

Doctoral Seminar

Economy and Society II

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Max Planck Institute for the Study of Societies

Spring 2014

Meets Tuesdays, 2:00–3:30 (Paulstraße 3)

Course Description

The seminar focuses on recent debates on the interrelations between economy and society. It builds on a second course taught in Fall on foundational controversies (*Economy & Society I*).

The first part on “action” centers on processes of agency in the economy. At the beginning stands a discussion of Max Weber’s typology of action and a text by Hans Joas and Jens Beckert presenting an overview of sociological action theory and its relevance to understanding the economy. This is followed by critiques of the rational actor model and sociological conceptualizations of action. Creativity, habits, norms, reciprocity, and ongoing contacts 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, discussing markets and the constitution of markets through networks, institutions, and theories. Each of the sessions presents a different approach in the sociology of markets. The last session serves as a midterm session for reflection and integration.

The third and final part of the seminar focuses on capitalism. The first two sessions introduce the debate on different types of production regimes and capitalist organization, which is one of the most influential paradigms during the last 20 years in political economy. From this we will turn to the analysis of capitalism and its dynamics, credit and debt in recent socio-economic scholarship.

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 modern 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

All participants will be expected to *read all of the required texts* on the syllabus; *take an active part in class discussions*; and *prepare response memos* on the required readings for three of the weeks (2000 words each). The memos are intended to prepare the ground for discussions by asking participants to set out their responses to the readings in written form. Memos should not just summarize the readings, but rather take up specific arguments, compare the

positions of different authors, raise questions of evidence, usefulness, or plausibility or draw attention to particular strengths and weaknesses in the arguments or descriptions. We will share these memos through email. In order for everyone to have time to read over the comments of others, these will be due on email by 4 pm on the day before the class meets.

Recommended readings

Recommended books, chapters, and collections introducing the debates relevant to the seminar include,

Jens Beckert, 2002 [1997]: *Beyond the Market: The Social Foundations of Economic Efficiency*. Princeton, NJ: Princeton University Press.

Frank Dobbin, 2004: Introduction: The Sociology of the Economy. In: Frank Dobbin (ed.), *The New Economic Sociology. A Reader*. Princeton, NJ: Princeton University Press, 1–26.

Mark Granovetter and Richard Swedberg (eds.), 2011: *The Sociology of Economic Life*. 3rd Edition. Boulder et al.: Westview Press.

Hans Joas and Wolfgang Knöbl, 2009: *Social Theory. Twenty Introductory Lectures*. Cambridge: Cambridge University Press.

Richard Swedberg, 1990: *Economics and Sociology: Redefining Their Boundaries. Conversations with Economists and Sociologists*. Princeton, NJ: Princeton University Press.

Richard Swedberg, 2003: *Principles of Economic Sociology*. Princeton, NJ: Princeton University Press.

Course Schedule

April 8, 2014

Introduction

Part 1: Economic Action

April 15, 2014

Models of Action

Hans Joas and Jens Beckert, 2001: Action Theory. In: Jonathan H. Turner (ed.), *Handbook of Social Theory*. New York: Springer, 269–285.

Max Weber, 1978 [1921]: *Economy and Society: An Outline of Interpretive Sociology*. Vol. 1. Berkeley: University of California Press, 3-31.

April 22, 2014

Pragmatism

John Dewey, 2008 [1922]: *Human Nature and Conduct. An Introduction to Social Psychology*. Carbondale: Southern Illinois University Press, 119–170.

April 29, 2014

Values and Norms in Economic Action

Amitai Etzioni, 1988: *The Moral Dimension: Towards A New Economics*. New York: Free Press, 1–19.

Viviana Zelizer, 1992 [1978]: 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.

May 6, 2014

Reciprocity in Economic Exchange

Marcel Mauss, 2002 [1950]: *The Gift: The Form and Reason for Exchange in Archaic Societies*. London: Routledge, pp. 1–23 and 83–107.

May 13, 2014

The Embeddedness of Economic Action

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

Part 2: Markets

May 20, 2014

Markets as Networks

Brian Uzzi, 1997: Social Structure and Competition in Interfirm Networks: The Paradox of Embeddedness. In: *Administrative Science Quarterly* 42, 35–67.

May 27, 2014

Markets as Institutions

Neil Fligstein, 1991: The Structural Transformation of American Industry: An Institutional Account of the Causes of Diversification in the Largest Firms. In: Walter W. Powell and Paul DiMaggio (eds.), *The New Institutionalism in Organizational Analysis*. Chicago: Chicago University Press, 311–336.

Neil Fligstein, 2001: *The Architecture of Markets: An Economic Sociology of Twentieth-First-Century Capitalist Societies*. Princeton: Princeton University Press, 3–44.

June 3, 2014

The Construction of Markets through Theories

Donald MacKenzie, 2011: The Credit Crisis as a Problem in the Sociology of Knowledge. In: *American Journal of Sociology* 116, 1778–1841.

June 10, 2014

The Sociology of Markets

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

Marion Fourcade and Kieran Healy, 2007: Moral Views of Market Society. In: *Annual Review of Sociology* 33, 285–311.

Part 3: Capitalism

June 17, 2014

Production and Institutions

Wolfgang Streeck, 1991: On the Institutional Conditions of Diversified Quality Production. In: Egon Matzner and Wolfgang Streeck (eds.), *Beyond Keynesianism. The Socio-Economics of Production and Full Employment*. Aldershot: Elgar, 21–61.

June 24, 2014

Varieties of Capitalism

Peter Hall and David Soskice, 2001: An Introduction to Varieties of Capitalism. In: Ibid. (eds.), *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press, 1–45.

July 1, 2014

Models of Capitalism and Internal Diversity

Colin Crouch, 2005: Models of Capitalism. In: *New Political Economy* 10, 439–456.

Josh Whitford, 2005: *The New Old Economy. Networks, Institutions, and the Organizational Transformation of American Manufacturing*. Oxford et al: Oxford University Press, 9–48.

July 8, 2014

Credit and Consumption

Bruce G. Carruthers and Laura Arioovich, 2010: *Money and Credit. A Sociological Approach*. Cambridge, Malden: Polity Press, 83–121.

Prasad, Monica, 2014: The American Way of Welfare: Political-Economic Consequences of a Consumer-Oriented Growth Model. *Working Paper*.

July 15, 2014

The Sociology of Capitalist Dynamics

Christoph Deutschmann, 2011: Capitalist Dynamics: A Sociological Analysis. Paper presented to the Annual Conference of the “Ausschuss für Evolutorische Ökonomik im Verein für Sozialpolitik”, Linz/Austria, July 2010, revised version.