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## A PSYCHOANALYTIC READING OF HOSTILE TAKEOVER EVENTS

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**Hostile takeovers are interorganizational events that threaten organizational identity and integrity. Yet different meanings and different levels of meaning can be revealed by interpreting the texts that describe hostile takeover events. A psychoanalytic reading of these texts provides a way to explore the deeper meanings of these events. In addition, the media coverage of these events demonstrates both the reflection and construction of social reality, or "contemporary" culture. Interpreting the texts of hostile takeover events provides a way to both enrich our understanding of interorganizational phenomena and illuminate important social issues that might otherwise be kept in the dark.**

Over the past several years, hostile takeover events have been brought to the attention of the general public by media accounts often described in the language of fairy tales, myths, and popular culture (Hirsch, 1986). Although these allusions may make takeover events more accessible and more interesting to a broader, nonexpert audience, the media coverage of these events seems to attract more attention than would be expected. Moreover, if fairy tales and myths serve to subdue fears and anxieties in children and "primitive people" (Bettleheim, 1977), it seems odd that they are being used by business journalists in the context of takeovers (see Figure 1). Why is it that these events attract so much attention, both in the press and in the public? What is the meaning of the fairy-tale-like narratives used to describe these events?

According to Hirsch (1986), the use of familiar imagery, or "genre," serves to reduce the unnerving to the familiar, to provide delineated roles, to ritualize and contain violent emotions, and to facilitate evaluation of heroes and villains. Although the use of popular genre may provide evidence of the acceptance and legitimacy of mergers and acquisitions by the

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FIGURE 1



business community, "the adoption of unusually colorful language by any social group may signal states of instability, stress, or conflict over normative boundaries" (Hirsch, 1982: 39). Thus, the *persistent* use of fairy-tale language may indicate that these events are not necessarily becoming more acceptable or more legitimate at the societal level, but are creating pressures for or signaling the need for social change.

Hostile takeovers can be seen as interorganizational events that threaten organizational identity and integrity. They may, however, also be thought of as arenas in which concerns about esteem, honor, and dignity are being played out (Geertz, 1973), or as social drama that reveals underlying social issues of conflict, power, and status (Kilduff & Abolafia, 1989). Thus, hostile takeovers may have meaning at multiple levels: for the organizations involved, the individuals directly concerned, the communities affected, the stakeholders interested, and even society at large. Perhaps hostile takeovers attract so much "popular" attention because "common folk" recognize their own personal concerns being played out on a larger-than-life stage. The popularity of the stories may also lie in their striking chords (or nerves) of social concerns.

In this article, we interpret the text of hostile takeover events as reported in the media. By interpreting these texts, we can uncover their deeper

meanings and attain a better understanding of their *raison d'être*, both at the interorganizational and societal levels. What do these narratives reveal about contemporary culture? About our present day values and heroes? And what are the consequences?

Organizational theorists need to understand more deeply not only the meaning of organizational events but also the broader social contexts in which meaning is constructed and, in turn, enacted. Understanding these multiple levels of meaning must underlie future organization theory claiming to be relevant for the study of complex organizational phenomena in contemporary society. We propose a psychoanalytic approach to interpreting text, within the frame of a cultural studies perspective, as a step in that direction.

In the following pages, we align our argument with previous organizational analyses based on textual interpretations, and we discuss the rationale for a psychoanalytic approach. We then demonstrate the usefulness of this approach with examples of hostile takeovers as represented in the media. These analyses permit us to develop a typology that suggests how an understanding of takeover events may be extended beyond rational explanations. This understanding is further refined by using a cultural studies perspective to bring to the surface social issues embedded in this discourse. Finally, we discuss implications of such an approach for organizational scholars.

### INTERPRETING TEXT

Interpretive approaches to stories, annual reports, and letters to shareholders have revealed underlying concerns regarding security, integrity, and control at the organizational level of analysis (Bartunek, 1984; Bettman & Weitz, 1983; Fiol, 1989; Martin, 1982; Salancik & Meindl, 1984). Through interpreting organizational texts, themes can emerge that go beyond surface meanings to reveal "deep, perhaps unconscious, emotional significance" (Kets de Vries & Miller, 1987), or "other than rational" explanations.

Media reports describing hostile takeovers provide narratives that reflect and create a broader social reality. These narratives recount observed patterns of events as well as public statements made by key players and, in turn, recall familiar images and well-known stories (Martin, Feldman, Hatch, & Sitkin, 1983). Narratives incorporate generic aspects of incidents, and in their telling and retelling create a recursive sensemaking, or mythology in the making. Thus, the stories that are told in the press are not simply the statements or products of either individual actors or journalists. Rather, these stories interact with the audience's imagination, intuition, and associations as well as emotions (Holland, 1986; Weick & Browning, 1986). It is the interaction of the text with the reader that creates meaning.

This meaning creation process needs to be better appreciated. Organization scholars need to consider not only *why* these events are being played out in the public arena, in the media, but also *how*. Although "rules

of argument"—which are based on logic, analytic reasoning, and financial expertise—facilitate communication with the financial community and stockholders, the narratives that emerge simplify the complexity of these events and allow other audiences and participants to evaluate their merit as judged by "rules of narrative": how well the story hangs together (narrative probability) and how fully it rings true with experience (narrative fidelity) (Weick & Browning, 1986: 249). Thus, the narrative creates a structure around the events by setting the interorganizational stage and pattern of interactions. By alluding to familiar, well-established scripts, narratives may serve as convincing guides for action (Smith & Simmons, 1983), which once acted out, "make events" and "make history" (Bruner, 1986: 42), thereby creating social reality (Weick & Browning, 1986).

Hostile takeover events create a "narrative thirst," a need for explanations to reduce the uncertainty inherent in these events and to provide an illusion of understanding and control (Spence, 1982). These events generate anxiety not only by creating uncertainty and stress for those directly involved, but also by stirring up universal individual and societal concerns for the broader audience (Bastien, 1989; Schein, 1985). This anxiety is revealed in narratives as unconscious fantasies about the purposes of takeover events that go beyond rational economic explanations (e.g., restructuring companies, industries, and national economies). These fantasies become reenacted by interpretive interaction of the readers with the text and may even develop into a collective social defense against the anxiety generated (Bion, 1961; Menzies, 1960). Therefore, a psychoanalytic approach to interpreting media reports of hostile takeover events seems appropriate in facilitating a deeper understanding of the actual events for the actors involved as well as a better understanding of the anxieties and concerns they generate in the broader social context.

### PSYCHOANALYTIC APPROACHES TO INTERPRETING TEXT

Adherents to traditional psychoanalytic theory have long studied the interplay of warring forces struggling to *take over*. Freudian theory

describes the ego, or the self, as embattled in the midst of the forces of the libidinal id, the disapproving superego and an intractable reality. In this model, negotiating between internal and external forces, the ego is the self and must defend itself, protect its identity against invasion from any direction, any incursions on its integrity. (Davis, 1986: 221)

The dynamic interplay of drives and their defenses is thought to determine characteristic patterns of behavior (A. Freud, 1936; S. Freud, 1960/1923). Hostile *takeovers* provide an interesting terrain in which to unearth similar dynamics in order to understand emerging patterns of behavior. The method, in effect, reflects the subject.

Psychoanalytic approaches have been applied in both literary criticism (Davis, 1986) and cultural studies (see Hall, Hobson, Lowe, & Willis, 1980) to uncover the deep structure of language and of everyday life in public discourse. Proponents of Jungian and Freudian literary criticism have demonstrated multiple, simultaneous meanings at several textual levels by analyzing manifest and latent discourses. The narrative surface contains images and metaphors (i.e., manifest content) that connect with a deeper text to reveal the collective or individual unconscious (i.e., latent content). Universal concerns, for example, are revealed in the myth of "The Quest," in which

[t]he narrative development moves from total narcissism toward the hero's individuation and relative autonomy, each stage in the quest being a further step toward independence from the Great Mother . . . [which is] monomythic because it encompasses all possible human change and growth within a single story. (Davis, 1986: 219)

In the cultural studies tradition, both Freudian and Lacanian theory are used to demonstrate the role of language and the influence of the social/cultural/ideological context in the development of "consciousness" and the experience of "self" (Weedon, Tolson, & Mort, 1980). "The subject," the constructed sense of the individual, is considered to be the product of social relations that work through society, through language or discourse, and through the psychic processes through which an infant enters into society, language, and consciousness (Fiske, 1987).

