HISTORY OF MANAGEMENT THOUGHT IN CONTEXT:

THE CASE OF ELTON MAYO IN AUSTRALIA

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Introduction

George Elton Mayo is generally considered one of the most influential theorists in the history of management thought. His name appears regularly in lists of the most important texts on the theory and practice of management (e.g. Wren & Bedeian, 2009 Wren & Hay, 1977). Even more notable is his legacy in the field of organizational behavior, where he is often considered to have laid the theoretical foundations for this emerging discipline (O'Connor, 1999b, 223; Roethlisberger, 1977; Whyte, 1987). Part of that heritage has been transmitted through the vast impact (Gillespie, 1991) of the legendary Hawthorne studies of the practice and theory of organizational management (Mayo, 1933; Roethlisberger & Dickson, 1939). Yet Mayo has not only been cherished as a key scholar in the history of organization theory, but his work has also been the target of extensive historical review and criticism (Wood & Wood, 2004).

Despite the burgeoning literature on Mayo, there is a fundamental problem in most of the reviews and historical analyses conducted so far. The main bulk of these studies tend to evaluate Mayo from the perspective of the intellectual and discursive conventions of the present environment. According to Skinner (1969), this is a common mistake in the history of ideas, where a historian – consciously or unconsciously – interprets a particular author as an "early advocate" of a theoretical program or doctrine that in reality emerged after the historical writing in question. To say that Mayo was the father of the human relations approach to management theory fails to appreciate the fact that no such school or field existed at the time when he was working within industrial and social studies. Instead of inserting Mayo into the prevailing narratives of the unfolding of management thought over time (e.g. Barley & Kunda, 1992; Wren & Bedeian, 2009), or even into the institutionalized disciplines of sociology or psychology

(e.g. Dingley, 1997; Moore, 1948), a more historically specific inquiry would try to locate Mayo in the particular temporal and spatial context within which his concepts and arguments took shape.

Many evaluations in the history of management thought miss the fact that Mayo came to America in 1922 as a well-formed political philosopher already in his early forties. He was well acquainted with the contemporary currents in British political thinking and already had a long career as an adult educator behind him (Trahair, 1984). Most important, he had been a member of an influential circle of scholar-activists promoting an Idealist form of social liberalism in Australian society (Bourke, 1981; Sawer, 2003; Walter & Moore, 2002). Despite recent historical analyses (e.g. Griffin, Landy & Mayocchi, 2002), this aspect of Mayo has so far been treated as a marginal curiosity in his overall contribution to organizational and workplace studies. When Mayo is treated as a social philosopher, his work is typically assessed with the implicit assumption that he worked in a dialogue with particular texts from social theory (e.g. Bendix & Fisher, 1949; Moore, 1948; O'Connor, 1999b) or psychology (e.g. Dingley, 1997; Hsueh, 2002), without a systematic inquiry into the actual contexts influencing his thinking and writing during the formative years (Sawer, 2003; Walter & Moore, 2002).

In order to remedy these shortcomings in the historical appraisal of Mayo, this paper undertakes a reading of Mayo as a scholar embedded in the intellectual and societal contexts of his historical time. Following broadly the contextualist "intellectual history" approach as advocated by Quentin Skinner (1969; 1978), its purpose is to reposition Mayo in the discursive and conceptual milieu of early twentieth century British Commonwealth political philosophy, taking into consideration the intellectual movements within his local surroundings in Australia. The material used in this

historical re-reading of Mayo's work includes secondary literature explicating the scholarly discourse of the British Idealists and their political counterparts, New or Social Liberals (Armour, 2006; Brink, 2003; Tyler, 2006), and reviews of the activities of the Australian group of Idealist Liberals (Bourke, 1981, 1982; Sawer, 2003; Walter & Moore, 2002). Mayo's main publication from the Australian period, the book *Democracy and Freedom* (Mayo, 1919), is closely scrutinized to reveal its debt to Idealist Liberalist concepts, accompanied by other relevant theoretical texts from different periods (e.g. Mayo, 1920, 1949). Some of the Australian period publications obtained from the archives of the Baker Library Mayo collection have served as background material in the conceptual and philosophical analysis.

