



Prof. Dr. Jens Beckert
Office hours: Tuesday after the seminar
Tel.: 2767-216

Doctoral Seminar
Economy and Society II – Approaches in Economic Sociology
Syllabus

Spring Term 2011
Tuesday 2pm to 3:30pm

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

The second part of the seminar is more macro-oriented, focusing on markets and the constitution of markets through networks, institutions, habitus and the self-referentiality of systems. Each of the sessions introduces a different approach in the sociology of markets. Because they feature elements of theories of social order and change, all of the approaches discussed have a scope that goes beyond a narrowly defined understanding of economic sociology.

The third and final part of the seminar concentrates on organizations. Action in contemporary economies often manifests itself in and through organizations. This holds true for the role of firms but also for other actors in the economic field like the state and regulatory organizations. This makes organizations a crucial object of investigation for economic sociology. The two sessions introduce different approaches toward understanding organizations. The first session is an introduction to the new institutional organization theory, which has become the most influential organization theory over the last 25 years. This part concludes with a look at a much more recent approach based on the notion of heterarchy, which focuses especially on innovation in organization.

The goal of the seminar is to familiarize students with several major theories, approaches and topics that contribute to our understanding of the interrelations between the economy and society. The readings range from the classics to contemporary sources. The seminar proceeds

from the assumption that economic action and economic structures are socially, politically and culturally constituted. Understanding the processes leading to the actual forms of organization of the economy and to the specific forms of agency within the economy is the primary goal of economic sociology.

Participation in the seminar

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 write four essays and do a presentation. Each student will write four 1500-word essays summarizing the most important points raised in the text and discussing them. In preparation for the essays, students are expected to read the additional readings in this syllabus. Questions the essays should address are: What are the main points made by the author? How does he or she develop the argument? Which methods is he or she applying? What can be learned from the text in the context of the questions addressed in the seminar? What controversies does the text highlight? The essays must be given to the tutor before the session starts. Essays submitted afterwards will not be accepted. Finally, each student (possibly in small groups) will present one of the texts at the beginning of a class to the group. These presentations will not be longer than 15 minutes and should highlight the most important points of the argument made by the author. The questions addressed in the essays are also relevant for preparing the presentations.

5. April 2011

Introduction

Part 1: Action

12. April 2011

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

19. April 2009

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

26. April 2011 (double session 2 pm – 5:30 pm)

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

Debra Satz, 2010: *Why Some Things Should Not Be for Sale: The Moral Limits of Markets*. Oxford: Oxford University Press. Chapter 4. "Noxious Markets", p. 91-112

Additional

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

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

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

10. May 2011 (double session 2pm – 5:30 pm)

Creativity and the Dynamics of Capitalism

Joseph Schumpeter, 1912: *Theorie der wirtschaftlichen Entwicklung*. Berlin: Duncker & Humblot, 2nd chapter, 124–164

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

Additional

Christoph Deutschmann, 2009: *Soziologie kapitalistischer Dynamik*. MPiFG WP

Money and Society

Georg Simmel, 2006 [1900]: *Philosophy of Money*. Routledge: Oxon. Third chapter, first section, Money in the Sequence of Purposes, p.204-227. In German: Georg Simmel, 1991 [1900]: *Philosophie des Geldes*. Frankfurt: Suhrkamp Verlag. Drittes Kapitel, erster Abschnitt: Das Geld in den Zweckreihen, p. 252-291.

Additional

Christoph Deutschmann, 2010: *Simmels „Philosophie des Geldes“ und der moderne Kapitalismus*. Erscheint in: *Der blaue Reiter*.

Part 2: Markets

24. May 2011

The Social Order of Markets

Jens Beckert, 2009: The Social Order of Markets. *Theory and Society* 38: 245-269

Additional

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

- 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

31. Mai 2011

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

7. June 2011 (AD/SM)

Markets as Institutions

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

21. June 2011 (AD/SM)

The Economic Field

Pierre Bourdieu, 2005: Principles of an 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

28. June 2011 (AD/SM)

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

5. July 2011

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. Institutio-

neller 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

12. July 2011

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

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

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

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*, hrsg. von Jens Beckert und Milan Zafirovski. London: Routledge.

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

Please take note of the separate reference list distributed at the first session.