### **Psychoanalytic Themes in Development**

Individual consciousness and identity, in psychoanalytic theory, evolve through processes of separation and individuation of self from other. From a Lacanian perspective (1977), identity occurs through stages of *mirroring*, *imaginary relations*, and *identification with the other*, to *identification within an ideological position*. In the more traditional psychoanalytic approaches (e.g., Neo-Freudian and object relations schools), the sense of self emerges from stages of *autism*, where there is no "other," to *symbiosis*, wherein there is no difference between self and other, to stages of *separation and individuation* (Klein, 1932; Kohut, 1975; Mahler, Pine, & Bergman, 1975; see also Greenberg & Mitchell, 1983). Developing a sense of self, or identity, therefore, requires establishing boundaries and maintaining autonomy and control that are, in turn, necessary for mastering the task environment and achieving mutuality in relationships with others. The ego must differentiate from the id and the superego in order to better navigate external reality (S. Freud, 1960/1923).

Within this developmental perspective, an infant's initial interaction with the world is based on dependency. His or her experience with the world is split into good and bad, depending on the availability of required resources: Mother (or significant others) is viewed as either good (gratifying)

or evil (frustrating) (e.g., good/bad breast). These experiences of dependency and frustration are managed by primitive defenses of splitting (the world into good and bad) and projection (attributing to others one's own "evil," for example, rage or oral aggressivity).

The infant's identity begins to develop through experiences with these good/bad objects, which are then incorporated as "self" (Klein, 1932). The sense of self develops further through struggles for autonomy and control (the "terrible twos") and is accompanied by simultaneous feelings of omnipotence and impotence (i.e., unrealistic assessments of one's capabilities). The degree to which these issues at these early stages of development are resolved determines the person's subsequent ability to master the tasks needed for survival and growth and to form intimate, interpersonal relations.

These different developmental themes—*dependency*, *control*, *mastery*, and *intimacy*—express different underlying patterns of drives and defenses (Erikson, 1950; A. Freud, 1936; S. Freud, 1960/1923). Dependency, for example, is expressed in oral passive (sucking and swallowing) and oral aggressive (biting and chewing) drives, which are countered by denial, splitting, and projection as discussed above. Control is expressed as retention versus expulsion, or "holding on" versus "letting go." These drives are countered by obsessive-compulsive behavior, and in fears of shame and doubt over the ability to control. Mastery is expressed in taking initiative, asserting oneself, and demonstrating potency, which are countered by guilt and fears of impotence. Intimacy is expressed in sexual fantasies (e.g., of parental seduction), which are countered by repression and sublimation (e.g., devoting oneself to worthy causes or hard work).

Similar developmental tasks—establishing boundaries and maintaining autonomy and control—have been discussed at the *group level* (Miller & Rice, 1967). The predominant drives and defenses corresponding to different developmental stages are expressed as "basic assumptions" (the unstated purpose), which exist in parallel to the task assumptions (or stated purpose) (Bion, 1961). Three basic assumptions themes have emerged: *dependency*, *fight/flight*, and *pairing*. The basic assumption of *dependency* is that the group and its members exist to be taken care of by an all-powerful leader. The group feels passive and helpless and may be unable to perform necessary tasks. According to the *fight/flight* theme, the group's unstated purpose is to fend off danger of an internal or external enemy. The primary emotions displayed are anger and fear as time is spent arguing, fighting, or designating the "enemy." The group's unstated purpose in the *pairing* theme is to create a savior out of the pairing of group members. The group waits hopefully, wondering when the blessed event will occur.

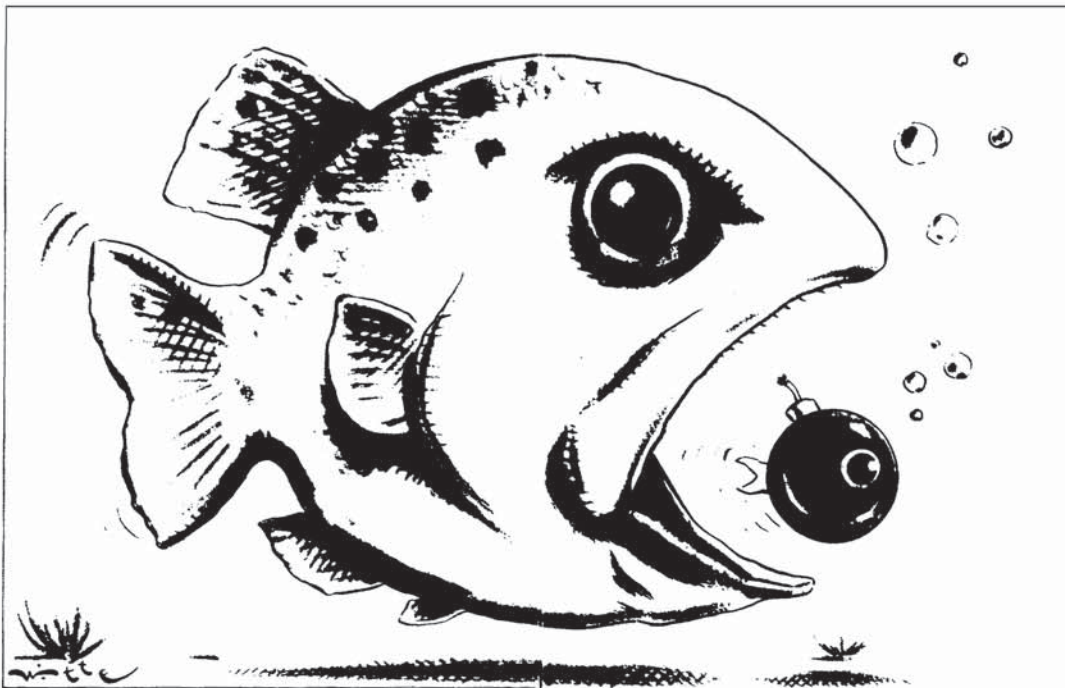
These basic assumptions coexist with task assumptions which may undermine or may reinforce them. For example, dependency may be disruptive when the task requires the group to take charge and to take responsibility, yet it may be useful in cases where blind loyalty is necessary. Fight/flight may be disruptive when tasks require harmony and cooperation, yet

may serve well in highly competitive situations. Pairing may be disruptive when the task requires immediate initiative, yet may be helpful when the task requires inspiration, creativity, and future orientation (e.g., innovation).

From the previous discussion we have demonstrated that core developmental concerns are not limited to individual development. The presence of these themes in fairy tales and myths suggests not only their universality, but also their applicability across levels. Similar themes to those found in individuals and groups may be revealed by interpreting the text of hostile takeovers. Dependency themes, for example, are apparent in media accounts of hostile takeover events both in cartoons, as shown in Figure 2, and in descriptions of "white knights rescuing damsels in distress." Fight/flight themes may be present in cartoons such as that shown in Figure 3, which represents the oil industry attempting to ward off the threats of raiders (e.g., T. Boone Pickens) and in depictions of other defensive maneuvers such as scorched earth and poison pill tactics.

