

Universidade de Lisboa
Instituto Superior de Economia e Gestão
Departamento de Ciências Sociais

Economic and Financial Sociology Course Syllabus
2018/2019

Rafael Jorge Marques – Assistant Professor
Gabinete 213 (Miguel Lupi) – rmarques@iseg.ulisboa.pt – Tel: 213925938 - 465938

2 x 1.5h classes/week – 12 weeks’ course = 36 hours.

1 – **What is Economic Sociology?** Boundaries and Limits. Economic Sociology vs. Economics. What do Economists have to Say? What Sociologists have to Say? Beyond the Homo Oeconomicus. Beyond the Homo Sociologicus. The Homo Reciprocans and the equity paradigm. The impossible triangulation theorem.

2 – **A Brief History of Economic Sociology:** Important Landmarks or the time of the Founding Fathers (1840-1920) - Marx, Weber, Durkheim, Simiand, Simmel, Sombart, Veblen, Pareto, Tarde. A rich agenda.

3 – **The Great Divide** - From Schumpeter and Polanyi to the Parsonian Project. The Gresham Law of Sociology. Imperialism and Isolationism. The Emergence of a New Paradigm – the eighties and the New Economic Sociology. The different strands of the Economic Sociology project. The European Scene and the American dominance.

4 - **The Vocabulary of the New Economic Sociology:** Embeddedness, Social Capital, Trust, Social Networks, Performativity. Building a Trust Theory. The Social Capital debate. Enter the Management gurus. Paying attention to the critical factors: a comparison between giri, blat, and guanxi. The methodological approach: Dirty Hands vs. Clean Models?

5 – **The Social Construction of Value.** The Economic Sociology of Giving, Reciprocity and Altruism. Gifts vs. Commodities. The deadweight loss of Christmas revisited. Special Markets and special commodities. The market for blood and organs. Auctions or the language of value(s).

6 - **Economic Action and Social Relations:** Integrating interest and rationality. The dilemmas of rationality. Buridan’s paradox. Perverse Effects and the Propensity to withhold effort. Bounded rationality and the fast and frugal heuristics of decision.

Framing Models and Rules of thumb. Threshold Models and Bandwagon effects. Towards a Complex Theory of Action.

7 - **Institutions and Organizations.** Isomorphism and Legitimacy. The Ecological Hypothesis. How variety does not configure choice. Hirschman's approach. The political side of organizations. Who Controls the Modern Organizations. The shareholder value consensus. The Business Groups Issue. Comparing the US, Japan, and China.

8 - **The Social Construction of Markets.** Where do Markets come from. The Market as a Metaphor. Ideological Constructions. Defining Exchange and its varieties. What is traded and what is tradable. The Social Construction of Competition. Socio-Economic Models of Production

9 - **Discussing Markets:** Bourdieu and The Housing Sector, Granovetter and The Electricity Industry, Vatin and the Milk World, Aspers and The Fashion Industry. The Strawberry market in Sologne. Extending the Analysis to the Credit Industry: the comparative study of the credit card market. Pawn Shops: a simple case of credit to the poor? Once Again ... trust, networks and social capital.

10 - **The Economic Sociology of Capitalism and Globalization.** Beyond Market and Culture: the neo weberian approach to the development theme. Sociological Readings of the capitalistic development. Economic Backwardness or why some are left behind. Industry Creating Mechanisms in Advanced Societies. The Eastern Transitions. The Impact of Globalization on the Welfare State. Transnationalism and the Nation State. Risk and Uncertainty in a runaway world. The demographic transitions.

11 - **The Sociology of Financial Markets.** Information and Arbitrage. The centrality of the Traders. Between Opportunism and Contention. The Performativity Hypothesis. The Big Bang and the Globalization of the Financial Markets. The Rhetoric of the Market: a closer look at the vocabulary of M&A. A far from Perfect Market. The Social Meanings of Money. Money's Fiduciary and Moral Dimensions. The 2008 Crisis.

12 - **The Economic Sociology of Public Finance.** Finanz Soziologie or Fiscal Sociology? Bringing the State Back In? The three axis of the fiscal studies – The Austrians (Schumpeter and Goldscheid), The Italians (Pareto, Sensini, Griziotti), The recalcitrant Americans. Fiscal Illusion and Fiscal Culture. The Antidosis example.

13 - **Culture and Economics.** Culture Industries. Creating needs and forging desires. Between homogeneity and heterogeneity. Consumption and Life Styles. The Art World. The Myth of Authorship as a cornerstone of the Western Civilization. The definition of Property Rights. The civilization dynamics and its impact on the economic sphere. The invention of traditions and the "turistification" of the modern world. The post materialist values debate.