The paper is structured as follows: the next section takes a brief look at the typical reception of Mayo in the theory and history of management studies. This is followed by an analysis of elements of the intellectual context in Australia, firstly focusing on the philosophical and political program of the Idealist Liberals in Britain and in Australia, then proceeding to a reading of Mayo's 1919 *Democracy and Freedom* as conceptually embedded in the Idealist vocabulary, and finally assessing the more concrete societal situation in the later 1910s as an ideological and political challenge to the Idealist Liberalist cause. The paper concludes with a discussion of the lessons of the contextual analysis of the "Australian Mayo" for a revised description and assessment of Mayo's overall project in the theory and practice of social and organizational issues.

A brief overview of the role and reception of Elton Mayo in management studies

Over the years, Mayo has been interpreted and integrated into the evolving canon of management theory in many ways. The initial and most obvious positioning has been to see his work as intimately connected to the Hawthorne studies and to the articulation of the theoretical implications of the findings from the experiments and fieldwork at the Hawthorne plant (e.g. Moore, 1948;). A second convention is to assign Mayo the role of the leader of the Human Relations movement and the founder of the discipline of organizational behavior (O'Connor, 1999b; Whyte, 1987). Thirdly, in a more general history of science, various historical commentators link Mayo to the intellectual context of Harvard University in the late 1920s and 1930s, especially to the activities of the Pareto circle and associated attempts to develop a systems perspective on the study of social organization (Heyl, 1968; Keller, 1984).

While there are sympathetic assessments of his legacy (Smith, 1975, 1998), critical interrogations seem to dominate the evolving corpus of Mayo studies. Bendix and Fisher (1949) opened the critical stream of reviews in an article that became a landmark reappraisal. Bendix and Fisher try to reconstruct the core argument of Mayo's thinking by visiting his social theory publications from 1919 to 1947. They find that "there is a consistency in the writings of Mayo" (Bendix & Fisher, 1949: 312), which is found throughout his career. Bendix and Fisher list well-known themes, such as Mayo's emphasis on spontaneous cooperation and dislike of state intervention and trade unions, as well as his focus on the role of enlightened leaders in the building of workplace harmony, to summarize Mayo's philosophy. Criticism of this assumed view of Mayo is based on the observation that "it is evident that [Mayo] prefers cooperation to conflict" (p. 318). That this is problematic is related to the idea that:

most people in modern society express their sense of social responsibility by their participation in such associations as the National Association of Manufacturers, the Chamber of Commerce, or the Congress of Industrial Organizations. These and other associations will conflict. (p. 318)

Mayo is thus seen as restricting the emergence of natural conflicts that are necessary for the resolving of tensions in the workplace. Mayo's apparent avoidance of conflict implies for Bendix and Fisher that Mayo fails to define "the ethical presuppositions of his scientific work" (p. 319), but instead, passes as "a technical prophet" (p. 319) whose moral values are not laid out in an explicit manner in his articulations of the role of civilized social communities.

To what extent this kind of critique is grounded in Mayo's intentions within the intellectual and conceptual environment where he was articulating his views is open to debate. Bendix and Fisher (1949) make a relatively just assessment of Mayo's main themes, but at the same time it can be argued that they fall short of trying to understand in more depth the philosophical, discursive and local context into which Mayo was originally embedded as an emerging Australian academic. Instead, they consider Mayo as a student of industrial relations conflict whose sociological theory remains alarmingly vague about its ontological presuppositions. Mayo's contribution is represented as a case of integrationist social science within a frame that identifies only two main categories of paradigm: conflict and cooperation.

