

Soc 596i: Economic Sociology

Spring 2007: Tu/Th 3:30–4:45, Social Science 415.

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Course Description and Objectives

This course is an introduction to the sociology of economic life. Economic sociology is a rapidly growing subfield that has developed rapidly over the past twenty years. First, it has examined the many prerequisites for and constraints on economic behavior as usually understood by economists. Second, and more ambitiously, it has tried to provide positive alternative accounts of economic phenomena themselves. Third, and most recently, it has tried both to broaden our conception of economic activity and develop an approach applicable across many empirical contexts.

As a field, Economic Sociology is rather broad in its concerns and heterogeneous in its content, and – as is often the case – there are competing definitions of what the field should be about. For a graduate seminar it makes sense to try to rein in the former and be aware of the latter. To marshal the material, the theme of the course will be moral views of market society. By this I mean the long history of arguments about the relationship between the market and the moral and social order. Two papers will serve as a kind of overture, introducing topics that will be developed in more detail during the semester. Albert Hirschman traces the historical development of arguments about the market in a classic article, “Rival Views of Market Society.” In a forthcoming paper, Marion Fourcade and I adapt Hirschman’s categories to review work in economic sociology over the past twenty years or so. In Hirschman’s terms, markets have variously been seen as *civilizing* (the neoliberal program), *destructive* (critiques of commodification) or *feeble* (varieties of institutionalism and network theory). A fourth idea, that of markets as *moralizing* (cultural) projects has recently taken hold in the literature as well. The seminar will follow these categories, though we will not devote equal time to each one. Roughly speaking, the first two will get less time than the latter two.

By the end of the course, students should have a good sense of the terrain of economic sociology and have had the opportunity to figure out where their own research interests fit in (if they do fit in). Though there may be occasional exceptions, we

shall not focus on important work in related fields — notably organizations, stratification, gender and labor markets — that can be studied in other courses offered by the department.

Requirements and Expectations

The course is a seminar, not an undergraduate class. The goal is to get you to understand the material and respond to it constructively and creatively, with an eye towards your own developing research interests. Seminars work best when people are interested, have done the work, and are confident that they can speak up and make their contribution to a lively discussion. I take it for granted that you are interested in the topic and willing to work on it. I expect you to attend each meeting, do the reading thoroughly and in advance, and participate actively in class. My role is that last bit – 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 interests.

In addition to attendance, reading and participation, two 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. 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."

Readings

Three required books are on order at the campus bookstore:

1. Mark Granovetter and Richard Swedberg (eds). *The Sociology of Economic Life* (Second Edition), Boulder: Westview Press.
2. Pierre Bourdieu. *The Social Structures of the Economy* Malden: Polity.
3. Donald MacKenzie. *An Engine, Not a Camera: How Financial Models Shape Markets*. Cambridge: MIT Press.

Other readings will be available on electronic reserve or as photocopies.

Course Schedule

Week 1. (Jan 11) 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. (Jan 16/18) Introduction and Orientation to the Field

Required

- Marion Fourcade. Forthcoming. "Theories of Markets and Theories of Society." *American Behavioral Scientist*.
- Neil Fligstein and Luke Dauter. Forthcoming. "The Sociology of Markets." *Annual Review of Sociology*
- Marion Fourcade and Kieran Healy. Forthcoming. "Moral Views of Market Society." *Annual Review of Sociology*. [PDF link](#).

Recommended

- Jeff Haas. 2007. *Economic Sociology: An Introduction*. New York Routledge.

- John Davis. 1992. *Exchange*. Minneapolis: University of Minnesota Press.
- Meghnad Desai. 2002. *Marx's Revenge*. London: Verso.

Part I: Civilizing Markets, Destructive Markets

Week 3. (Jan 21/25) The Liberal Dream

Required

- Thomas Schelling. 1978. *Micromotives and Macrobehavior*. Pp. 11-43.
- Paul Seabright. 2004. *The Company of Strangers*. Princeton: Princeton University Press. Pp. 1-28, 137-152, 245-257.
- Deirdre McCloskey. 1998. "Bourgeois Virtue and the History of P and S." *The Journal of Economic History* 58: 297-317. [JSTOR Link](#).
- Tyler Cowen. 2002. *Creative Destruction: How Globalization is Changing the World's Cultures*. Princeton: Princeton University Press. Pp 1-18, 73-101.

