

STRUCTURE FROM CHAOS: INSTITUTIONAL RESOURCES AND RECOMBINATION IN THE CREATION OF LIBYAN CIVIL SOCIETY

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ABSTRACT

We explore the resources, actors and processes involved in the emergence of civil society in Libya after the fall of a dictator regime. We conceptualize this context as one of *institutional chaos*, where political oppression suppressed civil society institutions, and the revolution then created an upheaval, a moment of instability and unpredictability.

INTRODUCTION

Unlike other Arab spring countries, independent press and civil society groups did not exist in Libya. Under the forty-two year rule of Libyan leader Muammar Gaddafi, all institutions were government controlled, including all media, and non-government organizations. Civil society institutions were completely and violently suppressed. Gaddafi saw civil society as “a bourgeois culture and an imitation of the West that has no place here [in Libya]”. But as the events of the revolution were unfolding, individuals, inside and outside Libya, were forming organizations, media channels, and setting up quasi-governments to deal with the crisis at hand. The first impromptu civil organizations had begun to appear, paving the way for the emergence of civil society.

These unprecedented events provide a unique opportunity for research on the processes and work involved in institutional field creation. The context represents an extreme case of the radical emergence of an institutional field. A significant, and growing stream of research focuses on how actors create, maintain, and disrupt institutions (Lawrence & Suddaby, 2006; Lawrence, Suddaby, & Leca, 2011; Mair, Marti, & Ventresca, 2012; Rojas, 2010; Vaccaro & Palazzo, 2015; Zietsma & Lawrence, 2010), however, less is known about the work involved in field emergence (David et al., 2013). Consequently, significant questions regarding the origin and evolution of institutions are left partially unaddressed. In particular, little work examines what types of resources are needed for institutional actors to do their work before a field exists, and how they develop, gain access to and deploy these resources.

Additionally, research is relatively silent about how this work differs in various contexts (Lawrence & Suddaby, 2006; Maguire, Hardy, & Lawrence, 2004) Pacheco, York, Dean, & Sarasvathy, 2010). A review of the research by Pacheco, York, Dean, and Sarasvathy (2010) suggests that there needs to be an expansion of the types of institutions that are typically studied and the evolution of these institutions.

We explore the role of various actors and resources required in navigating periods of institutional upheaval following extreme suppression.

THEORETICAL BACKGROUND

Institutional Field Emergence

Research that has explored the emergence of markets in the rural regions of least developed countries has identified bricolage and recombination of resources from other fields as a particularly important component of the institutional work required (Khoury & Prasad, 2015; Mair & Marti, 2009; McKague, Zietsma, & Oliver, 2016). Although previous studies have provided explanations of how new fields are established, they do not provide a complete understanding of how fields actually form (Levy & Scully, 2007; van Bommel & Spicer, 2011). Organizations typically existed before field emergence. Therefore, the focus is on the institutionalization of a field through the actions of the pre-existing organizations (Phillips, Lawrence, & Hardy, 2000; Lawrence, Hardy, & Phillips, 2002; Dorado, 2013), and not the birth of a new field prior to the existence of field actors and institutional resources. This brand new context creates “unstructured settings with extreme ambiguity... ambiguity arises from unknown cause-effect relations and lack of recurrent, institutionalized patterns of relations and actions” (Santos & Eisenhardt, 2009: 644). Because of the political oppression that suppressed any form of civil society and the institutional upheaval during the Libyan civil war, the present context is a unique moment in time to study the emergence of a field from time zero—a time of institutional chaos.

Institutional Oppression and Chaos

Fligstein (2001) argued that external environmental shocks give rise to significant institutional opportunities for field creation. We argue that at times, these environmental shocks can give rise to a situation of *institutional chaos*—when the social fabrics of an institutional field come apart. Through a period of crisis, existing norms and institutional structures are destroyed giving rise to a space for the creation of new institutions and ultimately, new fields.

Institutional chaos is distinct from an institutional void (Mair & Marti, 2009; Mair et al., 2012) or institutional upheaval (Roth & Kostova, 2003). In a void, institutional structures are weak/absent and not supportive of the entrepreneurial project and void of the institutional building blocks required for particular fields to function (Mair & Marti, 2009; Mair, Marti & Ventresca, 2012; McKague et al., 2016). Yet contexts of institutional voids are often stable and consistent (Khoury & Prasad, 2015). While institutional chaos often emerges when there has been a void and is therefore also marked by a lack of resources for the creation of new structures, it contrasts with a void in being extremely unstable and unpredictable. Institutional upheaval, on the other hand, is associated with the complexity of transitioning economies (Roth & Kostova, 2003). Upheaval is institutional change that “requires ‘movement from one “template-in-use” for organizing to another...’ however, the institutional context ‘no longer provides organizing templates, models for action and known sources of legitimacy’ (Newman, 2000: 605)” (Roth & Kostova, 2003: 314). In an institutional upheaval, the institutional field is highly unstable and the trajectory unpredictable, but there were previously functioning institutions in place that provide the resources for the institutional transformation taking place (Hitt, Ahlstrom, Dacin, Levitas, & Svobodina, 2004). Institutional chaos is similarly unstable, but does not contain the resources from a previously functioning system.