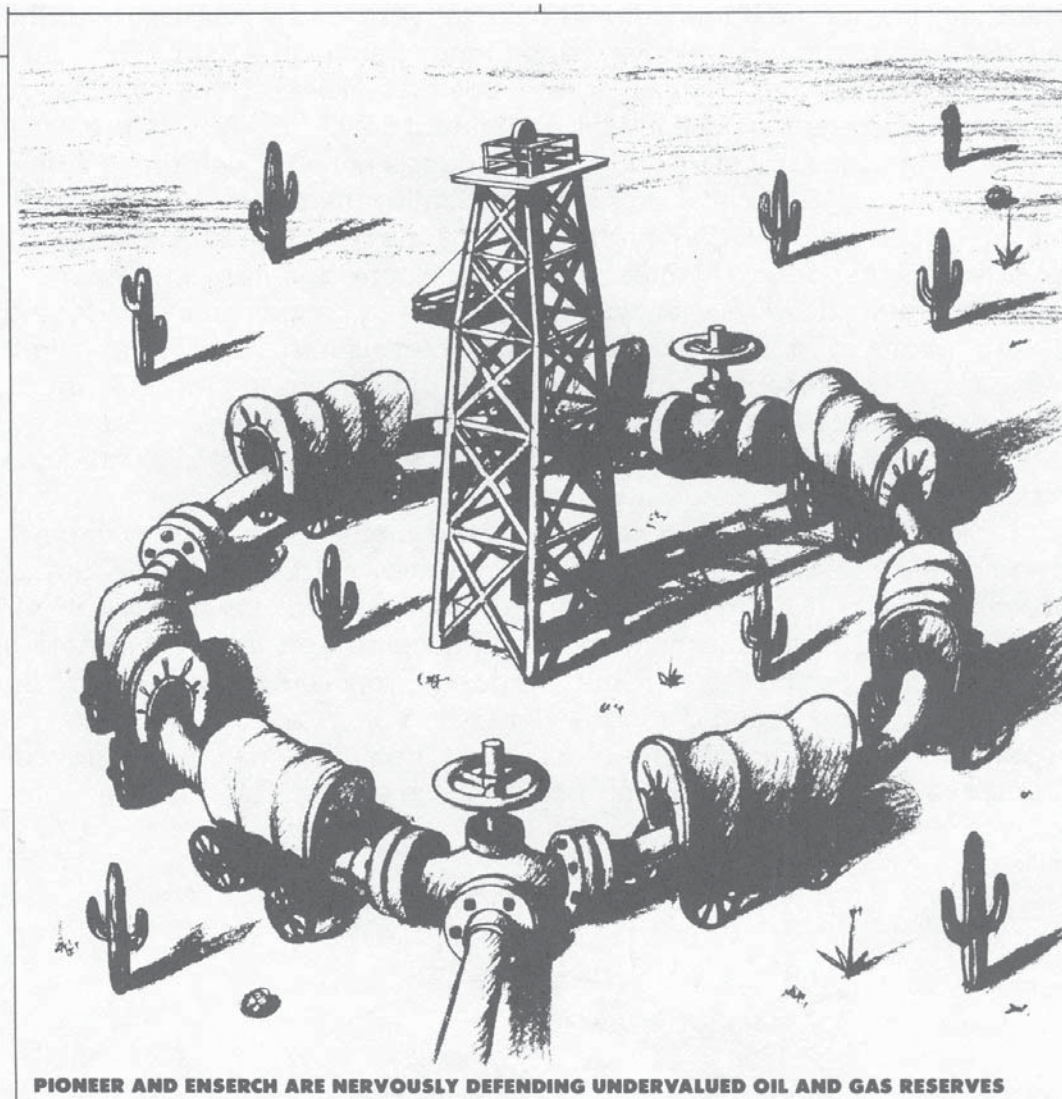
Regardless of the *stated* purpose, these themes may reveal another *raison d'être*. For example, although an argument can be made in behalf of takeover activity from the perspective of improved efficiency through restructuring and rationalization, the underlying reason may be to amass large personal fortunes or to build empires. Proposed synergies may be excuses for accumulating companies or selling off excess pieces. Thus, interpreting the text of hostile takeovers as reported in the media may reveal alternative explanations of the purpose of these events. The narratives pro-

FIGURE 2



M. Witte (1985)

FIGURE 3



Roger Roth (1985)

vide the clues by referring to familiar stories (e.g., fairy tales), which simultaneously express and address developmental and existential anxieties and concerns. These concerns are represented in the themes that serve as the basis for the typology proposed in the next section. For each category the developmental theme is described, and its presence is demonstrated both in fairy tales and in the media reports. The stated and unstated purposes are then discussed.

### **A TYPOLOGY FOR INTERPRETING HOSTILE TAKEOVER TEXTS**

#### **Takeovers for Growth: Bigger is Better**

The primary concern of dependency is to ensure nurturance, that is, food or capital. By obtaining required resources, growth is possible. This

may be expressed as a desire to return to the womb (where nurturance was automatic), or to maintain symbiotic relationships. Drives of oral passivity are expressed as the desire to be engulfed and to be rescued, whereas oral aggressive drives are expressed in the desire to devour and in the fear of being devoured. In fairy tales and myths such as "Little Red Riding Hood," "Hansel and Gretel," and "Jonah and the Whale," the protagonists find themselves out in the world (forest or sea), carrying food (basket or bread crumbs), are eaten, and have to be rescued (by hunter or fisherman). Splitting defenses are expressed in that the self or rescuer is seen as good, whereas the other—wolf, witch, or whale—is seen as evil. These fairy tales and myths permit the expression of these drives and defenses, address the underlying anxieties, and provide the resolution (i.e., reassuring that dependency needs will be met and normal development will continue).

Dependency themes are readily apparent when the media refer to hostile takeover events as firms swallowing or being swallowed, eating or being eaten, and poisoning or being poisoned. Images include: "big fish devouring little fish" (Figure 2) or vice versa, "sharped-toothed little minnows chasing whales and sometimes swallowing them" (Sloan, 1985); "Jaws, sharks, and sharkproofing"; "gobbling"; "cannibalism"; "Pac-man"; and "voracious appetites." Management is portrayed as fat cats. Predators are described as hungry, or puffed up with junkbonds. The rule of the jungle is eat or be eaten. Poison pills may be swallowed to avoid being eaten. Oral aggressiveness is attributed to the raiders' greed or voraciousness. Prey to be devoured are described as dependent, passive, and helpless. The desire for rescue is evident. "White knights" are the nurturers who represent the good whereas "raiders" represent the bad. The following example is a description of the takeover attempt by Bendix of Martin Marietta and the aftermath of the Bendix and Allied merger:

Pacman fever seemed to spread . . . eat your enemies before they eat you. First Bendix tried to gobble up Martin Marietta, which in turn, responded by trying to swallow Bendix. When it looked like Marietta had bitten off more than it could chew, it invited United Technologies, known for its appetite, to help itself to the leftovers. Before United could open its mouth, however, Bendix and Marietta had taken a big chomp out of each other. Which is when Allied Corp. stepped in, only to end up eating Bendix to save it. . . . The Allied chairman now had a rare opportunity to out flank his boss (Harry Grey). (*Time*, 1982b)

Expecting the worst, Bendix had been pleasantly surprised whereas Allied employees getting ready to put Bendix captives into the cauldron were disappointed to be told by their leaders not to eat them. (Magnet, 1984)

According to rational argument, takeovers for growth may be stimulated by available resources, opportunities for expansion, and the need for diversification. Financial entrepreneurs, such as Carl Icahn, supposedly create value by replacing equity with debt or lowering the cost of capital (Salter & Weinhold, 1986). However, at another level, these takeovers may

also reflect dependency needs (i.e., to grow, to be bigger and thus more powerful) and the belief that one gets stronger by getting bigger. This is

psychologically similar to that of a man who seeks to become bigger by becoming fatter. Such a man eats too much because unconsciously he is afraid of being so little. (Levinson, 1970: 140)

Put into corporate language, "They seek growth without asking whether it truly increases the value of their assets" (Hayes, 1982). The growth of the company Saatchi & Saatchi may be an example. In the name of having global brands and serving global markets, Saatchi & Saatchi continued to grow by acquiring advertising agencies until it reached the point of being "overstuffed." Thus, the need for growth stimulates the search for capital or competencies that are felt to be missing (dependency). Rescuers or white knights are sought when resources are threatened by raiders.

### **Takeovers for Control: Lean and Mean**

A key challenge in development is the process of separation and individuation while maintaining nurturance. At this stage of development, the key concern is acquiring control and autonomy. These concerns are expressed as holding on or letting go, doing and undoing, as seen in ritualistic, obsessive-compulsive behavior. Struggles for control, or contests of wills, may characterize interpersonal behavior and reflect the fight/flight assumption. In the story of "The Midas Touch," everything that King Midas touches turns to gold as punishment for his greed ("holding on"), which is manifested in his obsessive touching and counting of money. In contrast, the prodigal son is wasteful and cannot hold on to his fortune. And in another story, Tantalus is condemned to eternity surrounded by wealth that he cannot touch (i.e., cannot control).