Recommended

- Yanis Varoufakis. 1998. *Foundations of Economics: A beginner's companion*. London: Routledge.
- Samuel Bowles. 2004. *Microeconomics*. Princeton: Princeton University Press.
- Raghuram Rajan and Luigi Zingales. *Saving Capitalism from the Capitalists*. New York: Crown Business. Pp. 68-93.
- Bruno S. Frey and Alois Stutzer. 2002. "What Can Economists Learn from Happiness Research?" *Journal of Economic Literature* 40: 402-435. [JSTOR link](#).
- Deirdre McCloskey. 2006. *The Bourgeois Virtues: Ethics for an Age of Commerce*. Chicago: University of Chicago Press.
- Milton Friedman. 2002. *Capitalism and Freedom*. Chicago: University of Chicago Press.

Week 4. (Jan 30/Feb 1) The Commodified Nightmare

Required

- Karl Marx. 2000. "The Fetishism of the Commodity and its Secret." In Schor and Holt, *The Consumer Society Reader* (New Press). Pp. 331-342. [Web link](#).
- Elizabeth Landes and Richard Posner. 1978. "The Economics of the Baby Shortage." *Journal of Legal Studies* 7: 323-348.
- Margaret Jane Radin. 2005. "Contested Commodities." In Martha Ertman and Joan Williams (eds). 2005. *Rethinking Commodification* (NYU Press), Pp. 81-95.
- Arlie Russell Hochschild. *The Commercialization of Intimate Life*. Berkeley: University of California Press. Pp. 30-44, 185-197.
- Thorstein Veblen. 1994. *The Theory of the Leisure Class*. New York: Penguin. Pp. 68-100.
- Pierre Bourdieu. 2000. "The Aesthetic Sense as the Sense of Distinction." In Schor and Holt, *The Consumer Society Reader* (New Press). Pp. 205-211.

Recommended

- Margaret Jane Radin. 1996. *Contested Commodities*. Cambridge: Harvard University Press.
- Elizabeth Anderson. 1993. *Value in Ethics and Economics*. Cambridge: Harvard University Press.
- Martha Ertman and Joan Williams (eds). 2005. *Rethinking Commodification: Cases and Readings in Law and Culture: Cases and Readings in Law and Culture*. New York: NYU Press.

Week 5. (Feb 6/8) Coercion, Populism and the Commons

Required

- Karl Polanyi. 2001. *The Great Transformation*. Boston: Beacon Press. Pp. 45-107, 141-230.
- Nigel Thrift. 2001. "It's the romance, not the finance, that makes the business worth pursuing': disclosing a new market culture." *Economy and Society* 30: 412-432. [PDF link](#).

- Lawrence Lessig. 2004. *Free Culture*. New York: Penguin. Pp. 21-30, 53-61, 116-173. [PDF link](#).

Recommended

- Margaret Somers and Fred Block. 2005. "From Poverty to Perversity: Ideas, Markets and Institutions over 200 years of Welfare Debate". *American Sociological Review* 70: 260-287. [PDF link](#).
- Thomas Frank. 2001. *One Market Under God*. New York: Anchor Books.
- Siva Vaidyanathan, 2003. *Copyrights and Copywrongs*. New York: NYU Press.

Part II: Feeble Markets

Week 6. (Feb 13/15) Cultural and Historical Legacies

Required

- Ronald Dore. "Goodwill and the Spirit of Market Capitalism." In Granovetter and Swedberg.
- Kenneth Pomeranz. 2000. *The Great Divergence*. Princeton: Princeton University Press. Pp. 1-28, 69-108, 206-208, 264-268, 279-300.
- Avner Grief. 1994. "Cultural Beliefs and the Organization of Society: A Historical and Theoretical Reflection on Collectivist and Individualist Societies." *Journal of Political Economy* 102: 912-950. [JSTOR link](#).
- Gary G. Hamilton and Nicole Woolsey Biggart. "Market, Culture and Authority: A comparative analysis of management and organization in the Far East." In Granovetter and Swedberg.