Each of these environments presents distinct challenges for the work of institutional actors. It has been found that actors facing institutional voids will engage in the institutional work of bricolage in order to gather resources and legitimize the newly created institutional structures (Mair et al., 2012). In contexts of institutional upheaval, actors have been found to maintain and leverage relational networks to build stability (Danis, Chiaburu, & Lyles, 2010) and reverse previous cognitive understandings (Roth & Kostova, 2003). Given the lack of resources *and* instability in contexts of institutional chaos, we expect that both bricolage and relational networks would be beneficial for creating new institutions. However, navigating and coordinating these efforts will be particularly challenging, and research has yet to explore the resources and processes required for the emergence of a field in the context of such chaos. Additionally, research in the area of institutional field emergence tends to focus on the role of institutional entrepreneurs in the process (David, Sine, & Haveman, 2013; Maguire, Hardy & Lawrence, 2004; Powell, White, Koput & Owen-Smith, 2005). This research primarily focuses on elaborating the characteristics of, and the conditions that, produce these actors. It is relatively silent about how they differ in various contexts (Lawrence & Suddaby, 2006; Maguire et al., 2004; Pacheco, York, Dean, & Sarasvathy, 2010). Thus, researchers have called for more empirical research into the relationship between field position and institutional entrepreneurship (Battilana, 2006; Greenwood & Suddaby, 2006; Wright & Zammuto, 2013).

This paper begins to fill these gaps and heeds the call for “research on the different processes, antecedents, and micro and macro structures that generate collective action through which institutions are created and the causal mechanisms behind them” (Hargrave & Van de Ven, 2006, p. 866) by focusing on a context of institutional chaos.

METHODS

We used a grounded theory approach (Strauss & Corbin, 1998) for this study. The ultimate goal of this type of approach is to organize and communicate the data through categories, typologies, or ultimately, new theory. This is appropriate as it allowed us to take note of existent themes and acknowledge recent developments in the field but also remain in close contact with the empirical phenomena.

DATA COLLECTION AND ANALYSIS

The first author collected data using semi-structured interviews, participant observation, social media and archival data over a 2-year period. Data collection took place in three subsequent phases. In the first stage (from March 2011 to June 2012) data collection mostly consisted of archival data that helped build understanding of the historical context. During the war, the first author participated in organizations and ad-hoc groups dealing with the crisis in Libya. In the second stage (July 2012-August 2013) the first author visited Libya three times for data collection through interviews, observations and retrieving additional documents. Over 42 semi-structured interviews were conducted with 57 informants with participants who were involved in highly visible civil organizations or were highly visible and active in the emerging field. Members of grassroots organizations and citizens not involved in civil society were also interviewed to understand their perceptions on what was happening. Detailed field notes were taken during all interviews where permission for recording was not granted. In the final phase, the first author followed up with key informants to check on progress, new updates regarding

their organization and the field in general. This also provided an opportunity to check with those considered experts in the field on the emerging framework and to follow up with questions that had emerged working through the analysis.

Data analysis followed the procedures recommended by Miles and Huberman (1994). A three stage inductive and iterative process was used to analyse the data. In the first stage, data was coded to identify emergent themes and constructs. A set of *a priori* codes was first developed from the review of the literature focusing on the type of actors involved in the field, their actions, outcomes of their actions, and their perceptions of the events that were happening. In the second stage, we integrated first order codes by extrapolating common elements from the first stage. At this point we also sectioned the data based on phases of data collection. The field notes pointed to a process that was emerging and therefore the data was organized in a way to identify emergent themes that had a temporal aspect. Finally, in the third stage of analysis, we revisited all the codes and searched for how they were linked. At this point we focussed on specific dynamics that were emerging, but also paid attention to whether these aggregate dimensions were happening across the three time periods. At this stage, emergent constructs were grouped into what was considered to be the five key elements of the process framework: antecedents, actors, triggers, actions, and finally, outcomes.

FINDINGS

We present a brief account of the dynamics that emerged from the data collection below.

Institutional Emergence From Chaos

Institutional Suppression. During the Gaddafi era, organizations that touched upon areas of civil society including politics, human rights, activism, and unions were banned. The consequences of starting or belonging to collective groups in this third sector were serious. In the early eighties, the Gaddafi regime created a fear campaign where anyone known to be participating in political dissent was publicly executed, sending a clear message to Libyans, inside and outside Libya, that the government was serious about those going against their rule. Civil society did not exist in Libya because it was illegal, and the consequences of any sort of civil action outside of the regime had serious, and many times deadly, consequences. With the dismantling of the Gaddafi regime, previous suppression of civil society institutions gave rise to a space for the creation of new civil society organizations and ultimately a new field.

Institutional Chaos. At the start of the revolution, grassroots organizations were developing in Libya. These organizations were not much more than a group of individuals with shared interests for a cause, working under a name and logo. Charity based groups and organizations focusing on media and outreach were the first to be created.

