



Prof. Wolfgang Streeck
Sprechstunde nach Vereinbarung
Tel.: 2767-202
streeck@mpifg.de

Hauptseminar
Economy and Society II: Approaches in Economic Sociology

Sommer Term 2010
Wednesday 5:45-7:15pm

This seminar is about the interrelations between economy and society. The first part, on “action”, deals with processes of agency in the economy. After a discussion of critiques of the rational actor model as the action theory of standard economics, we discuss sociological conceptualizations of action. Norms, reciprocity, conventions and the creativity of action are all elements of a theory of economic action which considers the economy as embedded in its social environment.

The second part of the seminar is more macro-oriented. It looks at markets and the constitution of markets through networks, institutions, habitus and the self-referentiality of systems. Each session introduces a different approach in the sociology of markets. All approaches transcend a narrow definition of economic sociology as they feature elements of theories of social order and change in general.

The third and final part concentrates on organizations. Economic action in contemporary economies often takes place in and through organizations. This holds true for firms but also for other actors like the state and regulatory organizations. This makes organizations a central object of investigation for economic sociology. Each of the three sessions introduces a different approach toward understanding organizations. A critical assessment of recent economic theories of organization is followed by an introduction to the new institutional organization theory. The seminar concludes with a look at a much more recent approach based on the notion of heterarchy, which is especially concerned with innovation in organizations.

Participation

Since the seminar is mainly devoted to reading and discussing the texts listed in the syllabus, all participants are expected to read the texts and participate actively in the discussion.

To get credit (a *Schein*) for the seminar, each student must

- Participate regularly;
- Present the literature for one session, perhaps together with others, at the beginning of a class. Presentations should not be longer than 20 minutes and they should highlight the most important points made by the assigned literature, in the context of the general subject of the seminar;
- Write a blog on the seminar on a weekly basis, summarizing and commenting on the readings and reflecting on the seminar discussions. After the seminar all blogs are made available to all participants, for further study.

Seminar presentations are assigned at the beginning of the seminar. They are to be handed in in written form one week after the session in which they were presented. Writing up the presentation is also an exercise in good written expression. Texts are to be edited so as to make them acceptable examples of professional writing. All assigned texts are available on the internet and can be downloaded. The material is password protected. Access information can be requested from the tutor, Alexander Schüller (sr@mpifg.de).

General Sources

Neil Smelser and Richard Swedberg. 2005. "Introducing Economic Sociology." S. 3–25 in *The Handbook of Economic Sociology*. Ed. by Neil Smelser and Richard Swedberg, Princeton, NJ, Princeton University Press

Carlo Trigilia. 2006. "Economic Sociology." S. 192–206 in *International Encyclopedia of Economic Sociology*. Ed. by Jens Beckert und Milan Zafirovski. London: Routledge.

Alfred Kieser, 1999. (Hg.). *Organisationstheorien*. Stuttgart: Kohlhammer.

Course Syllabus

Introduction

14 April: Introduction and Organization

Part 1: Action

21 April: Critique of the Economic Model of Action

Albert Hirschman, 1986: *Against Parsimony: Three Easy Ways of Complicating Some Categories of Economic Discourse*. In: *ibid.*, *Rival Views of Market Society*. New York: Viking, 142–160

Paul Hirsch, Stuart Michaels, Ray Fiedman, 1990: *Clean Models vs. Dirty Hands: Why Economics is Different from Sociology*. In: Sharon Zukin and Paul DiMaggio, *Structures of Capital*. Cambridge: Cambridge University Press, 39-56

Additional

Amartya Sen, 1990: Rational Fools: A Critique of the Behavioral Foundations of Economic Theory. In: Jane J. Mansbridge (ed.), *Beyond Self-Interest*. Chicago: University of Chicago Press, 25-43