The analysis of Bendix and Fisher (1949) is somewhat anachronistic (Skinner, 1969). Mayo was not originally writing as an industrial relations specialist, because neither industrial relations nor industrial sociology had yet been established as separate

disciplines during his formative years at the beginning of the twentieth century. Mayo had the title of Professor of Philosophy in Australia. Psychology was still included in the philosophical subjects at that time and was only gradually establishing itself as a separate scholarly discipline (Griffin et al., 2002). Sociology was also in its infancy, as was organizational sociology. The first sociology professor was appointed to the London School of Economics in 1907, with Australia receiving its first sociology chair in 1917 (Bourke, 1981). Mayo was working in the middle of the transformations that led to the development of the academic fields of psychology and sociology (anthropology, economics, etc.); hence he could not, at the time, have employed the types of disciplinary concepts that later commentators have used in their subsequent assessments of his project.

Bendix and Fisher (1949) operate with the nascent sociological vocabulary that takes inspiration from sociological classics such as those of Weber and Marx. Mayo, instead, was primarily operating with terminology influenced by contemporary political philosophy of the turn of the century (e.g. Mayo, 1919). Sociological schools of thought were not yet clearly formed as scientific paradigms during his Australian years. For Mayo then, the concept of moral responsibility echoed the concepts of the Idealist philosophical discourse, where morality has a specific ontological meaning, as the level of being at which citizens develop self-control and mastery over nature (Brink, 2003). For Bendix and Fisher (1949), in contrast, "social responsibility" equates to participation in political organizations and other associations that express the interests of various societal groups and classes. Bendix and Fisher articulate responsibility in a fashion that emphasizes the primacy of the organization of political activity into institutions that then control the staging and resolving of societal contradictions and

conflicts. Their vocabulary is closer to those of the Marxist political economy and Weberian class analysis than to the classical Idealist repertoire characteristic of Mayo's social theory discourse.

Let us next analyze in more detail the intellectual, conceptual and societal context of Mayo's theoretical work in Australia in the first decade of the 20th century.

The context of Mayo's work in Australia

Elton Mayo was active as a student, adult educator, clinician and university faculty member in Australia between 1907 and 1922 (Trahair, 1984). During that time, he was part of a group of academic intellectuals influenced by the Idealist philosophy of Social Liberalist political thought, and a commitment to the social scientific and political agenda of the activities of the Workers' Educational Association in Australia. Concurrently, this was the time of World War II and the rise of the trade unions and the prominence of the Australian Labor Party in the Australian political scene. All of these can be seen as playing a role in the way Mayo's theoretical and political-practical thinking took shape.

The influence of British Idealism and Social Liberalism

Mayo's university training immersed him in a philosophical scene dominated by the British Idealists. Trahair (1984: pp. 53–54) details the influence of scholars such as Green, Bosanquet and Sedgwick on Mayo's education and early teaching. The Idealist school in Britain emerged from a particular interpretation of Greek and German Idealism that de-emphasized the idea of the State as the embodiment of an Absolute Spirit and focused more on the conditions of freedom of individual citizens. It was an

amalgam of the Idealist writings of Hegel and the more agent-centered approach of classical Liberalism.

Perhaps the most important scholar in the Idealist movement was T. H. Green, an Oxford philosopher, idealist, moralist and political reformist (Brink, 2003). Green based his ethical and political theories on a distinct metaphysical view. As Armour (2006) argues, reality, for him, "consists of an eternal consciousness and a number of finite consciousnesses, which develop over time, while participating in and being individuated from the eternal consciousness" (Armour 2006: 173). The proper purpose of finite selves is to realize their potential by cooperating with other finite selves and to take responsibility for global self-development. A good society is one in which everyone is free, "in the sense of being able to participate optimally in this process" (Armour 2006: 173). For Green, our very nature depends on a successful understanding of the process of moral co-evolution.

Yet as Tyler (2006: 59) notes, although Green was an absolute idealist believing in the existence of a spirit that seeks its self-realization in the world:

> Green differed from Hegel, however, in that … he held that his version of the absolute, which he called 'the eternal consciousness', was individuated as a potential of each particular human consciousness rather than as a single spirit that realized itself in some sense through communities of particular consciousnesses.