While these organizations were developing inside of Libya. Groups of people were also coming together to form organizations outside of Libya. The Libyan diaspora, once fragmented and quiet, had started to form organizations to deal with the crisis. Although the first impromptu civil society based organizations were starting to form; norms, values, and formal institutional structures did not exist to support these organizations or the outcomes they were trying to achieve. The space the organizations were operating in was unstructured and somewhat unpredictable. A lack of experience, resources, and at times understanding, of the current

landscape and what it meant to be part of civil society created a great deal of confusion and barriers for civil society actors.

Institutional chaos creates a blank slate for actors to work in and also a catalyst for the rapid emergence of institutional elements of a field. With the introduction of civil society organizations and the first government structures to support these organizations, Libya's civil society was slowly emerging.

From Institutional Chaos to Field Emergence – Institutional Brokers

Initially, this study was looking at the various types of institutional entrepreneurs in Libya's civil society. This included the grassroots organizations, the INGOs, the local businesses, and all other players that were helping to shape Libya's fast emerging third sector. However, early into the research, it became clear that there was a consensus among Libyans that civil society in Libya was being built by a third group of organizations and individuals. These were referred to as 'the 50'. A small group of individuals were the founders of what were considered the successful civil organizations in Libya.

We identified 16 organizations with members belonging to "The 50". Closer examination of who was in this group indicated three key characteristics; these individuals were of Libyan background, typically had some professional experience in large organizations, and they had spent a considerable time in countries with established civil societies. The unique position of "The 50" allowed them to successfully maneuver through the chaos and spearhead the attempt to infuse new values, beliefs, and norms into the emerging field. These individuals, or the organizations they had founded, acted as institutional brokers connecting otherwise unconnected institutions. More specifically, these entrepreneurs are partially embedded in developed institutional environments of civil society, but are also partially embedded in Libya's society void of civil institutions. They are able to facilitate the diffusion of knowledge in a social system from outside that system by moving across institutional fields. This partial embeddedness in very different fields, links these actors to different sets of resources and therefore providing them with distinct opportunities and competitive capabilities (Zaheer & McEvily, 1999).

We found that institutional brokers partake in two dynamics, *creative translation* and *collaborative transmission*.

Creative Translation Dynamic. Institutional field creation began at the individual and organizational level of analysis with creative translation, the transformation of ideational and material objects within and during the process of adoption, diffusion, and and/or institutionalization (Czarniawska & Joerges, 1996; Czarniawska & Sevón, 2005; Zilber, 2007). Creative translation is based on the notion that "ideas do not diffuse in a vacuum but are actively transferred and translated in a context of other ideas, actors, traditions and institutions (Sahlin & Wedlin, 2008: 219). Elements get modified and reshaped and can take on new meanings.

Bricolage is a dominant force in the dynamics of institutional emergence in Libya. Although some of the actors had experience in established organizations, many had never been entrepreneurial before the war. Institutional chaos poses a number of challenges that institutional brokers needed to overcome. They had little or no experience in the activities needed to build organizations and develop a supportive institutional field and had very few resources, or cognitive, social, and material support to work with. Three mechanisms of bricolage: recombining, transposing, and recasting were observed in Libya.

We recognized the creation of proto-institutions as an outcome of creative translation. Institutional brokers started to develop the institutional building blocks needed for the institutional field to be created. Proto-institutions are the “practices, technologies, and rules that are narrowly diffused and only weakly entrenched, but have the potential to become widely institutionalized” (Lawrence, Hardy, & Phillips, 2002: 283). Institutional brokers, through the process of bricolage can therefore help legitimate new practices, rules, and technology. This strategy can make proto-institutions, especially those that are a radical departure from what was previously available, more understandable and accessible.

Barriers to Change

Finally, as a result of a *not invented here* mindset where other actors in the field start to question the legitimacy of institutional brokers, institutional brokers collaborate with actors outside of the network to mobilize support and increase the participation within the emerging field. Although institutional brokers are able to introduce organizational and institutional building blocks by creative translation, to move from proto-institutions to a more developed field, a broad spectrum of actors and stakeholders across the field need to get on board by a process of collaborative transmission. By co-structuring the field with those that are deeply embedded in the environment, institutional elements gain the support needed so that they can be institutionalized. This part of the process relies on distributed agency where the emergence of a new field cannot be attributed to any one individual actor. Although institutional brokers initiate and lead the process, the development of the field involves efforts of a multiplicity of actors.

CONCLUSION

This study sought to shed light on the process of radical institutional innovation and the actors involved in the process. To do this, we explore the institutional work of creating the formal institutions of civil society following the extreme political oppression of dictator rule in Libya. More specifically, we set out to explore the resources, actors and processes required for institutional creation within the context of institutional chaos. We found that institutional brokers are critical actors in the emerging field. They are able to build on their networks and use their resources from established fields to help create a new field. The framework developed illustrates the mechanisms by which these institutional brokers bring about innovation and how their social position mediates their relation to the environment in which they are embedded, and drives their access to the resources and capabilities that support innovation.

REFERENCES AVAILABLE FROM THE AUTHORS