Amitai Etzioni, 1988: *The Moral Dimension*. New York: Free Press

28 April: Norms and Economic Action I

Talcott Parsons, 1940: Motivation of Economic Activities. In: *Canadian Journal of Economics and Political Science* 6, 187-203; in German: Talcott Parsons, 1973 [1948]: Die Motivierung wirtschaftlichen Handelns. In: *ibid.*, *Beiträge zur soziologischen Theorie*, Darmstadt: Luchterhand, 136–159

Frank Knight, 1940: Professor Parsons on Economic Motivation. In: *The Canadian Journal of Economics and Political Science* 6, 460–465

Additional

Amitai Etzioni. 1988: *The Moral Dimension*. Glencoe: Free Press

Luc Boltanski and Ève Chiapello, 2003: *Der neue Geist des Kapitalismus*. Konstanz: Universitätsverlag Konstanz

5 May: Norms and Economic Action II

Viviana Zelizer, 1992: Human Values and the Market: The Case of Life Insurance and Death in 19th Century America. In: Mark Granovetter and Richard Swedberg (eds.), *The Sociology of Economic Life*. Boulder: Westview Press, 285–304

Additional

Kieran Healy, 2006: *Last Best Gifts. Altruism and the Market for Human Blood and Organs*. Chicago: University of Chicago Press

12 May: Reciprocity in Economic Exchange

Marcel Mauss, 1990 [1950]: *Die Gabe. Form und Funktion des Austauschs in archaischen Gesellschaften*. Frankfurt a.M.: Suhrkamp, 15–49 and 157–183. English version: Marcel Mauss, 2005 [1950]: *The Gift. The form and reason for exchange in archaic societies*. London/New York: Routledge, 1-23 and 83-107.

Additional

Frank Adloff and Steffen Mau (eds.), 2005: *Vom Geben und Nehmen*. Frankfurt a.M.: Campus
Alain Caillé, 2007: *Anthropologie der Gabe*. Frankfurt a.M.: Campus

19 May: Conventions and Uncertainty

Salais, Robert. 2007: Die 'Ökonomie der Konventionen': Eine Einführung mit Anwendung auf die Arbeitswelt. In: Jens Beckert/Rainer Diaz-Bone/Heiner Ganßmann (eds.), *Märkte als soziale Strukturen*. Frankfurt a.M.: Campus, 95–112

Jagd, Søren, 2007: Economics of Convention and New Economic Sociology: Mutual Inspiration and Dialogue. In: *Current Sociology* 55, 75–91

Additional

Jens Beckert, 1996: What is Sociological About Economic Sociology? Uncertainty and the Embeddedness of Economic Action. In: *Theory and Society* 25, 803–840

Thévenot, Laurent, 2001: Organized Complexity: Conventions of Coordination and the Composition of Economic Arrangements. In: *European Journal of Social Theory* 4, 404–425

Thévenot, Laurent, 2006: Convention School. In: Jens Beckert and Milan Zafirovski (eds.), *International Encyclopedia of Economic Sociology*. New York: Routledge, 111–115

2 June: Creativity and the Dynamics of Capitalism

Joseph Schumpeter, 1912: *Theorie der wirtschaftlichen Entwicklung*. Berlin: Duncker & Humblot, 2nd chapter, 124–164. English version: Joseph Schumpeter, 1968, *The Theory of Economic Development*. Cambridge: Harvard University Press, 2nd chapter, 57-94.

Robert K. Merton, 1957: *Social Theory and Social Structure*. Glencoe: Free Press, 141–149 and 176–184

Additional

Christoph Deutschmann, 2009 (im Erscheinen): *Soziologie kapitalistischer Dynamik*. MPIfG WP

Part 2: Markets

9 June: Markets as Networks

Mark Granovetter, 1985: Economic Action and Social Structure: The Problem of Embeddedness. In: *American Journal of Sociology* 91: 481–510

Additional

Beckert, Jens, 2005: Soziologische Netzwerkanalyse. In: Dirk Kaesler (ed.), *Aktuelle Theorien der Soziologie*. München: C.H. Beck, 286–312