Green's idealism sees the State and its individual human subjects in a more reciprocal relationship, in which the State empowers and supports individuals in their pursuit of higher faculties, but in which, on the other hand, individuals with their moral

sensibilities constitute the State as the ethical finality. The powers of the State are limited in the sense that they are restricted to maintaining favorable external conditions for citizens to be able to realize their moral potential through aiming at the higher states of being. The State philosophy has license to intervene in public action whenever external conditions for the pursuit of moral citizenship are in jeopardy, but it does not have permission to participate in the inner processes of the individuals following the higher principles for moral standing. Thus, the political role of the State is, for Green, that of a moral authority whose task is to intervene whenever external conditions are not favorable to the pursuit of moral citizenship in various domains of action (Brink, 2003). The State may use negative force, but only in order to offer citizens the possibility of practicing the kind of moral life that leads to true social harmony (Green, 1895/1999).

One of Green's most well-known contributions to political philosophy is his concept of "positive freedom" (Wempe, 2004). The classical liberalist tradition of Hobbes, Locke, Mills and others entails a broadly negative view of freedom, in which liberty is equated with the absence of various political, social and economic obstacles (Berlin, 1969). Political liberty then, is "simply the area within which a man can act unobstructed by others", while "if I am prevented by others from doing what I could otherwise do, I am to that degree unfree" (Berlin, 1969: 120). In his reformulation, Green looks at the concept of freedom from the Idealist perspective as the pursuit of self-realization and mastery over nature. Green (1906: 370) emphasizes that liberty is not taken to "mean merely freedom from restraint or compulsion". Instead:

> When we speak of freedom as something to be so highly prized, we mean a
> positive power or capacity of doing or enjoying something worth doing or

enjoying, and that, too, something that we do or enjoy in common with others. (Green, 1906: 370)

Freedom for Green is the consequence of realizing the higher potential in individuals and transforming actors into moral subjects freed from the shackles of self-interest and material desires.

The Idealist legacy is visible in the central concepts advocated by Mayo in his main philosophical writings. At a general level, Mayo used Idealist concepts in several contexts during his academic career. His two major Harvard-period books include in their titles the word "civilization" (Mayo, 1933, 1949). The choice of the word "civilization" resonates with ideas about advanced social forms and the importance of higher purpose, morality and culture within the Idealist discourse. The concept of civilization can be seen as the English equivalent of the German term "Kultur", which denotes culture not only in its conventional sense of the norms, values and meanings of a particular community, but also in the more specific sense of enlightened civilization (e.g. Markus, 1986).

A related concept in Mayo's vocabulary is "education". Education equals simultaneously the processes of knowledge acquisition, character development and the building of a moral community. "Education" in Mayo's sense comes closer to the German concept of "Bildung", which has traditionally referred to the formative nature of educational processes in the holistic maturing of the human person (Geuss, 1996). In its broadest sense, education is seen as a process whereby an individual becomes a civilized moral being, or a fully human person. Education here covers the totality of one's developmental experiences and passages, and is not limited to formal learning

contexts. To put this in another way, formal education or expertise do not guarantee true progress towards the ideal of a morally civilized person. Civilization and education are closely related in that to achieve a high level of civilization individuals need to embark on a journey of educating themselves, while at the same time, education in its German Idealist sense becomes understandable when viewed as the process whereby concrete individuals develop fully realized human personhood or citizenship.

The conceptual context of "Democracy and Freedom"

Mayo's *Democracy and Freedom* (1919) is a commentary on the contemporary political and industrial changes in the advanced Western societies. It is fundamentally a critical treatise on the phenomenon of parliamentary politics and the rise of the organized labor movement. As the title suggests, Mayo wishes to juxtapose democracy and freedom in the book. However, on closer reading, it becomes obvious that the two concepts are not at the same level in the way they are semiotically framed. "Freedom" is the meta-concept that refers to the type of community where human moral properties are being put to the best possible use. Achieving this state of freedom requires that there is a "civilized" community whose members are continuously "educating" themselves toward higher purposes and moral values.

