

Fall 2007 Syllabus.

Soc 596a/Law 596a: Advanced Topics in Economic Sociology.

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COURSE DESCRIPTION AND OBJECTIVES

This course examines recent work in economic sociology focusing on the relationship between the moral order of exchange and the regulation of markets. With allowances for the research interests of participants, we shall focus mostly on three topic areas:

1. *Markets and the creation of moral boundaries.* Here we are interested in how conceptions of moral agency and virtue are expressed by legally permitting or banning various kinds of controversial exchanges between individuals. Empirical cases here include the development and legal regulation of markets for goods such as human organs, eggs, sperm, and tissue, or financial instruments such as viaticals (where a person buys another's life insurance policy at a discount, collecting the death benefit when the seller dies).
2. *The role of legal and economic professionals* in the classification and legitimation of controversial exchanges. Expert knowledge may affect the operation of particular markets, or guide the actions of regulatory institutions, or play a role in the litigation of cases that set important precedents. Empirical cases here include, (a) the recent literature on the role of economic models in the design and operation of markets (often labelled the "performativity" of economics); (b) the rise of moralized standards for creditworthiness and league-tables of national corruption or transparency; (c) the role of economic experts and models of the labor market in deciding cases of sex-discrimination in pay.
3. *Gift- and commons-based exchange* and their relationship to market exchange and legal regulation. In this case, gift exchanges or informal (but organized)

sharing arises as an alternative to negotiated contracts or legally regulated exchanges. The relationship between such systems and more formalized market settings or legal regulation is of strong interest. Empirical cases include the social organization of free and open-source software development, the evolution of software platforms, and debates about intellectual property rights in software, technology or genetic material.

By the end of the course, students will be familiar with contemporary research in some key areas of economic sociology, and be in a position to develop their own research agenda in this area if they so wish.

REQUIREMENTS AND EXPECTATIONS

The course is a seminar. I shall take a basic interest in the material for granted. Seminars work best when participants do the required work, are focused on its connections to their own interests, and are confident that they can raise questions and discuss ideas in class. I expect you to attend each meeting, do the reading thoroughly and in advance, and participate actively in class. My role is to catalyze the discussion, try to explain things you don't understand, and help you see links between what we're reading and your own professional or research interests.

In addition to attendance, reading and participation, three other kinds of work are required:

1. For each week after the second, two students will prepare brief presentations. One student will prepare a "lead memo" (2-4 pages, to be circulated by 5pm Monday evening), describing the major themes of the week's readings and presenting some topics or questions for discussion arising from them. A second student will prepare a "research memo" (2-4 pages, to be circulated by 5pm Monday evening) which can be one of two things: a brief account of an outstanding problem from the readings and a preliminary sketch of a study to address it; OR a memo introducing and describing an existing data set relevant to the week's readings and suggesting some possible uses; OR a discussion of legal cases or legal scholarship relevant to the topic at hand. Each student should be able to present a lead memo and a research memo to the class over the course of the semester.
2. In addition to these presented and circulated memos, each student will prepare memoranda of 2-4 pages on the readings *prior to* at least four of the weekly meetings. Hand them in to me in class. These memos should be regarded as writing and thinking exercises, not as finished products. Use them to engage each week's materials and respond with questions, criticisms and new ideas that

they suggest. They should be used to develop ideas informally over time and to put into words impressions that seem worth developing. I will read them each week, so they also provide an opportunity to receive individualized feedback if appropriate. *Take the memos seriously.* Even short in-class presentations develop your ability to talk about and defend your ideas. The other memos will likely be your main record of your thoughts about the readings. You don't want to look back on them in a year or two for ideas and think "I should have been paying more attention."

3. Final paper. Students will write a final paper. This paper must (i) be related to topics covered in the course, (ii) make use of some of the readings covered in the course, and (iii) be a research proposal, or a piece of original research. Literature reviews are strongly discouraged. Law students enrolled in the course may write an analytical paper discussing legal aspects of one of the empirical topics covered in the seminar. Students will circulate and present a draft of their paper for discussion in class during the last two to three weeks of the semester.

