try to say what they mean by change it seems they have low expectations on what they regard as change. Van de Ven and Poole, for instance, see change as ”an empirical observation of difference in form, quality, or state over time in an organizational entity” (1995: 512). Anything that seems to be different is regarded as change. This is indeed a too generous definition of change. We believe that also a theorist such as James March, who has a rather optimistic view about possibilities for organizations to change does this against a background of inertia: ”There is considerable stability in organizations, but the changes we observe are substantial enough to suggest that organizations are remarkably adaptive, enduring institutions, responding to volatile environments routinely and easily, though not always optimally” (March, 1981: 564). In its essence this quotation is contradictory, and in this way it is typical of how most researchers deal with the problem of inertia.

It is important to keep in mind that our argument is not that organizations do not change at all. But this also raises the problem of how to describe change. If we do not consider any difference a change, how can we talk about change and differences at all? At the same time we do not want to get into the trap of saying that everything is always as it used to be. Since we are interested in relations between social change and organizational change we believe it is reasonable to see changes in organizations in relation to what could be considered social change. And with social change we mean changes that have lasting impacts in the lives of people and in their life chances

through changes in relations between people and in how they go about in their daily lives.

In the ongoing talk about organizational change it seems that change is almost invariably regarded as positive. We only briefly want to bring up the point that change may also be seen as deterioration such as in the case of ageing organizations. There is a theory around about organizational life cycles that regard organizations as necessarily deteriorating when they grow older. Other ways to conceive of change is merely in terms of numbers such as growth or decline in productivity or number of employees etc. But changes in numbers are rarely seen as cases of organizational change. Clearly, organizational change would be some kind of difference not only in numbers but in something else.

We will suggest one way of looking upon change in organizations that we believe will make the judgement and evaluation of different types of change more feasible. We will first distinguish types and degrees of change in terms of their penetration into the core of the organization, secondly, in terms of how things are done and, thirdly, in terms of what kinds of activity the organization is involved in. We also believe that these three kinds of change do reflect raising degrees of substantiality of changes.

First, we can think of change as more or less penetrating into an organization. Often changes in organizations seem to be shallow, such as new concepts used to refer to management styles or forms of decision making. It may also be changes in how the organization is presented to the outside: maybe changes in its logo. It may also be small changes in the design of products or services. Theoretically such shallow changes often imply a decoupling between the periphery of the organization and its core activities (cf. Brunsson, 1989; Meyer & Rowan, 1977). In this way organizations can at the same time appear different and continue their activities as before.

Second, we may also discuss change in terms of how things are done. Here we can talk about changes in the division of labour within the organization or in forms of leadership and decision making. One common form of change in how things are done is rationalization, i.e. methods to increase the productivity of the organization. Such changes may be of importance when studying social change, still we hesitate to see rationalizations as substantial changes, since it is first of all a case of more of the same.

More substantial changes in terms of how things are done would imply radical changes in the form of an organization such as changes in the form of ownership or maybe total changes in form such as when a voluntary association turns into an enterprise or when enterprises are nationalized. Such changes of form are indeed substantial changes that we think are meaningful to see as changes. Still, such

changes may imply strong continuity in what the organization is doing and, thus also very likely, a continuity in various forms of the organization of work.

Third, there are possible changes in what an organization is doing. The collective resources of an organization determine the type of activities that it performs: either it is a matter of teaching school children or producing steel. What an organization is doing comes closest to what is often seen as the heart of the activities of an organization; its technical core (cf. Thompson, 1967). Since the type of activity is the part of the organization that is most closely connected to its resources it is also the part that is most costly to change. Therefore, we assume that substantial changes in what organizations do are rare events. There may be changes in what an organization does through additions of new types of activities, but most often such additional activities have similarities to what is already going on (cf. Chandler, 1962; Moos Kanter, 2000: 184). There may also be changes in terms of cutting down on what the organization is doing; to concentrate on core activities. Presently this is a common strategy among many enterprises.