In the text of takeovers, top management in the companies targeted for takeover are depicted as "lazy"—allowing waste and spending lavishly on perks, such as hunting lodges or private jets. Current management may also be seen as inadequate or unable to exert adequate control and, thereby, is made subject to public scrutiny and humiliation. The argument is that shareholders are not getting their due. Struggles for control involve the accumulation of shares and pledges culminating in proxy battles or leveraged buyouts. Media discussions of these cases revolve around stock accumulation, asset stripping, and wealth generation. For example, although TWA claimed that "Carl Icahn wanted control of the carrier only to make a killing by selling off its assets. . . . Icahn himself insists that he intends to run the airline" (*Business Week*, 1985d).

Takeovers for control are explicitly intended to improve efficiency or to provide economies of scale, which includes "restructuring" either at the organizational or industry level. The intention in this case is to cut costs, to rationalize, and to impose controls in order to improve performance. Thus, value is thought to be created by renegotiating contracts to reduce cost of

operations through layoffs, plant closings, and staff reductions, in the style of Frank Lorenzo and Continental Airlines (Salter & Weinhold, 1986).

Underlying motives for control may result, however, "in a heedless scramble to control each other, at the possible risk of their mutual destruction" (Salmans, 1982a). The pretender for management feels that he or she can whip a company into shape by getting rid of excess fat, divesting and stripping assets, and selling off pieces. Such a process has been described in the press:

[F]ickle investors now have a new ideology: the parts are worth more than the whole . . . [This approach] enables companies to "slim down" and become more muscular competitors. (*Business Week*, 1985c)

This approach risks creating the "goose and the golden egg" because the profit-generating part of the business may be hard to locate and, perhaps, a function of the whole. Tighter controls may cause strangulation, destroying entrepreneurship, employee motivation, and loyalty (Levinson, 1970).

Thus, takeovers for control are evident in the argument of "lean and mean" management. Fight/flight assumptions are played out in proxy battles as incumbent management try to protect their resources and their boundaries from intrusions of would-be contenders. In this scenario, issues of autonomy and control are expressed, for example, in "greenmail" (wherein high prices are paid to recover control by buying back stocks).

### **Takeovers for Dominance: Empire Building**

In the next developmental stage, efforts are directed at mastering the external environment and developing competence by asserting one's strength and abilities. Fear of retaliation and feelings of guilt serve as defenses against the aggressiveness inherent in taking initiative and competing. At this stage, striving for mastery may be expressed through erecting towers, building empires, or challenging the powers that be. The "Tower of Babel," "Icarus," "Jack and the Beanstalk," and "David and Goliath" all involve scenarios wherein the little person tries to reach heaven or takes on the giant and either wins or loses. The protagonist in Greek tragedy, in taking on the gods, demonstrates the sin of hubris, or pride, and is subsequently duly punished. These scenarios represent identification and competition with the parent of the same sex. Notions of grandiosity and omnipotence are curtailed because the parent is usually more competent, or because societal taboos overrule (S. Freud, 1952/1912-13).

In the rational argument, these takeovers provide value creation by configuring assets and business portfolios in order to achieve economies of scale and scope (Salter & Weinhold, 1986). However, takeovers for dominance may derive from the motivation to master an industry and build empires in order to show strength, ability, and moral superiority. Empire builders such as T. Boone Pickens, Donald Trump, Sir James Goldsmith,

and Ted Turner have attracted much media attention. Their stated motivations may be mundane or lofty. For example, the narratives of *Business Week* (1985b, 1986b: 64–68) portray British raider, Sir James Goldsmith, as follows:

His winnings as a raider bankroll his right-wing crusade. Goldsmith, already in control of France's #1 news weekly, *L'Express*, has a grand scheme to build a media empire across the nation stuffed with editors who share his conservative beliefs. He is said to support setting up a government-backed computer system in which all articles published in the "free world" would be scanned for Communist-style phrasing. He has been sued by [the] German magazine, *Der Spiegel*, for saying that it was a KGB front and had the *Business Week* reporter investigated for Communist links. . . . "In the Goldsmith demonology, the corporations and their allies are almost as evil as the dark forces of the KGB, which the financier believes is after him too."

Takeovers for dominance may be unconsciously fueled by narcissism and/or aggression. In these narratives, the imagery bespeaks war: attacks, scorched earth, hired guns, missiles and bombs, sieges, conquests, rapes and pillage (Figures 3 and 4 show T. Boone Pickens versus the oil patch. The media describe Pickens [as] "a compulsive hunter of Texas game and undervalued corporate shares" [Williams, 1984]). More important in these scenarios are the competition and the thrill of the hunt (e.g., "General Electric is stalking big game again" [*Business Week*, 1987b]).

Thus, takeovers for dominance, or empire building, are driven by the needs to demonstrate competence and to assert potency and superiority. In such cases, themes of competition and power are evident. Fight/flight assumptions refer to entering into the battle or sport in order to win. This is man-to-man [sic] combat. The taken-over company, often depicted as female, may be considered the prize or the trappings, but not an equal partner. For example,

In any event, totally awful companies are rarely taken over. "When you're an ugly girl, no one pays attention to you," says John Norell, President of Phillips Biotech subsidiary. "Then she gets herself in shape and the first thing that happens is, that someone rapes her." As a result companies are sometimes doing perverse things to avoid rape: overpay for an acquisition to look less sexy to potential rapists, load up the balance sheet. (Sloan, 1985)

### **Takeovers for Synergy: Love and Marriage**

The ability to develop intimacy in interpersonal relationships involves interdependency and mutuality. This ability evolves through both rivalry and identification with the same sex parent for the attention of the parent of the opposite sex (Oedipus myth). In a fairy-tale example, Prince Charming rescues Sleeping Beauty from a spell caused by her wicked stepmother; she

FIGURE 4

## T. Boone Pickens Is No Hero



*New York Times*, April 12, 1985.

had been rendered immobile as punishment for being more beautiful than her stepmother. These dynamics are also reflected in stories in which fair maids are rescued from black (k)night, that is, reviving primal scene fantasies. Histrionic or dramatic behavior and sublimation (pouring energy into worthy causes) represent the defenses against these drives which are primarily experienced as sexual. The narrative ends with the "appropriate" couple living happily ever after. In the fairy-tale example, Sleeping Beauty's dormant assets are now awakened by Prince Charming. In the media we find similar language: "A slumberous Disney was a Sleeping Beauty to raider Saul P. Steinberg . . . until rescued by the Bass Brothers" (*Business Week*, 1985b), with Michael Eisner playing Prince Charming.

Takeovers for synergy are ostensibly argued on the grounds that the assets of the two firms when combined and managed together will increase benefits for both sets of shareholders and also hold out the promise of creating something greater than the sum of the parts. In this type of takeover, value is created by recombining businesses such that operating efficiencies and synergies are achieved (Salter & Weinhold, 1986). The partners' combined assets will make them worth more together than apart, and they are expected to "live happily ever after." The marriage is also expected to bear fruit in terms of the future generation. These takeovers may be driven by the "pairing assumption." The Martin Marietta-Bendix takeover attempt is parodied by Safire (1982) in his narrative "The Meddler on the Roof."

Takeover narratives often refer to marriages and weddings, with "brides and grooms" "brought to the altar," after which "they live happily ever after" (e.g., "A surprisingly sexy computer marriage," Uttal, 1986). Speaking of the IBM merger, a Rolm executive said, "'one year later, . . . the newlyweds are billing and cooing'" (*Business Week*, 1985a). Sometime after, however, the IBM-Rolm marriage was reported to be "on the rocks." Although normally based on mutual attraction, these mergers also may be the product of "shotgun marriages" (i.e., hostile), or viewed as rushed, or as marriages of convenience. Consider the following quotations: "Mergers, especially if consummated in the heat of the moment, very often produce morning after regrets" (*Business Week*, 1985c); and "Increasingly, . . . marriages that are made in heaven are rare" (Salmans, 1982a) (as implied in Figure 5).