Recommended

- Avner Grief. 2006. *Institutions and the Path to the Modern Economy*. Cambridge: Cambridge University Press.
- Randall Collins. "Weber's Last Theory of Capitalism: A systematization." In Granovetter and Swedberg.
- Ronald Dore. 2000. *Stock Market Capitalism: Welfare Capitalism*. Oxford: Oxford University Press.

Week 7. (Feb 20/22) Varieties of Capitalism

Required

- Frank Dobbin. “How the Economy Reflects the Polity.” In Granovetter and Swedberg.
- Bruno Amable. 2003. *The Diversity of Modern Capitalism*. Oxford: Oxford University Press. Pp. 1-25, 171-224.
- Peter Evans. 1995. *Embedded Autonomy*. Princeton: Princeton University Press. Pp. 3-20, 128-154, 207-226.
- Lane Kenworthy. 2006. Institutional Coherence and Macroeconomic Performance. *Socio-Economic Review* 4: 69-91. [Link to PDF](#).

Recommended

- Frank Dobbin. 1997. *Forging Industrial Policy: The United States, Britain and France in the Railway Age*. New York: Cambridge University Press.
- Lane Kenworthy. 2005. *Egalitarian Capitalism*. New York: Russell Sage Foundation.
- Peter Hall and David Soskice (eds). 2001. *Varieties of Capitalism*. New York: Oxford University Press.

Week 8. (Feb 27/Mar 1) Markets in Networks

Required

- Mark Granovetter. “Economic Action and Social Structure: The Problem of Embeddedness.” In Granovetter and Swedberg.
- Brian Uzzi. “Social Structure and Competition in Interfirm Networks: The Paradox of Embeddedness.” In Granovetter and Swedberg.
- Alejandro Portes and Julia Sensenbrenner. “Embeddedness and Immigration: Notes on the Social Determinants of Economic Action.” In Granovetter and Swedberg.
- Paul DiMaggio and Hugh Louch. 1998. “Socially Embedded Consumer Transactions: For What Kinds of Purchases Do People Most Often use Networks?” *American Sociological Review* 63: 619-637. [JSTOR link](#).

Recommended

- Walter Powell, Kenneth Koput and Laurel Smith Doerr. 1996. “Interorganizational Collaboration and the Locus of Innovation: Networks of Learning in Biotechnology.” *Administrative Science Quarterly* 41: 116-45. [JSTOR link](#).
- Greta Krippner. “The Elusive Market: Embeddedness and the Paradigm of Economic Sociology.” *Theory and Society* 30: 775-810. [PDF link](#).

Week 9. (Mar 6/8) Markets *from* Networks

Required

- Eric Leifer and Harrison White. 1987. “A Structural Approach to Markets.” In Mark Mizruchi and Michael Schwartz (eds), *Structural Analysis of Business* (Cambridge: Cambridge University Press) Pp. 85–108.
- Harrison C. White. 1981. “Where do Markets Come From?” *American Journal of Sociology* 87: 517-547. [JSTOR link](#).
- Fabio Rojas. 2006. “Sociological Imperialism in Three Theories of the Market.” *Journal of Institutional Economics* 2: 339-363. [PDF link](#).

Recommended

- Harrison C. White. 2002. *Markets from Networks*. Princeton: Princeton University Press.

Week 10. (Mar 13/15) Spring Break

Week 11. (Mar 20/22) From Networks to Categories

Required

- David Stark. 1996. “Recombinant Property in East European Capitalism.” *American Journal of Sociology* 101: 993-1027. [JSTOR link](#).
- Ezra Zuckerman. 1999. “The Categorical Imperative: Securities Analysts and the Illegitimacy Discount.” *American Journal of Sociology* 104: 1398-1438. [JSTOR link](#).
- Joel Podolny. 2005. *Status Signals*. Princeton: Princeton University Press. Pp. 1-9, 40-75, 249-266.

- Paul DiMaggio. 1992. “Nadel’s paradox revisited: Relational and cultural aspects of organizational structure. In Nitin Nohira and Robert G. Eccles (eds), *Networks and Organizations* (Harvard) pp 118–142.

Recommended

- Ezra Zuckerman. 2004. “Structural Incoherence and Stock Market Activity.” *American Sociological Review* 69: 405-432. [PDF link](#).