Change, however, is not only a matter of time in terms of before and after, it is also a matter of place. We also have to discuss change and innovations in relation to where they appear. Old things may be seen as new in a new context. Thus, there is also a fourth aspect of how to see changes in terms of where they occur. In order to understand inertia and change we also need to consider the traveling of organizations and the spread of innovations between different parts of the social landscape.

Our conclusion from this discussion is that all that appears as change should not be considered as change at all but rather as a form of relative inertia. With the concept of relative inertia we try to grasp processes that may appear to change and look as innovations but as we more substantially think one should see as fundamentally the same. Three such processes are: decoupling of core and periphery, rationalization and, third, mobility and spread. Decoupling between core and periphery implies to continue to do the same things in the same ways as before, but describing them as different. Rationalization means doing the same things in partly new and more efficient ways. Basically, however, rationalization means more of the same. The mobility or spread of organizations is also an expression of their inertia. Instead of having to adjust to a changing environment an organization may try to find a new environment where it can continue to go on as before. The spread of organizations thus basically implies doing the same things in the same ways but in a new place.

Now we will argue that much (or most) of what nowadays is talked about as changes in terms of organizations and also in terms of social changes are instances of what we here have discussed as relative inertia. Much change only appears on the surface of organizations as new facades, logos or ways of presenting themselves. Or it may be small changes in models, products or services that have the character of

fashionable trends; i.e. rutinized processes of change of appearances that come and go with the seasons.

Other changes that may appear as far reaching often nonetheless rarely affect the core of the organization due to a decoupling of core and periphery. This often happens to changes such as new ways of leadership or decision making. On the surface the social landscape may look much more different than it is if we look into what is going on inside its organizations. Thus, actually it may be easier to see change than inertia, especially since there is such a strong pressure on achieving changes.

We also see a lot of rationalizations, changes in numbers and increased productivity. But in terms of change this is most of all a question of more of the same and doing the same things as before in more efficient ways. Flexibility in the work force may also be part of a process of rationalization. Flexibility is a concept that is often connected with change, but in fact a flexibility of the work force is generally a measure to protect the technical core of the organization. We would not consider such processes as either organizational change or social change if we with change want to imply new ways of doing things.

When established organizations slowly adjust to a somewhat changing environment they do so by trying to change as little as possible since that is the only thing they can do but still appear to renew themselves. But if we look closely enough we usually see much more inertia than innovation although many people including business analysts and consultants want to focus the innovative part. And in most countries, if we look at the organizational landscape, the largest and most important organizations either in business, politics or sports still are old organizations that basically do the same things they have been doing the last one hundred or at least fifty years. Some old ones have disappeared and some new ones have established themselves but all in all the general picture you would get is to a surprisingly strong degree characterized by inertia.

If you do not recognize this picture for a certain region or country the reason may be that many organizations are travelling in the social landscape. But they do this precisely because they do not want to change their organization. Many organizations that find that the environment is changing too much choose to move to an environment that fits their concepts and resources better. Rather than changing their way of doing things many organizations prefer to move or expand into other regions doing the same things that they always did. There are also mergers of various kinds that seem to change the picture of the organizational landscape, but, of course, mergers rarely imply major changes in how things are done in organizations neither changes of what is done.

We believe one can easily find much support for the general impression of inertia. Now, of course, there are also some new large organizations and many new small

organizations(Schumpeter, 1987)[1]. The existence of successful new organizations, however, is not a falsification of the general idea of the inertia of organizations. First of all, these new organizations will probably be characterized by their inertia, but it remains to be seen. Second, we will argue that their very existence is an effect of the inertia of old established organizations.

Inertia and open spaces

The social landscape is not completely covered with organizations. Between organizations there are clearings with open spaces. All organizations establish boundaries around themselves and watch them carefully. These boundaries are in themselves indications of inertia. Due to their collective resources existing organizations are unable to float out or stretch themselves into all open spaces there will be room for more organizations. The space between the boundaries of different organizations may be wider or smaller, but there will always be some space. Such spaces, however, may become the site of other organizations.[2]

Such open spaces, however, will vary much in terms of their quality and in what they contain and thus also in their potentiality for more organization. It is the existence of open spaces that makes it unnecessary for new organizations to attack and destroy old organizations in order to establish themselves. On the contrary, very often they depend on them for their survival. Through an analysis of open spaces we may be able to understand why the activities of new organizations were not already organized.