READINGS

The following book is required and on order at the campus bookstore:

- Donald MacKenzie, Fabian Muniesa and Lucia Siu (eds). 2007. *Do Economists Make Markets? On the Performativity of Economics*. Princeton: Princeton University Press.

The following books are recommended:

- Yochai Benkler. 2006. *The Wealth of Networks: How Social Production Transforms Markets and Freedom*. New Haven: Yale University Press.
- Yves Dezalay and Bryant Garth. 1996. *Dealing in Virtue. International Commercial Arbitration and the Construction of a Transnational Legal Order*. University of Chicago Press.
- William M. Landes and Richard A. Posner. 2003. *The Economic Structure of Intellectual Property Law*.
- Robert L. Nelson and William P. Bridges. 1999. *Legalizing Gender Inequality: Courts, Markets and Unequal Pay for Women in America*. New York: Cambridge.

COURSE SCHEDULE

Week 1. 8/20. Organizational Meeting.

This week we'll talk about the goals of the course and your own research interests. We'll also do the administrative work of scheduling the memos. Be prepared to be flexible.

Week 2. 8/27. Overview

- Wendy Nelson Espeland and Mitchell L. Stevens. 1998. "Commensuration as a Social Process." *Annual Review of Sociology* 24: 313-343. [PDF link](#).
- Avner Offer. 1997. "Between the Gift and the Market: The Economy of Regard." *The Economic History Review* 50: 450-476. [PDF link](#).
- Bruce Carruthers and Laura Ariovich. 2004. "The Sociology of Property Rights." *Annual Review of Sociology* 30: 23-46. [PDF link](#).
- Marion Fourcade and Kieran Healy. 2007. "Moral Views of Market Society." *Annual Review of Sociology* 33: 285-311. [PDF link](#).

Week 3. 9/3. Labor Day. No Class.

Week 4. 9/10. Moral Orders of Exchange.

- Viviana Zelizer. 2005. *The Purchase of Intimacy*. Princeton: Princeton University Press. Excerpts.
- Kieran Healy. 2006. *Last Best Gifts: Altruism and the Market for Human Blood and Organs*. Chicago: University of Chicago Press. Excerpts.
- Rene Alemeling. 2007. "Selling Genes, Selling Gender: Egg Agencies, Sperm Banks, and the Medical Market in Genetic Material." *American Sociological Review*. [PDF link](#).
- Sarah Quinn. 2006. "The Inversion of Morals in Markets: Death, Benefits and the Exchange of Life Insurance Policies." Working Paper, Department of Sociology, University of California, Berkeley.

Week 5. 9/17. Emerging Bio-Markets

- James Boyle. 1996. *Shamans, Software and Spleens*. Cambridge: Harvard University Press. Chapters 1, 2, 9, 12.

- Catherine Waldby and Robert Mitchell. 2006. *Tissue Economies*. Durham: Duke University Press. Excerpts.
- Kaushik Sunder Rajan. 2006. *Biocapital: The Constitution of Postgenomic Life*. Durham: Duke University Press. Excerpts.

Week 6. 9/24. Information, Innovation and Property I: Markets and the Law

- William M. Landes and Richard A. Posner. 2003. *The Economic Structure of Intellectual Property Law*. Introduction, Chapters 1, 2, 11, 12.
- Adam B. Jaffe and Josh Lerner. 2004. *Innovation and its Discontents*. Princeton: Princeton University Press. Excerpts.
- Susan Sell. 2005. *Private Power, Public Law: The Globalization of Intellectual Property Rights*. New York: Cambridge University Press. Excerpts.
- Peter Drahos with John Braithwaite. 2002. *Information Feudalism*. New York: The New Press. Excerpts.