Mayo does not explain his usage of "freedom" in an explicit manner. The synonyms he uses for freedom, however, reveal an underlying slant toward Idealist vocabulary, where liberty is a project of civilization and moral betterment. Recurring phrases used by Mayo include "social growth" and "traditions". The concept of social growth refers to evolution toward a distinct goal in the development of a human community, broadly in the Hegelian sense of striving in the direction of a synthesis in the form of "the end of

history". On this journey, the accumulated cultural knowledge of previous generations operates as a pool of experiential wisdom, embedded in the habits and beliefs of the prevailing social traditions. The accumulated wisdom, as stored in social traditions, is the actualized manifestation of the more abstract form of civilizing wisdom, or, as Mayo puts it, "civilization makes itself concrete and actual in social traditions" (Mayo, 1919: 7).

Another key concept is "social will", which denotes not so much the historical journey of the community from the past toward perfection, but more the collective political mood of civil society. This is the liberalist side of the Social Liberalist thinking inherited from British Idealism. The concept of "the will of the people" as used by Mayo refers to the notion that the legitimacy of any government is always, in the last instance, dependent on the popular consent of civic society. This is where Social Liberalism differs from the more State-centered political philosophy of the German Idealists (Brink, 2003). The "social will" of Mayo is, however, treated as a less abstract notion than in the classical liberalist depiction of the political subject. *Social* will is the popular pursuit of political and moral ideals, embedded in the context of the existing traditions. It is an expression of the desire for the development and ultimate realization of the human potential in any given community. The role of the State and its public institutions is to support this endeavor by enabling individuals and groups to use their human potential in the best possible way and also to participate in the quest for moral growth, the State setting itself as an example of ethical conduct.

In sum, Mayo's concept of "freedom" can be interpreted against the Idealist notion of a moral community, with emphasis on the uninhibited pursuit of human perfection, and the enabling and supporting role of the State in that process. Freedom is possible only

when a community has progressed toward human perfection in the form of the cherishing of higher moral purposes. Central to this is the readiness of the actors to leave the material empirical world behind and to turn instead to the perfection of the innate human-ethical qualities of the social person.

"Democracy", on the other hand, is a secondary concept in Mayo's 1919 vocabulary. It has a narrower meaning, of the activities of the political parties and the societal outcomes of party tactics in electoral campaigns. Democracy is treated primarily as a form of government that has its place alongside other modes of governing (autocracy, monarchy, etc.). Mayo is particularly concerned here with the unintended consequences of the new representative democracy associated with the introduction of general voting rights and the emergence of organized political parties. Politics within this system tends to be reduced to the manipulative maneuvers of political parties and their leaders. Parties are organized around class identities and assumed material interests and are prone to sustaining and affirming various societal divides instead of promoting the development of moral perfection and social harmony. Democratic politics tends to lead to adversarial methods in order to ensure the greatest popular support in an electoral situation.

In this context, the State cannot fulfill its role of promoting the moral growth of its citizens. The divisive politics of party-oriented tactics hinders the civilizing development of the body social. Mayo uses the notion of "positive freedom" (Berlin, 1969) as the background against which the success of democracy as a form of political culture is to be evaluated: "'Government' … is only one aspect of a wider social cooperation" (Mayo, 1919: 66). The conclusion is that democracy in its current form severely limits the civilizing process. Democracy is based on a "misunderstanding of

the facts of human nature and social organization" (Mayo, 1919: 13). Democracy is not a guarantee of the possibility of pursuing human freedom.

Industrial democracy

The secondary argument of *Democracy and Freedom*, often observed with more interest in management and organization history (e.g. O'Connor, 1999a, 1999b), concerns the question of industrial democracy. Mayo attacks the operation of the recently formed trade unions and their political counterparts, socialist labor parties. Given the Idealist striving toward social harmony and the centrality of overcoming materially based divisions, this exclusive focus on the failures of workers to follow the perfection program seems at first contradictory. Mayo does try to balance his treatment by making passing notes about the limited visions of employers at the beginning of his evaluation of the industrial situation. He argues that the prevailing "class consciousness" of employers obscures the "social responsibility" of owners and managers (Mayo, 1919: 41).