The concept of open space has, more or less as an auxiliary concept, been used in various types of social explanations (cf. Braudel, 1985; Hall, 1998; Katznelson, 1986; Moore, 1978), but rarely in a systematic way and we believe the idea is worth a more coherent treatment. We do not intend to argue, however, that the existence of open social spaces has a causal power in itself as for instance in Abbot´s (1988) argumentation. Open spaces contain some potentiality but it remains to be seen if open spaces will be organized or not or what kinds of organization they will attract. In this respect we also see a difference between the idea of open spaces and the concept of niche that is used especially in population ecology (cf. Aldrich, 1999; cf. Hannan & Carroll, 1992). An open space is more indeterminate than a niche, which is seen more as fitted to certain kinds of organizations.

Open spaces can be seen in relations to the boundaries of organizations: such spaces do not have any boundaries of their own. In this sense they can only be described in the negative. Open spaces can, to some extent, be described in terms of the kinds of actors and objects they contain, but a description of open spaces is

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[1] Most organizations that fail are new and small (cf. Aldrich, 1999; Stinchcombe, 1965).
[2] The opposite situation when organizations have not been able to establish themselves in a special location has often been seen as a process or "crowding out" (Markovits, 1988) or as being "organizationally outflanked" (Mann, 1986: 7).

necessarily somewhat loose or arbitrary. By relating such open spaces to different causes of inertia we will be able to shed some light upon different causal stories concerning opportunities for innovations that may imply new mixes of organizations within a certain area. We want to outline several ways to see how social change unfolds as a result of various forms of interaction between old and new organizations. The question to ask when we study new organizations is why its activities were not already organized and occupied by established organizations.

In order to illuminate relations between inertia and innovation we will distinguish between different types of open spaces. First of all there is a difference between *free* and *protected* spaces. When it comes to open spaces that are not protected, i.e. *free* spaces, there are first of all *old* spaces that have existed for a long time without being occupied by organizations. The existence tence of such open spaces may be understood both in terms of an inability of existing organizations to expand into new activities because of a lack of resources or a lack of knowledge. It may also be a case of inability to see the potentiality in an open space or it may be attributed to an unwillingness to organize certain types of activities. We can think of such spaces in terms of unemployment or underemployment or in terms of people having spare time for potentially organized activities such as politics or sports. It may also be in terms of natural resources that are not used in an organized way such as beaches in coastal villages that may become sites for tourist hotels.

There are also *new* open spaces that may evolve through new technologies. The development of media technologies is a good example where new technical possibilities have become open spaces for new organizations: from the possibilities of radio broadcasting to Internet. Although some new technologies have also quickly been occupied by old organizations.

Then there are open spaces that have been cleared when old established organizations have moved or rationalized their activities (cf. Aldrich, 1999: 260). We can see such spaces as deserted or abandoned spaces. When organizations move or rationalize, all kinds of resources may be left behind: people, buildings, even machines or natural resources. Resources that the organization no longer is willing or able to use. Such abandoned resources may become the resources of new organizations and fit better into new forms of organizing. Obvious examples here are old ruins such as the Parthenon temple or the pyramids that have been developed into tourist spots or old castles turned into conference centers.

Finally, it is also interesting to distinguish open spaces that partially have been prepared by old organizations in order to attract new establishments. We can think of states or cities that provide infrastructure such as roads or electricity in order to prepare the ground for new enterprises or construction enterprises that build large shopping centers to rent to shopkeepers. In both cases it may be obvious, but yet

interesting, to ask why they do not organize these new activities themselves, for instance why the construction company does not open shops themselves.

In the case of protected spaces the existence of an open space is recognized by other organizations, but for various reasons they have an interest in keeping such spaces open and thus preventing new forms of organizing. Interests to protect an open space may stem from the unwillingness of existing organizations to organize such activities themselves. It may be because of ideological or moral commitments against such things as organized prostitution or child labour, or political commitments against certain kinds of business activities such as privately run labour exchange. Established organizations may also feel a threat from potentially new organizations, for instance the establishment of trade unions, and therefore try to protect themselves. They may even use violence or threats of violence against those who try to establish organizations in open spaces or they may try to arrange such things as boycotts.