Week 7. 10/1. Information, Innovation and Property II: Gifts and the Commons

- Yochai Benkler. 2006. *The Wealth of Networks: How Social Production Transforms Markets and Freedom*. New Haven: Yale University Press. Excerpts.
- Steven Weber. 2004. *The Success of Open Source*. Cambridge: Harvard University Press. Excerpts.
- Siobhán O'Mahony. 2003. "Guarding the Commons: How Community Managed Software Projects Protect Their Work." *Research Policy* 32: 1179-1198.

Week 8. 10/8. Professions

- Yves Dezalay and Bryant Garth. 1996. *Dealing in Virtue. International Commercial Arbitration and the Construction of a Transnational Legal Order*. University of Chicago Press. Excerpts.
- Bruce G. Carruthers and Terence C. Halliday. 2000. *The Global Production of Law: The Diffusion of Corporate Bankruptcy Law, 1973-1998*. Chicago, IL: American Bar Foundation. Excerpts.
- Marion Fourcade. 2006. "The Construction of a Global Profession: The Transnationalization of Economics." *American Journal of Sociology* 112: 145-94. [PDF link](#).

Week 9. 10/15. Performativity I: Idea and Applications

- Michel Callon. 1998. “The Embeddedness of Economic Markets in Economics.” In *The Laws of the Markets*.
- Donald MacKenzie. 2007. “Is Economics Performative? Option Theory and the Construction of Derivatives Markets.” In MacKenzie, Muniesa & Siu, Chapter 3.
- Fabian Muniesa and Michel Callon. 2007. “Economic Experiments and the Construction of Markets.” In MacKenzie, Muniesa & Siu, Chapter 6.
- Vincent-Antonin Lépinay. 2007. “Decoding Finance: Articulation and Liquidity around a Trading Room.” In MacKenzie, Muniesa & Siu, Chapter 4.
- Timothy Mitchell. 2007. “The Properties of Markets.” In MacKenzie, Muniesa & Siu, Chapter 9.

Week 10. 10/22. Performativity II: Alternatives and Critique

- Robert L. Nelson and William P. Bridges. 1999. *Legalizing Gender Inequality: Courts, Markets and Unequal Pay for Women in America*. New York: Cambridge. Excerpts.
- Philip Mirowski and Edward Nik-Khah. 2007. “Markets Made Flesh: Performativity, and a Problem in Science Studies, Augmented with Consideration of the FCC Auctions.” In MacKenzie, Muniesa & Siu, Chapter 7.
- Peter Holm. 2007. “Which Way Is Up on Callon?” In MacKenzie, Muniesa & Siu, Chapter 8.
- Michel Callon. 2007. “What Does It Mean to Say That Economics Is Performative?” In MacKenzie, Muniesa & Siu, Chapter 11.
- Kieran Healy. 2006. “The Scottish Verdict.” Working paper, Sociology Department, University of Arizona.

Week 11. 10/29. Political Economy and Moral Order

- Timothy J. Sinclair. 2005. *The New Masters of Capital: Bond Rating Agencies and the Politics of Creditworthiness*. Ithaca: Cornell University Press. Excerpts.
- Jacqueline Best. 2005. *The Limits Of Transparency: Ambiguity And The History Of International Finance*. Ithaca: Cornell University Press. Excerpts.

- Leonard Seabrooke and Brett Bowden (eds). 2006. *Global Standards of Market Civilization*. London: Routledge/RIPE. Selected Chapters.
- Michel Foucault. 1997. "Governmentality." In *The Essential Works of Foucault, 1954-1984: Power*. Edited by Paul Rabinow. New York: New Press.
- N. Rose and P. Miller. "Power Beyond the State: Problematics of Government." *British Journal of Sociology* 43: 173-205.

Week 12. 11/5. No class.

Week 13. 11/12. Veterans' Day. No class.

- Individual meetings with me about your paper are required this week.

Week 14. 11/19.

- Draft paper presentations.

Week 15. 11/26

- Draft paper presentations.

Week 16. 12/3

- Draft paper presentations.