The discussion that follows, however, centers entirely on the harmful effects of trade union collectives on the civic enlightenment of the commercial world. The utilitarian and egoistic ideology of the capitalist class is not analyzed with the same philosophical rigor as the situation of the politically mobilized workers. This selective attention within the analysis of industrial relations reflects the broader trend in the Australian adoption of British Idealism in regard to the social and industrial problems of the day. The Australian Social Liberal intellectuals took a more empirical or sociological approach to the question of human perfection in the promotion of the human moral community (Bourke, 1981; Walter & Moore, 2002).

Similarly, the journey toward social harmony is seen by Mayo as being implemented in the pursuit of cooperative efforts between discrete groups of skilled professionals. A moral community is to be achieved by recognizing the distinct specialisms of various occupational groups in a way that leads to respectful dialogue and the fusion of sectional interests in the name of the common good. Mayo blends here the actual degree of professional skill with the potential to participate in the shaping of organizational power structures. He is concerned about the consequences of industrial democracy in cases where an unskilled but politically empowered worker is capable of controlling the conduct of a skilled craftsman. At the root of the problem is the incapability of the unskilled worker-activist to enable moral growth in the form of a civilizing dialogue between enlightened professionals. The argument emerging from the discussion is that occupational knowledge and skill enable an inherently "social" input for the promotion of industrial harmony, and that, conversely, the unskilled worker cannot contribute in the same fashion to the process of moral community building (Mayo, 1919: 50–51).

Workers' Educational Association as the practical realm of Idealist policies

Apart from the particularistic interpretation given to the application of British Idealist metaphysics in the realm of industrial relations, the Australian promoters of Social Liberalism were intensively engaged with the adult education initiative called the Workers' Educational Association (WEA). Originally English, the WEA was a direct off-shoot from the Idealist program of civic development. Its roots lie in the Settlement movement that was inspired by the charity work of T. H. Green (Sawer, 2003). The WEA was designed as a platform for the meeting of university teachers and industrial workers. The idea was to build a moral community where both groups would learn from each other and embark on a social process of self-development. The teaching method of

tutorial discussions reflected the underlying philosophy of mutually affecting interaction in an open environment.

The WEA's role in Australia went beyond that of a tool for societal reform. It became the prime institutional context through which the academic activities of the Idealists spread to society in general and the universities. The WEA introduced the scholarly field of sociology to the Australian university scene (Bourke, 1981). At a time when social sciences were just starting to take shape as independent scholarly fields, WEA intellectuals tried to define sociology as the theory and practice of coping with the social and political problems of the day. This was a more holistic and speculative form of sociological practice than the contemporary research-based activities of empirical social science.

The advancement of the new fields of sociology, psychology and economics took place in the 1910s and 1920s in Australia via the publication of a series of books analyzing the current situation of the local society and culture from the vantage point of the Liberalist Idealist program developed within WEA intellectual circles (e.g. Atkinson, 1920). The books were intended as reading materials for the tutorial classes and had, hence, a primarily educational function as adult textbooks. On the other hand, they were also targeted at a wider audience consisting of Australian and international political actors and academic commentators.

Mayo's *Democracy and Freedom* was the first pamphlet-textbook published in the Australian WEA series. It was written for the adult audience that was assumed to be hesitating between the new political mobilizations of the trade unions and the Australian Labor Party on the one hand, and the WEA message of gradual reform through personal

and communal enlightenment on the other. Mayo can be pictured in *Democracy and Freedom* as talking to his tutorial attendees, trying to persuade them to see the human shortcomings of the materialist class-based struggle and the associated confrontational party politics of the day.

There were several imminent threats to the WEA-Idealist project at the time of writing *Democracy and Freedom*. In 1919, World War II had severely affected the popularity of German nationalist thinking and its cultural legacy in the British Commonwealth. For example, the British Royal Family changed its name from Hanover to Windsor in order to downplay the German background of its ancestors. Hegelian philosophy was not a particularly suitable candidate to become a leading political theory in the country in the aftermath of the disappointments of the war, since it was interpreted as supporting a nationalist and aggressive political doctrine that had been one of the primary ideological causes for a devastating international war (Skidelsky, 2007).