Eric Leifer and Harrison White, 1987: A structural approach to markets. In: Mark Mizruchi and Michael Schwartz (eds.), *Intercorporate Relations*. Cambridge: Cambridge University Press, 85–108

16 June: Markets as Institutions

Neil Fligstein, 2001: *The Architecture of Markets*. Princeton, NJ: Princeton University Press, chapter 1 and 2

23 June: The Economic Field

Pierre Bourdieu, 2005: Principles of Economic Anthropology. In: Neil Smelser and Richard Swedberg (eds.), *The Handbook of Economic Sociology*. Princeton: Princeton University Press, 75–89

Additional

Pierre Bourdieu, 2005: Introduction. In: *ibid.*, *The Social Structures of the Economy*. London: Polity, 1–13

Michael Florian and Frank Hillebrandt (eds.), 2006: Pierre Bourdieu: *Neue Perspektiven für die Soziologie der Wirtschaft*. Wiesbaden: VS Verlag für Sozialwissenschaften

30 June: Markets as Environments

Niklas Luhmann, 1988: Der Markt als innere Umwelt des Wirtschaftssystems. In: Niklas Luhmann: *Die Wirtschaft der Gesellschaft*. Frankfurt a.M.: Suhrkamp, 91–130

Additional

Jens Beckert, 1997: *Grenzen des Marktes. Die sozialen Grundlagen wirtschaftlicher Effizienz*. Frankfurt und New York: Campus Verlag, chapter 4.

Part 3: Organizations

7 July: Economic Theories of Organization

Charles Perrow, 1990: Economic Theories of Organization. In: Sharon Zukin and Paul DiMaggio (eds.), *Structures of Capital. The Social Organization of the Economy*, 121–152

Additional

Oliver Williamson, 1985: *Die ökonomischen Institutionen des Kapitalismus. Unternehmen, Märkte, Kooperationen*. Tübingen: J. C. B. Mohr

Oliver Williamson, 2000: The New Institutional Economics: Taking Stock, Looking Ahead. In: *Journal of Economic Literature* 38: 595–613

Andrea Maurer, 2001: Organisationssoziologie versus Organisationsökonomik? Oliver Williamson und die Analyse formal-hierarchischer Organisationsformen. In I. Pies and M. Leschke (eds.), *Oliver Williamsons Organisationsökonomik*. Tübingen: Mohr Siebeck, 59–79

14 July: The New Institutional Organization Theory

Paul J. DiMaggio and Walter W. Powell, 1983: The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields. In: *American Sociological Review* 48, 147–160; in German: Paul DiMaggio and Walter W. Powell, 2000 [1983]: Das ‚stahlharte Gehäuse‘ neu betrachtet. Institutioneller Isomorphismus und kollektive Rationalität in organisationalen Feldern. In: Hans-Peter Müller and Steffen Sigmund (eds.), *Zeitgenössische amerikanische Soziologie*. Opladen: Leske und Budrich, 147–173

Additional

DiMaggio, Paul and Walter Powell, 1991: Introduction. In: Paul DiMaggio and Walter Powell (eds.), *The New Institutionalism in Organizational Analysis*. Chicago: Chicago University Press, 1–38

Meyer, John W., and Brian Rowen, 1977: Institutionalized Organizations: Formal Structure as Myth and Ceremony. In: *American Journal of Sociology* 83, 340–363

Scott, Richard W, 2008: *Institutions and Organizations*. Thousand Oaks: Sage Publications

21 July: Heterarchy and Innovation

Daniel Beunza and David Stark, 2004: Tools of the trade: the socio-technology of arbitrage in a Wall Street trading room. In: *Industrial and Corporate Change* 13, 369–400

Additional

David Stark, 2001: Ambiguous Assets for Uncertain Environments: Heterarchy in Postsocialist Firms. In: Paul DiMaggio (ed.), *The Twenty-First-Century Firm: Changing Economic Organization in International Perspective*. Princeton: Princeton University Press, 69–104