transformation. Olsen, in five of the articles, tries to pinpoint stabilized phenomena, while on the other hand, in the more metatheoretical discussions, he revolves around the problem of change and of how to describe institutions as dynamic orders in flux.

So, how to go beyond simple structural analysis to assess the dynamics of institutional change, seems to be the major problem springing from this book.

Ove K. Pedersen, Center for Public Organization and Management, Copenhagen

R. B. Bertramsen, J. P. Frölund Thomsen & J. Torfing: State, Economy and Society. London: Unwin Hyman, 1991, 233 pp.

A social theory or a set of hypotheses in the social sciences is basically an instrument in the conduct of empirical research. The distance between the model and its use in the interpretation of data need not be close. On the contrary, theory could be developed on its own track travelling a long distance from empirical information in order to derive the major implications, as is often the case in the social or public choice school. However, at some point one would ask: How can the model and its implications be employed for the understanding of what actually goes on?

Whether a theory is true or false depends not on its model assumptions, but on what is meant by the concept of truth. Since theories cannot be verified or falsified in themselves, their future is determined by deliberations about their complexity and the number of ad hoc hypotheses that are admissible. What decides the fate of a theory is the actual or potential availability of competitive models. The growth of knowledge does not stem from a direct confrontation of the truth of the assumptions of a theory but from its contestability in terms of alternative approaches. When rescuing a theory means accepting too much complexity over against the demand for theoretical simplicity or facing too many falsifying instances, then theory competition is the key to the interpretation of the data. As there can never be a direct test of the basic assumptions of a theory, all kinds of theory contestation are about the pros and cons of various implications of alternative theories when making sense of the empirical information.

Thus, theories and their models are in no way true pictures of reality; they are instead instruments of interpretation by their making certain assumptions and deducing interesting consequences. They catch certain aspects of reality while neglecting others. Yet, their instrumental role is not eternal. To the great chagrin of its most fervent supporters, the value of a theory may dwindle as the conduct of inquiry moves along, but since theories have no value in themselves, the growth of scientific knowledge cannot stop in reverence to the old authorities.

State, Economy and Society proceeds from the opposite strategy. Being tied into the Marxian perspective, it wishes to adapt its core to new findings and interpretations. No doubt the authors do well, integrating three developments in modern Marxist theory: strategic-relational state theory, discourse analysis and regulation theory. Yet, one may ponder on what the entire enterprise is for: rescuing Marxism, arriving at new instrumentally fertile models or devising a new plan for practical revolutionary action.

Each author has a chapter: Torfing writes about the hegemony approach to capitalist regulation, Bertramsen takes on the strategic selectivity of the state and Frölund Thomsen discusses the state as an institutional ensemble. In joint

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introductory and concluding chapters they introduce the principle of the primacy of politics as the way out of conventional Marxist economic determinism. All chapters are well written and may serve as a useful source providing information about recent Marxist developments.

The authors are well aware of the present crisis of Marxism, but they never reflect on the possibility of dropping the entire framework in order to construct something original and less contradictory. Politics is looked upon as regulatory practices, hegemonic projects and strategic formations. The problem of the interaction between politics and economics is resolved by introducing the concept of autonomy-dependence. Social reality is said to be composed of political, economic and social processes, institutions and agents which become institutionalized by means of bureaucratization, commodification and homogenization, respectively.

State, Economy and Society is grand social theory as brilliant and persuasive as could be. Still, its framework is only one way of looking at the stream of events and it is a perspective that has to compete with other approaches, because it is basically highly contestable by middle range social theory. On reading this work with its conceptual labyrinths, one may not be entirely convinced that the main features – 'the political dynamics' – in the rich countries – 'advanced capitalist societies' – are best analysed by means of a neo-Marxist approach, nor that a general and comprehensive democratic participatory revolution as described or called for in discourse analysis will solve more problems than it creates.

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