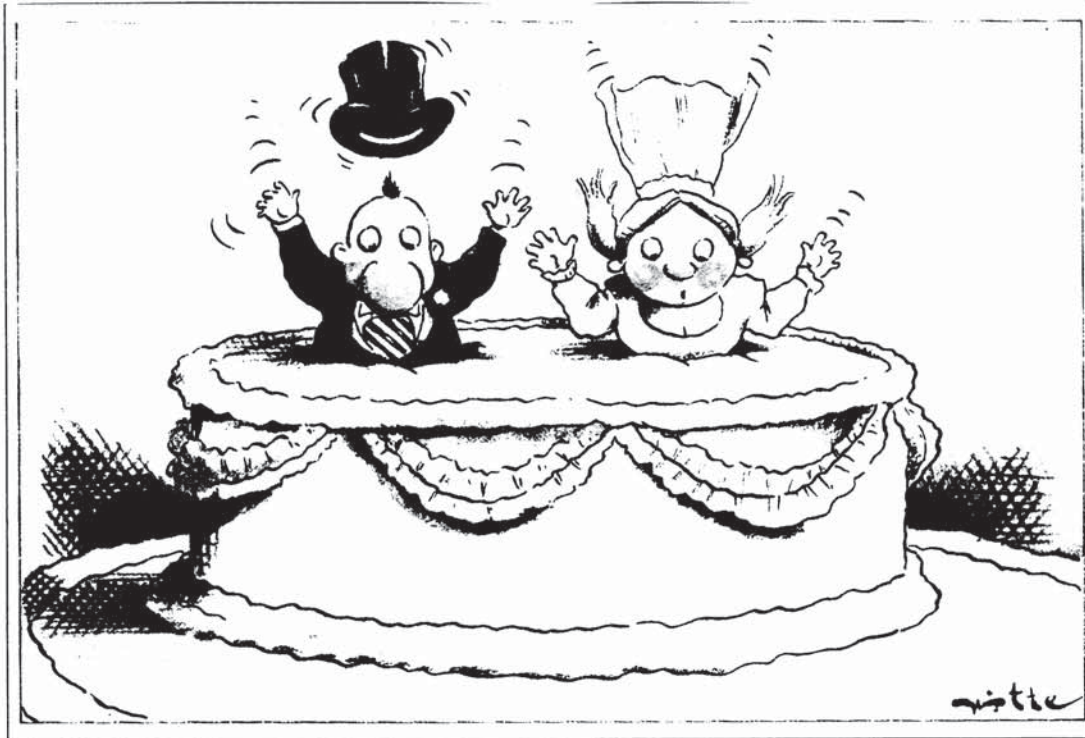
Thus, takeovers for synergy, or marriages made in heaven, are driven by the need for intimacy (i.e., interdependence and mutuality). Synergy is promised in that the combination will yield something greater than the sum of the parts. Ideally, the partnership, or marriage, will not regress to competition and dominance, struggles for control, or symbiotic relatedness. Yet the hoped for synergies seem to appear more and more elusive.

## Discussion

The fairy-tale imagery found in the text of takeover events—white knights, damsels in distress, defenders, poison pills, and scorched earth (see Hirsch & Andrews, 1983, for a glossary of terms)—arouses emotional responses of fears and desires related to the developmental concerns of dependency, control, mastery, and intimacy. This evocative imagery, the sensationalism, and the subsequent public uproar suggest that it is these very issues and concerns that are being stirred up around hostile takeovers and that are being played out on the grand stage, in the media. This is the reason why these events attract as much attention and are described in this type of language: because it stirs and calms these basic developmental anxieties in much the same manner as do fairy tales and myths.

The developmental themes expressed in hostile takeover events, however, do not necessarily reflect the developmental concerns of the organizations or the developmental needs of the key players (e.g., T. Boone

FIGURE 5



M. Witte (1985)

Pickens). The *raison d'être* of these events goes beyond the actors (organizational or individual) and derives, instead, from their interaction. For example, although one company may be in search of partners for intimacy, it may become the victim of rape and pillage.

In this article, the developmental perspective suggests themes that may reveal the "other than rational" or "other than stated" purposes of hostile takeover events. As these themes have been demonstrated at other levels of analysis, discovering their presence in the text of hostile takeovers provides an alternative perspective to understanding interorganizational-level phenomena. Although rational explanations are important and necessary for understanding the reasons for hostile takeovers (Jensen, 1984; Salter & Weinhold, 1986), we argue that the meanings implicit in the narratives suggest that rational explanations alone are not sufficient. These takeover narratives can be used to uncover the "other than rational" explanations that are needed in order to evaluate organizational and social consequences.

The above analyses of the text of hostile takeover events also suggest how meaning can be discovered at multiple levels. Fairy tales portray the interplay of drives and defenses, of fear and desire, and of the forces of good and evil. Personal identity and social reality are thus created as individual developmental concerns are being addressed at the same time as social reality is being reinforced (in the moral of the story). Table 1

**TABLE 1**  
**A Typology for Interpreting Hostile Takeover Texts**

	Motivation for Takeover		Fairy Tales/Myths	Takeover Narratives	Social Concerns
Psychoanalytic Themes					
<u>Individual</u>	<u>Group</u>		Hansel & Gretel	PACMAN	
Dependency	Dependency	<u>Growth</u>	Jonah & the Whale Little Red Riding Hood White Knights	Big Fish/Little Fish Jaws/Shark Watch Gobbling Swallowing Poison Pills	"Good & Evil"
Oral Drives		"Bigger is Better"			
Control		<u>Control</u>	Midas Touch Tantalus Prodigal Son	"Cut the Fat" "Slim Down" Stripping Assets Selling off Pieces Greenmail	"Heroes or Villains"
Holding on/ letting go		"Lean & Mean"			
Mastery		<u>Dominance</u>	Jack & the Beanstalk David & Goliath Tower of Babel	Scorched Earth Raiders Hired Guns Rape & Pillage The Hunt	
Building & erecting		"Empire Building"			
Intimacy		<u>Synergy</u>			
Mutuality	Pairing	"Love & Marriage"	Sleeping Beauty	Marriages Weddings Brides & Grooms Brought to the Altar Sexy Live Happily Ever After	"Business Affairs"

provides a typology for interpreting the text of hostile takeover events based on psychoanalytic themes that are present in the narratives of fairy tales and hostile takeovers; it also suggests some of the underlying social concerns that are discussed in the following section.

### HOSTILE TAKEOVERS AND SOCIETAL CONCERNS

Whereas the analysis of text in the more traditional psychoanalytic approaches to literary criticism can be used in exploring the deeper meaning of these events at the interorganizational level, a cultural studies perspective can assist in considering the broader social consequences of hostile takeover events and reexamining corporate life as it reflects and creates contemporary culture. The search for the meaning of these events at the societal level falls within this framework.

#### The Cultural Studies Perspective

The cultural studies approach builds on literary criticism to address contemporary culture and society through "the study of cultural forms, practices and institutions, and their relation to society and social change" (Hall et al., 1980). Cultural forms (e.g., language, work, community life, and media) are "read" as texts, in order to understand, for example, the life of the working class in industrial society (Hoggart, 1958). However, rather than assuming meaning as a given, *culture* is defined as the process by which meanings are constructed and transformed within a broader social, political, institutional, and historical context (Williams, 1965).

The representation of ideologies and how they are lived have been examined in this light (e.g., Foucault's studies of punishment [1977] and sexuality [1978]). But in a break from the economic and institutional determinism underlying the traditional Marxist approach, *ideology* is defined in the cultural studies approach as a set of rules that organize images and concepts, as a system of coding reality, and as a program of semantic rules that generates messages that define the social problematics, that is, what can be said and what cannot be said (Althusser, 1971). Thus, culture is a meaning-creation process, and language is the production of meaning within an ideological frame. In other words, the notion that meaning is not inherent but is constituted by language, narrative, and discourse is at the heart of the cultural studies approach (Hall, 1984).

Adherents of the cultural studies approach also draw from psychoanalytic traditions in order to examine how individual identity, or self, is socially constructed through the acquisition of language (Ellis, 1980; Weedon et al., 1980). Within the Freudian perspective, the "entry into the symbolic" is accomplished by a universal set of psychic mechanisms, such as *metaphors* that permit the expression of drives and impulses through condensation and displacement and *repression* that represents the internalization of social control of drives and impulses. In the Lacanian perspective, the mastery of language, which contains social injunctions, represents the mastery of impulses. However, as desire is never satisfied, language represents

the never-ending attempt to control. In more traditional developmental psychoanalytic accounts, the child differentiates self from other while realizing (through language) the social constraints. The self in Lacanian theory is more precarious; by entering into language the self is constantly being constructed. Both Freud and Lacan focused on the Oedipal phase as the moment in which language is mastered and identity is formed. As the father becomes symbolic of power and control ("le nom du pere"), control of satisfaction of desire is rooted in "possession of the phallus" (Lacan, 1977). In this way, symbolic order and language are considered to be gendered.