There is also quite another kind of protected space that we may see as a *shadowed* space (cf. Tilly et al., 1975). This is a case when new organizations grow in the shadow of old ones: in a protected area that will allow them to grow by using resources from the old organization or by being physically protected from a threatening environment. Examples are student organizations that grow in the shadow of universities or even new enterprises.

To analyze open spaces in relation to existing organizations is a method to illuminate mechanisms of inertia. In free spaces it is often a case of inability of organizations to even see the possibilities of occupying those spaces. In protected spaces old organizations may often be aware of such possibilities but unwilling to engage in them. Although it may also be the case that old organizations are aware of possibilities but still are unable to organize certain activities because of a lack of resources. In that case they may instead want to try to protect that area in order to be able to occupy that space later. This may be seen as a kind of reservation of open spaces.

Conclusions: open spaces and a shifting scenery

So far we have argued that an open space mirrors the inertia of the organizations that surround it. But since such spaces are open we cannot give any complete descriptions of them and they are at the same time unlimited and stretch themselves in winding passages between a large number of organizations in the social landscape. Open spaces seem attractive just because of their openness and that they, in principle, are without boundaries. But some may be less attractive and rather deserted and empty whereas others may be display a seething life of free resources. Open spaces may also seem attractive to organizations that do not share the inertia of the old organizations closest to a certain space.

What will happen in open spaces is underdetermined and there are several possible scenarios. First of all maybe nothing happens. Second there may occur spontaneously generated new combinations of resources that give rise to unexpected and innovative forms of organizing. Often, though, existing resources are not enough to get something going and in order for things to happen and processes of new organizing to occur additional resources will often be required. In such cases it may be a question of the travelling of ideas or parts of other organizations that in combination with some free resources may be the source of local innovations.

Now by analysing how different causes of inertia generate different forms of open spaces we have also given some answer to the question why what new organizations do was not already done by old organizations. In this way we can see how the inertia of old organizations is a precondition for and not an obstacle to innovation. And new organizations do not have to destroy old organizations to get hold of resources. They only have to find open spaces, or they may emerge spontaneously from the occasional or accidental coincidence of such resources. Sometimes new organizations have to engage themselves in some struggle with old ones in order to get access to protected spaces, but they do not have to destroy them. In the case of free and open spaces they do not even have to do that.

Returning to the question of social change and organizational change we can see that the idea that new organizations have to destroy the old ones fit well with the idea that social change happens in stages and that new stages imply new organizations. A new stage of development is established when new organizations have destroyed all old ones.

But when we can observe that in fact new organizations and innovations are introduced in the social landscape without destroying the old ones we get quite another and more complex picture of change. In several case studies we have bee able to see this in fields such as mass media, politics, sports and religion (see Ahrne & Papakostas, 2001). Innovations emerge in open spaces and due to inertia of existing corporations, parties, clubs or churches. They do not destroy the old ones. And the old ones do not totally adapt to the new conditions but they try to adjust as little as possible in order to survive. Nor do most of the new organizations totally become part of an old system. Things do change but not completely and not in a coherent and distinguished way. The result is an increased density of organizations with new combinations of old and new forms and changing patterns of interconnections. It is a shifting scenery where we recognize many old forms and ingredients but in new constellations. Change is also a question of space not only of time. Old forms may appear as new in another place and new forms may be moulded in old institutional forms.

To understand change in terms of organizations instead of in terms of holistic entities such as systems or societies enables us to see such uneven and unexpected

processes of change. If we only talk about societies such changes are hard to both discover and understand. The notion of society also leads to a notion of seeing social change as happening in stages and either nothing changes or everything. Instead we need to integrate conceptions of change with conceptions of stability (cf. Burke, 1992: 159). In fact we have to realize that inertia is a form of change too and maybe the most common form. The slightly disturbing implication of the idea of inertia as change is, that things will never be as they are nor is change as radical and fast as many may wish.

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