Secondly, the British Liberal Party was in decline in the face of the ascent of the Labour Party and the new class-based political landscape. Trade unions had emerged as a new actor in the industrial realm, and were uncomfortable with the WEA tradition of middle-class academics having a direct educational and ideological channel for molding the identity of the workers. In Australia, Labor had formed the first left-wing government in the world in 1904, and was consolidating its power position in the emerging national structures (Griffin et al., 2002).

Thirdly, sociology as espoused by WEA academics had not been successfully incorporated into the university mainstream. There was just one designated sociology chair in the whole of Australia, meaning that academic career opportunities were

relatively thin. When the leader of the WEA group, Meredith Atkinson, resigned from his University of Melbourne post in 1922, there was a total of 40 applicants for the vacancy, including Mayo (Bourke, 1981). Not long after that time, sociology began to develop into a more rigorous empirical science, pushing the interdisciplinary and action-oriented project of the WEA intellectuals further into the academic margins. Other social science fields also took rapid leaps toward professional and scientific autonomy. Taken together, the wider shifts in the political situation and climate, as well as the advancement of scientific disciplines, were responsible for several cracks in the cohesion of the WEA-Idealist controlled assemblage of metaphysics, politics and industrial and social development (Sawer, 2003).

It becomes apparent, then, that one can sense a slight degree of desperation in the voices of the WEA intellectuals, evident in the relatively demagogic style of *Democracy and Freedom* and other WEA publications of the time (e.g. Atkinson, 1920). Within a couple of years, the Idealist Liberalist project had largely been dissolved in Australia. Several of the leading figures had resigned from their university posts and left the country (Bourke, 1982). Mayo famously embarked on a round trip to the USA from which he never returned. Another major figure, Clarence Northcott, emigrated to the UK, eventually becoming the father of British personnel management theory (Northcott, 1950). In the ensuing years, elements of the Social Liberalist program were carried forward in various ways in economic and social policy, as well as in the social sciences, albeit without their unifying links to the philosophical and moral-educational activities of the core Idealist Liberalist group (Sawer, 2003).

Discussion

The starting point for this paper was the relative absence of studies explicating the role of the formative Australian years in the work of Elton Mayo. Mayo's contribution to management theory has so far been historically assessed mainly through the prism of his activities and publications in the USA, where he lived 1922–1945. These reviews have highlighted his role in the theoretical interpretation of the Hawthorne studies and laying the ground for the Human Relations School and the subsequent field of organizational behavior (e.g. Bruce & Nylund, 2011; Gillespie, 1991; O'Connor, 1999a, 1999b). This paper has taken a different perspective and approached Mayo's thinking from the influences and circumstances that surrounded and shaped his academic work in the Australian context, broadly following the contextualist school of the study of the history of ideas (Skinner, 1969, 1978).

Apart from occupying a chair in philosophy and psychology, Mayo was integrally linked with a local circle of intellectuals who shared a commitment to the metaphysical and political views inherent in British Idealism. These New Liberals or WEA intellectuals were responsible for introducing an early form of sociology to the Australian academy, as well as contributing to the wider efforts of political and industrial nation-building. Mayo's main publication in his Australian period, *Democracy and Freedom* (Mayo, 1919), was written for a WEA series as a tutorial textbook that also carried a wider message about the current problems of national and industrial development.

As the analysis above has demonstrated, *Democracy and Freedom* is conceptually aligned to the program of Idealist Liberalism. The question of liberty is framed in the

book from the viewpoint of "positive freedom" originating from the work of T. H. Green and the Idealists (Berlin, 1969). Following Hegel, freedom is pictured as the state of individuals and groups who have raised themselves above immediate material conditions and interests through self-realization and moral growth. Throughout the text, Mayo uses words such as "civilization", "harmony", "education" and "higher purpose", which are all part of the political-philosophical vocabulary of the Idealist Liberals of the early twentieth century.