According to Fiske (1987: 60), "[T]he imaginary, the subconscious, pleasure, and desire are all cultural constructs, or at least culturally inflicted, and are not unchanging and unchangeable aspects of human nature." Cultural forms such as the media allow desire to be expressed while at the same time provide the images to help resolve identity and other social concerns. The media plays out the dialectic between desire and control, keeping anxieties alive while providing the vehicle to contain them, thus creating and recreating the social problematic.

In media studies, ideology represents the "return of the repressed" (Hall, 1984), and media products are considered to be cult objects, or "catalyzers of collective memories" (Eco, 1986). Thus, the audience by actively reading the media texts and weaving these texts with other discourses (intertextuality) recreates social reality and reestablishes the moral order. The narratives of hostile takeover texts developed by journalists reflect the "reality" of the pattern of observed events, but do so within a particular social context and ideological frame. Furthermore, the narrative and reality interact as the audience and the players become entangled in the identification with the dynamics being played out, and in this process, the social order is reconstructed (i.e., to be reaffirmed or challenged).

### **Social Issues**

In this section, we create three scenarios to demonstrate the social issues embedded in the narratives of hostile takeover events. These scenarios demonstrate how the language and imagery of fairy tales and media reports may be interpreted to reveal implicit psychoanalytic themes and, by becoming moral parables, highlight broader issues in contemporary society. Each scenario provides examples of how the media uses language, although some poetic license is taken in their development. In fact, by following these events as reported in the media, readers are readily able to identify story themes and create their own narratives. The following scenario was constructed in that manner.

### **The Forces of Good and Evil**

The story: The Glitter of Wall Street—the Land of OZ

The wizard of OZ, the little man pulling strings behind the curtain, gets sniffed out and caught by the pant leg by Toto, a

tenacious little dog. Toto was protecting his mistress Dorothy, representing good and innocence, who only wants to have reasonable returns (return home) and to help unfortunate others stumbled upon in her odyssey. During her journey to OZ, she kills the Wicked Witch of the West (unintentionally, of course). She is aided, naturally, by the Good Witch of the East.

The unfortunate others are missing something: the Tinman—a heart; the Strawman—a brain; and the Lion—courage. The quest for their missing parts fuels their mission toward OZ as they hope and worry whether the Wizard, a fear-inspiring character, will be benevolent and restore the missing parts or will dismantle them and use them for spare parts, mattress stuffing, and so on (i.e., sell off their assets). The mean, malevolent Wizard is, however, stripped by Toto of his fancy trappings, rendered into a snivelling creature, not at all someone to be afraid of. Evil is destroyed or rendered harmless while goodness saves the day and is rewarded. Everyone gets what they need/want, and they all live happily ever after.

The stage set: Oz (Wall Street) consists of the financial community, investment houses, and Harry's Bar.

The cast:

The Wizard, played by Ivan Boesky, a man with questionable credentials and motives, is rendered powerless and punished. Dorothy, played by "society," the American economy, and the stockholders, representing "Good and Innocence," gets her returns.

Toto, played by the U.S. Postal Inspection Service, "the little known agency that has become a key player in the insider-trading scandal" (*Business Week*, 1987), sniffs out and catches evil.

The Strawman and those with him, played by many companies in need of missing parts, get the right fit.

In this narrative, the underlying dynamics involve concerns for dependency, being taken care of, and trust. Dorothy, bored in Kansas and wanting to see the "real world," is dealing with the conflicting needs of dependency and separation and individuation. She finds herself in a strange place and wants to go home. In her search for returns, she is joined by others who are also missing something. Together, they take on good and evil in the form of the good/wicked witches.

They search for an "all powerful" leader, as in the basic assumption theme of dependency (i.e., the Wizard who can provide safe passage back to Kansas as well as the missing parts). He is frightening, and it is not certain whether he will help or harm them. He is unmasked as an incompetent (omnipotence to impotence) by the little dog, Toto. Dorothy and the others learn that they have the competence within themselves to find what they are

looking for, thus reenacting "the Quest" for separation and individuation, and eventual mastery.

According to an article by Steinfels (1991), Dorothy's adventure represents religious themes that are deeply embedded in American culture: It is a secular version of creation, the fall from grace, and the return to paradise. At the individual level, Dorothy enacts the rites of passage, "gaining the maturity to recognize the value of her home and take her place there." But her travels also represent the national search for identity (i.e., for America's destiny as a nation). Founded as a "Promised Land," America had fallen into political and commercial corruption. Emerald City (a modern technological metropolis) is renounced and Kansas (traditional America) is reaffirmed. In another media account, "One person compared the removal of his [Boesky] office machines as a scene from 'The Wizard of Oz.' A curtain is pulled back and the 'great and powerful Oz' is exposed as a two-bit carnival promoter" (*International Herald Tribune*, 1987: 18).

Taken as a parable for the unfolding events on Wall Street, these same issues can be addressed. American business is depicted as innocent, if not a bit naive, and in searching for bigger horizons may have bitten off more than it could chew. Also, given a comfortable economic environment, management could afford to be complacent. However, as competition increased in the deregulatory environment, there were greater demands for control and mastery. Fears of being helpless, of being unable to manage the task at hand, of being dependent on a more powerful other who may be more or less benevolent, and the desire for rescue by white knights (or government agents) are all clearly depicted.

### **Heroes or Villains?**

The heroes/villains of the takeover drama include T. Boone Pickens, Carl Icahn, Sir James Goldsmith, Frank Lorenzo, and even women ("The lady is a raider") and children (son of Boone). Do they represent good or evil? What are their "true" motives? Are they like Robin Hood, protecting the poor stockholders from entrenched incompetent management and saving the American economy by restructuring industry? Or are they simply "financial opportunists," looking for a quick buck, motivated by greed and self-aggrandizement?

Take T. Boone Pickens, for example (amply portrayed in Figure 3), who has been very vocal in defending his cause—an attack on lazy, incompetent management (Pickens, 1986, 1987a,b). The media discussion follows:

While he cherishes his grandmother's values of "hard work, thrift, and forthrightness," his Aunt Ethel said that his "imagination would get him into mischief." "He always has to be in control," according to a Mesa former executive. He apparently began his campaign when he realized that the big boys just weren't that smart and that he could outsmart them. "I decided

that we could outthink, outwork, and outfox the big boys, and that would beat all the money in the world." (Nulty, 1983)

King of the corporate raiders, baiter and scourge of oil industry management, is on the road. He is preaching ever more fervently a hell-fire-and-brimstone gospel of corporate rebirth and efficiency out of a crucible of hostile takeovers. "I am the champion of the small stockholder," declares T. Boone Pickens, Jr. with messianic conviction, "many American companies are heavily undervalued and I blame their management entirely." (*Business Week*, 1985b)

At the individual level of analysis, proponents of a psychoanalytic approach would search for the character structure that would explain "what drives these guys" (Kets de Vries & Miller, 1984). Do their voracious and rapacious behaviors derive from raw oral aggressive strivings? Does their accumulation of stocks, their amassing and losing huge amounts of money, reveal developmental concerns regarding control? Does their empire building, or their need for the thrill of the hunt, reflect concerns about mastery? Or are they looking for attractive capable partners with strengths to complement their own, in order to create synergy, a better world/economy and, thus, live happily ever after? If such underlying motivations are considered, what types of targets are they likely to pursue, and what patterns of behavior might be expected as a result?

But to go beyond the individual level of analysis, it is important to understand the extent to which their actions are constrained/facilitated by the nature of the organizations or industries within which they find themselves operating. To what extent are they instruments of industrial or social forces? Pickens, for example, after becoming involved in a Japanese takeover attempt, has become a spokesman for American trade policy with Japan (Fuchs & Russell, 1991).