Part III: Moralizing Markets

Week 12. (Mar 27/29) Markets as Fields of Power

Required

- Pierre Bourdieu. “The Forms of Capital”. In Granovetter and Swedberg
- Pierre Bourdieu. *The Social Structures of the Economy*, Malden: Polity.
- Neil Fligstein. 1996. “Markets as Politics: A political-cultural approach to market institutions.” *American Sociological Review* 61: 656-673. [JSTOR link](#).

Recommended

- Jeffrey J. Sallaz. “The Making of the Global Gambling Industry: An application and extension of field theory.” *Theory and Society* 35: 265-297. [PDF link](#).

Week 13. (Apr 3/5) Markets and Moral Agents

Required

- Viviana Zelizer. “Human Values and the Market: The case of life insurance and death in 19th-Century America.” In Granovetter and Swedberg.
- Viviana Zelizer. 2005. *The Purchase of Intimacy*. Princeton: Princeton University Press. Pp. 1-93.
- Kieran Healy. 2006. *Last Best Gifts: Altruism and the Market for Human Blood and Organs*. Chicago: University of Chicago Press. Pp. 1-42, 110-132.
- Olav Velthuis. 2005. *Talking Prices*. Princeton: Princeton University Press. Pp. 53-96, 179-189.

Recommended

- I strongly recommend you purchase Healy (2006) for yourself, your parents and as many of your friends as you like.
- Michèle de la Pradelle. 2006. *Market Day in Provence*. Chicago: University of Chicago Press.
- Nancy Folbre and Julie Nelson. 2000. “For Love or Money – or Both?” *Journal of Economic Perspectives* 14: 123-140. [JSTOR link](#).

Week 14. (Apr 10/12) Market Order and Moral Order

Required

- James Ferguson. 2006. *Global Shadows: Africa in the Neoliberal World Order*. Durham: Duke University Press. Pp. 1-24, 69-88.
- Peter Miller. 2001. “Governing by Numbers: Why Calculative Practices Matter.” *Social Research* 68: 379-396. [PDF link](#).
- Jacqueline Best. 2006. “Civilizing through transparency: the International Monetary Fund.” In Brett Bowden and Leonard Seabrooke (eds), *Global Standards of Market Civilization* London: Routledge/RIPE. Pp. 134-145.
- Mlada Bukovansky. 2006. “Civilizing the Bad: Ethical problems with neoliberal approaches to corruption.” In Brett Bowden and Leonard Seabrooke (eds), *Global Standards of Market Civilization* London: Routledge/RIPE. Pp. 77-92.
- Margaret Somers. 2005. “Beware Trojan Horses Bearing Social Capital: How Privatization Turned Solidarity into a Bowling Team” In George Steinmetz (ed) *The Politics of Methods in the Human Sciences* (Duke) Pp. 233-274.

Recommended

- Wendy Nelson Espeland and Mitchell L. Stevens. 1998. “Commensuration as a Social Process.” *Annual Review of Sociology* 24: 313-343. [PDF link](#).
- Yves Dezalay and Bryant Garth. 1996. *Dealing in Virtue: International Commercial Arbitration and the Construction of a Transnational Legal Order*. Chicago: University of Chicago Press.
- Marion Fourcade. 2006. “The Construction of a Global Profession: The Transnationalization of Economics.” *American Journal of Sociology*. [PDF link](#).

Week 15. (Apr 17/19) The Performativity of Economics

Required

- Michel Callon. 1998. "The Embeddedness of Economic Markets in Economics." In Michel Callon (ed) *The Laws of the Markets*. Oxford: Blackwell. 1-57.
- Timothy Mitchell. 2005. "The work of economics: how a discipline makes its world." *European Journal of Sociology* 46: 297-320. [PDF link](#).
- Donald MacKenzie. 2006. *An Engine, Not a Camera*. Cambridge: MIT Press. Pp. 1-67, 119-177.

Recommended

- Daniel Miller. 2002. "Turning Callon the Right Way Up." *Economy and Society* 31: 218-233. [PDF link](#).
- Kieran Healy. "The Scottish Verdict."

Week 16. (Apr 24/26) Closing Discussion

Required

- No new reading. Research topics and prospects.

Recommended