The Australian version of Idealist Liberalism directed its political attention to the industrial realm, and especially to the morally questionable trends inherent in trade union mobilization and the associated ascent of the Labor party. While the Social Liberals of the 1910s and 1920s generally advocated the stance of Green, where the aim was to overcome material and empirical divisions by way of human perfection and the emergence of moral communitarian subjectivity (Brink, 2003), in practice they pointed their critique exclusively toward the failure of the workers to pursue the ideal of ethical citizenship. Managers and capitalists were seen as "less sinful" in this respect (Mayo, 1919: 59). With the rise of the trade unions, workers became more powerful in their material demands, but started at the same time to neglect the need for occupational and civic education. Workers had become morally lazy, the WEA intellectuals argued (Walter & Moore, 2002).

It is this formative context in Australia that largely defines the broader philosophical vocabulary to which Mayo returns in his later works. The psychological part of *Democracy and Freedom* is primarily concerned with the way in which new trade union agitators are engaged in the manipulation of the minds of the workers. Mayo animates the ideas of Freud, Jung and Janet to demonstrate how the political activists of the labor

movement succeed in firing up fears and prejudices among the proletariat. The new political leaders do not want their followers to seek reasoned dialogue or education of their human faculties, but arouse primitive emotions that reinforce, rather than smoothen, the disharmony brought about by diverging material interests and class-based identities (Mayo, 1919: 12–30).

This unusual interpretation of the role of psychological and unconscious processes in contemporary industrial life became the trademark feature of the commentaries retrospectively constructing Mayo's Human Relations paradigm (Griffin et al., 2002; O'Connor, 1999a, 1999b; Wood & Wood, 2002). In this interpretation, Mayo is considered to have argued that unrest in working life is a consequence of the psychological maladjustment and neurotic pathology of the employees (Bourke, 1982). Mayo continues the psychological theme in his early organizational writings in North America (Mayo, 1923a, 1923b, 1923c, 1924), leading to his participation in the Hawthorne studies and, subsequently, to public notoriety as the pioneer of a new line of thinking in the theory and practice of management.

The psychological approach to work organization dynamics has more or less come to dominate the evaluation of Mayo's work. The generalized image of Elton Mayo in the current historical consciousness within organization studies tends to picture him as the "psychoanalyst" or "psychiatrist" of early management thought (e.g. Dingley, 1997; O'Connor, 2011; Sarachek, 1968). Yet there are grounds to challenge this type of description of his profile. Mayo developed his views at a time when the social sciences were not yet institutionalized into the disciplines recognized today as sociology, anthropology, psychology and so on. His project was inherently interdisciplinary, and

may appear undefined or fragmented to a contemporary analyst accustomed to clearly identifiable scientific disciplines with a linear historical narrative.

Mayo's activities also spanned academia and adult education, and later spread to practical workplace experiments in a fashion that may be difficult to grasp, given today's separated realms of research and normative practice. Yet in the early twentieth century, university intellectuals were often active in other domains of public activity, participating in national political life and inaugurating institutions in various social and economic domains (Sawer, 2003).

To better understand the particular context in which Mayo was embedded, and where he developed his social and organizational theories, it is necessary to consider the intellectual and political environment of his Australian years. Mayo emerged from a group of Idealist Liberals who worked across academia, the economy and politics with a philosophical program borrowed from the conventions of the British Idealists. The New Liberal intellectuals integrated selected insights from early sociological, anthropological and psychological writings into their overarching Idealist vision of the role of human perfection for social and human harmony. In this connection, Mayo's interest in psychoanalysis and the psychology of the worker can be seen as a particular extension of the general program of the Idealist Liberalists, rather than as a separate stream of inquiry. He also returns to the broader social theoretical questions of the relationship between human growth and the advance of industrial society in his later writings (Mayo, 1949). By locating Mayo in the conceptual and practical context of the Australian movement in Idealist Liberalism, it is possible to uncover a general theme in his writings and activities across the decades and also perhaps to do justice to the

possibilities and limits of the dream of moral humanity that was implicit in much of

Mayo's work.

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