The media portrays these characters in a curiously divided fashion, reflecting perhaps a paradox of American values. Are they heroes or villains?

"Boone Pickens can get management to stand on its head. He's my hero." (Arthur Laffer, economist, as quoted in *Business Week*, 1985b)

"Pickens is not my kind of hero." (Stein, 1985)

[The] predators as champions of shareholders pose is self-serving and ridiculous. . . . The idea that most raiders are out to maximize value for anyone other than themselves is ludicrous. (Sloan, 1985)

On the one hand, these discussions perpetuate the myth of Horatio Alger as hero (i.e., ego ideal). In the land of immigrants, this myth reinforces the belief that although people start with nothing, they can, through hard work, persistence, and aggressiveness, achieve great wealth. This myth

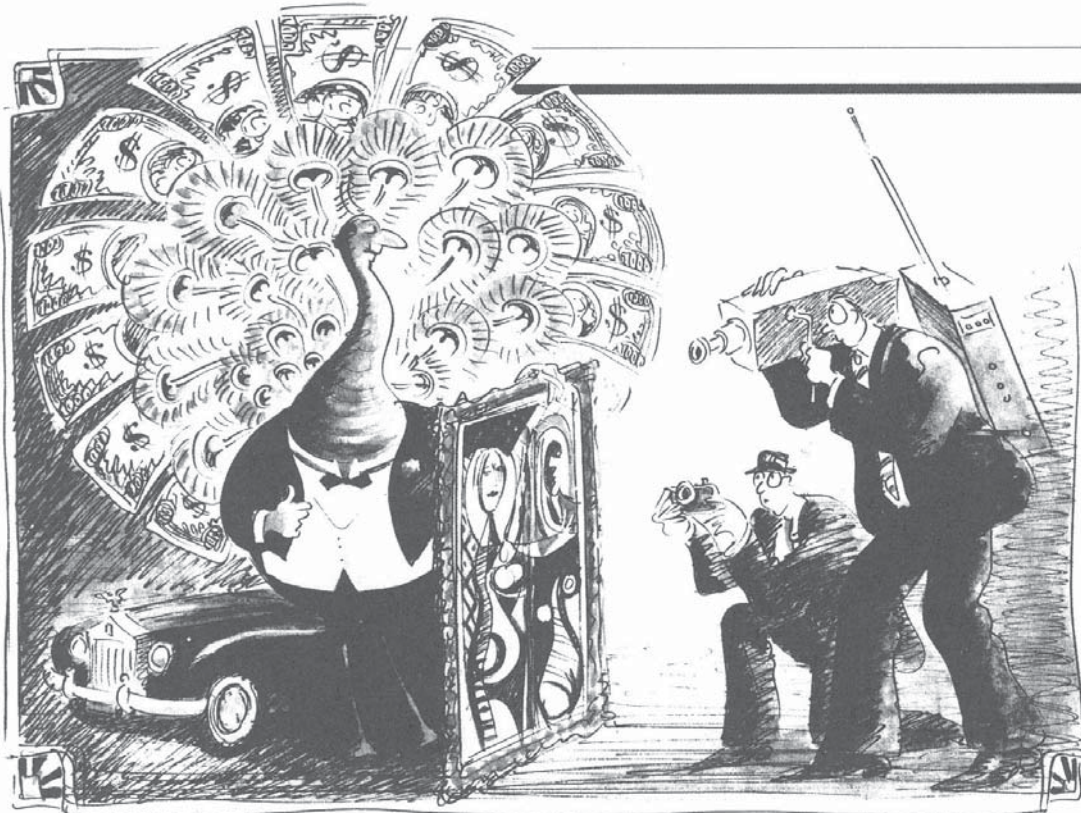
promises reward in the "here and now" (as opposed to the "forever after") to those who keep trying. Such characters have been portrayed surrounded by luxurious homes, vast ranches, priceless art, and pictures of their families (Magnet, 1987). Enveloped in their precious trappings (as shown in Figure 6), they have become the new idols (Stein, 1985), writing self-congratulatory books that others read and vicariously live. They represent values of individualism, wealth and wealth creation, the superficial, and the flashy. There is a certain flirtation with amorality, if not immorality in these stories. They commit the sin of hubris and the challenge to the gods, which provokes the inevitable (at least in Greek tragedy) fall from grace.

Ivan Boesky, for example, was depicted as "a man who made a career of tempting fate" and as having the tragic flaw of greed and a lack of humility in seeking publicity.

He bedecked himself, a little too flashily, with the trappings of wealth and power . . . [Yet] . . . he may have realized that he was flying too high. He seemed to have had a "death wish." "Ivan was playing Russian roulette." (*Business Week*, 1986c)

Like Icarus, Boesky fell from the sky. The audience, once enthralled with

**FIGURE 6**



Sorel (1987)

him, is now satisfied that balance has been reestablished, greed has been punished, the gods have reasserted their position over humans, and the superego has regained control over the id.

### **Business Affairs**

The story of Bill Agee and Mary Cunningham of Bendix Corporation reflects the current state of business affairs. The young and attractive Mary Cunningham (Harvard MBA and vice president of strategic planning) and her boss, Bill Agee (CEO of Bendix), worked together to develop and implement company acquisition strategy (pairing) and were rumored to be having an affair.

Following a failed attempt to take over Martin Marietta, Bill Agee resigns from Bendix, divorces his wife, and indeed marries Mary Cunningham. According to the press, Agee had embarrassed the business community first with his rumored affair and then with his marriage to Mary Cunningham. An RCA executive is quoted:

He has not demonstrated the ability to manage his own affairs, let alone someone else's. . . . "No one wants to be taken over by Agee. He made a fool of himself with Mary Cunningham. Other corporate managers don't respect him." (*Time*, 1982a)

In this particular narrative, Bill Agee of Bendix Corporation is humiliated in his attempt to take over Martin Marietta. Rather than represent a "pairing" dynamic in which he and his chief strategist, Mary Cunningham, are able to create value through a successful acquisition, Bill Agee is held suspect. During negotiations, when he showed up with her, the following comments were made: "What the hell is she doing here?" "Is this any way to run a company?" (*Time*, 1982b). Agee clearly upsets the rules of the game: Boys only! No girls allowed. The name of the game is building towers, not creating synergies.

### **Discussion**

Interpreting the themes in these scenarios, and in the media reports of hostile takeovers, can help to explain important social issues embedded in this discourse. Good and evil, heroes and villains, and business affairs are being played out not only in the interorganizational debates, but also on a grand stage for a public audience. These scenarios, if taken as moral parables, reflect the search for the meaning of these events in today's society. A cultural studies perspective can be used to discover that meaning and to appreciate the role of the media in constructing and reconstructing the "self" and social reality. It can also be used to address issues of power and status (e.g., in gender, race, religion, and class differences) and the role of the media in perpetuating or challenging the social order.

For example, corporate America clearly reflects a white, Anglo-Saxon,

Protestant, and male culture. A "gendered" reading of these texts would first question the phallogocentric nature of business affairs and then would raise doubts that the outcomes could be motivated by mutuality instead of dominance. In the myth of "Good and Evil," innocence is portrayed as female, whereas control is in male hands. In the "Wizard of Oz," those accompanying Dorothy are all missing something (castrated men). The wizard is in fact "caught with his pants down," disrobed, and unveiled. T. Boone Pickens, in contrast, clearly has control (having possession of the phallus, as shown in Figure 4). Dorothy can now return home to mother—a case of failed individuation? or as is appropriate for girls to go back home and stay out of business? Women are clearly unwelcomed in business affairs. Business affairs are in the male domain. And men, beware! Any association with women as other than possessions or prizes elicits humiliation. Male dominance, instead of mutuality, is continually reasserted.

Another reading might highlight class differences and raise issues about wealth distribution. Descriptions of unimaginable wealth are often part of the takeover narratives. The 1980s have been described as the decade of greed; yuppies and materialism were dominant to the culture. The excesses of the rich and powerful were portrayed on television in the programs "Dynasty," "Dallas," and "Falcon Crest." In the book, *Liar's Poker* (Lewis, 1989), these excesses are ridiculed by an English literature major from Princeton—trained (by his own admission) to do nothing (i.e., the humanities versus finance). The book/movie *Bonfire of the Vanities* (Wolfe, 1987) highlights the social tensions between the "haves" and the "have nots" as Sutton Place meets the South Bronx. In this case, the "masters of the universe" are shown to be giants with clay feet. Perhaps the tide is turning as social consciousness reawakens. Perhaps the Millikens, the Boeskys, and the Saunders (who, although white and male, are not Anglo-Saxon Protestants) are getting their just rewards, as are all of those being laid off on Wall Street.

The narratives may also indicate warnings or signs of social change. That hostile takeover events became public in the 1980s perhaps reflects the *subjective moment* (Kristeva, 1974) when our taken-for-granted assumptions surface and are confronted by social reality, and we are forced to question and challenge that social reality. But confronting social reality can have explosive consequences. For example, the Challenger disaster has been attributed to the commercialization of space and the move away from technological values. Myths about equality and equal opportunity sent men and women, teachers and astronauts, blacks and whites together into space (Schwartz, 1990). The myths blew up: the American dream, the frontier spirit, the conquering of space, and the drive to beat the Russians. These myths were confronted with organizational realities of power and authority and the irrationality of decision making. It is perhaps at these moments—when confronted with the "gigantic spectacle of the modern world [wherein we] couldn't find a warm and secure set of moral positions" (Hall, 1984)—

that core cultural values and assumptions are questioned, and the media texts become moral discourses.

The role of media in this process is critical because journalists' narratives contain more or less hidden moral rhetoric (Lee & Ungar, 1989). Because events must become stories before they can be communicated (Carey, 1985), attention must be paid to both language and linguistic devices, such as metaphor, in order to understand how form constructs meaning. It is important to ask why certain events are handled in certain forms (e.g., cartoons) because these forms have a function that is much larger than just entertainment. For example, if the narrative is constructed as a children's story, it will most likely wind up with a good ending (Hall, 1984: 15). Given the fairy-tale-like narratives of hostile takeover events, are we expected to believe that they all lived happily ever after?

## CONCLUSIONS

The study of contemporary culture and of culture as meaning creation through language challenges traditional approaches to organizational theory and research. Narratives, myths, metaphors, and other linguistic devices (e.g., cartoons) are often difficult to analyze via traditional methods and evaluation criteria used in organizational research and other disciplines embedded in positivist traditions. Content analysis coupled with discourse analysis may provide a useful methodology for pursuing the cultural studies approach (Carey, 1985; Moch & Fields, 1985).

Interpreting media narratives through psychoanalytic approaches may prove useful in predicting and anticipating the reactions of firms that are either planning a takeover or being targeted for one. If taken as scripts, the fairy-tale allusions may serve to indicate a sequence of events and their potential outcomes. Moreover, because myths and metaphors may guide strategy (Boje, Fedor, & Rowland, 1982; Dunbar, Dutton, & Torbert, 1982; Meyer, 1982; Sapienza, 1985) and legitimate organizational actions (Lee & Ungar, 1989; Pondy, 1983), it is important to assess to what extent these actions are guided by metaphoric framing rather than, or in addition to, rational analysis (Jelinek, Smircich, & Hirsch, 1983; Smith & Simmons, 1983).

Hostile takeovers are interorganizational events that have meaning at multiple levels of analysis. For example, they threaten organizational boundaries, autonomy, and control; they challenge existing forms of ownership; they question the usual notions of market mechanisms for corporate control (Walsh & Seward, 1986); and they disrupt individual careers by calling into question professional competence and job security. As the psychological contract between organizations and employees (i.e., security in exchange for loyalty) is being reevaluated (Hirsch, 1987), so are the sacred myths of free market, humanistic philosophies, and social responsibility.

The debates over the constructive or destructive consequences of hos-

tile takeovers challenge some basic assumptions regarding for whom and for what purpose corporations exist: to generate stockholder wealth? to provide products and services? or to provide jobs and community development? The value of these events is still being questioned, and, even in rational economic argument (Lubatkin, 1988; Salter & Weinhold, 1986), is far from resolved.

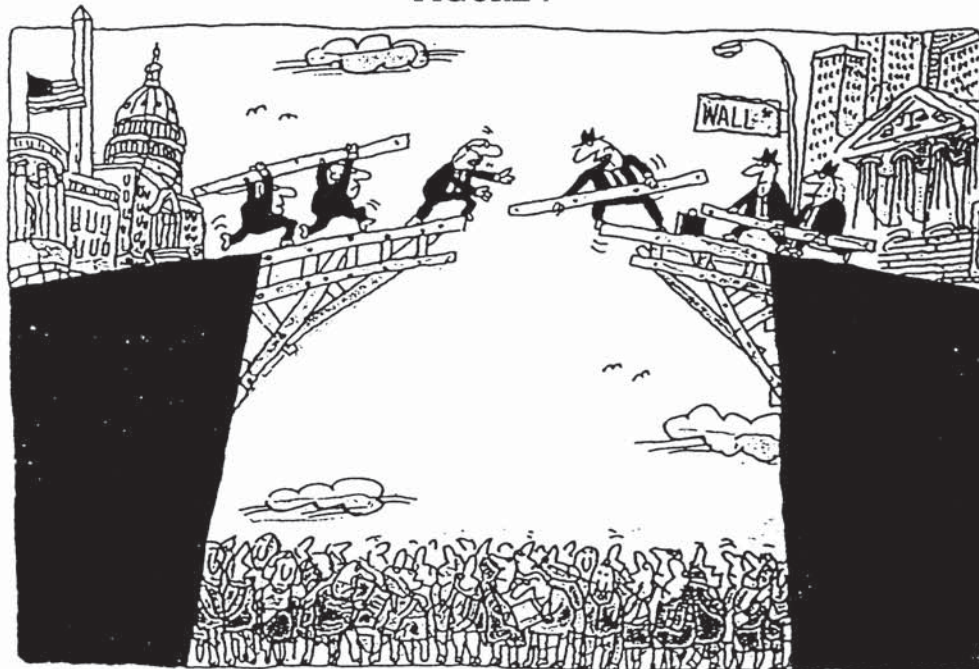
U.S. banks are starting to view mergers as the panacea for their ills. But experience indicates that mergers are very rarely successful: They usually end in depressed earnings and falling share prices. (*Euromoney*, 1991)

Hostile takeover events occur within the frame of contemporary culture. Embedded within the microcosm of Wall Street, the narratives of hostile takeovers created by the media reflect the cultural heroes and values of our society (Abolofia, 1989). The sensational reporting of the takeover events may, however, signal the surfacing and confronting of our underlying societal values and accepted myths. These narratives may thus threaten the social order by challenging core cultural values and assumptions. The role of the media in creating, perpetuating, or challenging the myths of Wall Street needs to be examined, as these myths may be vehicles for repression (i.e., instruments of denial and self-deception) (Schwartz, 1985).

Business journalists, in providing these scripts, play a role similar to that of a Greek chorus by addressing central societal concerns and issues for the audience to reconsider and reevaluate. The media provides the vehicle (the script and the stage). As the chosen genre (comedy, irony, tragedy, or melodrama) incites different public reactions and actions (Wagner-Pacifci, 1986), the sensational reporting of takeover events can be understood as mythology in the making. As takeover events unfold, heroes and villains appear to represent the forces of good and evil, and their tragic flaws cause falls from grace. Perhaps the excesses of the 1980s have led to this focus on business ethics in the 1990s.

Scholars of traditional psychoanalytic theory have long studied the interplay and struggle of warring forces. Perhaps the resolution or outcome of hostile takeover events can be considered "psychotic" if determined by impulses and drives (e.g., greed), "neurotic" if determined by defenses (e.g., government regulation), or "normal" if there is a rational balance of drives and defenses (e.g., benefits stakeholders, free market ideology, and society) (see Figure 7). The business community could benefit from more self-analysis and self-awareness. By using a psychoanalytic approach within a cultural studies perspective to interpret the text of hostile takeover events, organizational scholars may be better able to assess the value that these events have for the individuals, the organizations, and the society involved. Is it wishful thinking that "the financial raiders will either disappear or metamorphose into conventional businessmen" (Sloan, 1985), and that we will all live happily ever after?

FIGURE 7



NICOLAE ASCIU

New York Times Magazine, March 21, 1988.

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