Bibliography

- ABOLAFIA, Mitchel Y. (1996), *Making Markets: Opportunism and Restraint on Wall Street*, Cambridge/Londres, Harvard University Press.
- ADLER, Patrícia A. and Peter ADLER (Eds.) (1984), *The Social Dynamics of Financial Markets*, Greenwich/Londres, JAI Press.
- ASPERS, Patrik (2010), *Orderly Fashion: The Sociology of Markets*, Princeton, Princeton University Press.
- ASPERS, Patrik (2011), *Markets*, Cambridge, Polity Press.
- ASPERS, Patrik and Nigel DODD (eds.) (2015), *Re-Imagining Economic Sociology*, Oxford. Oxford University Press.
- BAGNASCO, Arnaldo and Carlo TRIGILIA (1993), *La Construction Sociale du Marché: Le Défi de la Troisième Italie*, Cachan, Éditions de L'Ens-Cachan.
- BANDELJ, Nina and Elizabeth Sowers (2010), *Economy and State*, Cambridge, Polity Press.
- BECK, Ulrich (1992), *Risk Society: Towards a New Modernity*, Londres, Sage.
- BECKERT, Jens and Patrik Aspers (2011), *The Worth of Goods: Valuation and Pricing in the Economy*, Oxford, Oxford University Press.
- BENYON, John and David DUNKERLEY (2001), *Globalization: The Reader*, Londres, Routledge.
- BIGGART, Nicole Woolsey (Ed.) (2001), *Economic Sociology*, Oxford, Blackwell.
- BOURDIEU, Pierre (2000), *Les Structures Sociales de L'Économie*, Paris, Seuil.
- CALLON, Michel (Ed.) (1998), *The Laws of the Markets*, Oxford, Blackwell.
- CALLON, Michel, Yuval MILLO and Fabian MUNIESA (Eds), (2007), *Market Devices*, Oxford, Wiley-Blackwell.
- CARRUTHERS, Bruce (2009), *Bankrupt: Global Lawmaking and Systemic Financial Crisis*, Stanford,
- CARRUTHERS, Bruce and Laura ARIOVICH (2010), *Money and Credit: A Sociological Approach*, Cambridge, Polity Press.
- CENTENO, Miguel and Joseph COHEN (2010), *Global Capitalism*, Cambridge, Polity Press.
- CETINA, Karin Knorr and Alex PREDA (eds) (2005), *The Sociology of Financial Markets*, Oxford, Oxford University Press.
- CHANDLER, Alfred D. (1962) *Strategy and Structure: Chapters in the History of the Industrial Enterprise*, Cambridge, MA, Harvard University Press.
- DAVIS, Gerald (2009), *Managed by the Markets: How Finance Re-Shaped America*, Oxford, Oxford University Press.
- DOBBIN, Frank (1994) *Forging Industrial Policy: the United States, Britain and France in the Railway Age*, Cambridge, Cambridge University Press.
- DODD, Nigel (1994), *The Sociology of Money: Economics, Reason and Contemporary Society*, Cambridge, Polity Press.
- FLIGSTEIN, Neil (1990), *The Transformation of Corporate Control*. Cambridge: Harvard University Press.

- FLIGSTEIN, Neil (2001), *The Architecture of Markets: An Economic Sociology of Twenty-First-Century Capitalist Societies*, Princeton, Princeton University Press.
- GRANOVETTER, Mark and Richard SWEDBERG (2001), *The Sociology of Economic Life*, 2nd Edition, Boulder/São Francisco, Westview Press.
- GODECHOT, Olivier (2001), *Les Traders: Essai de Sociologie des Marchés Financiers*, Paris, La Découverte.
- KARPIK, Lucien (2010), *Valuing the Unique: The Economics of Singularities*, Princeton, Princeton University Press.
- LECHNER, Frank e John BOLI (1999), *The Globalization Reader*, Londres, Blackwell.
- LOUNSBURY, Michael and Paul M. HIRSCH (Eds) (2011), *Markets on Trial: The Economic Sociology of the U.S. Financial Crisis*, Bingley, Emerald Group Publishing.
- MACKENZIE, DONALD (2006), *An Engine, Not a Camera: How Financial Models Shape Markets*, Cambridge, MA: MIT Press.
- MACKENZIE, Donald (2009), *Material Markets: How Economic Agents are Constructed*, Oxford, Oxford University Press.
- MACKENZIE, Donald Fabian MUNIESA, and Lucia SIU (2007), *Do Economists Make Markets? On the Performativity of Economics*, Princeton, Princeton University Press.
- MARQUES, Rafael, e João PEIXOTO (orgs.) (2003), *A Nova Sociologia Económica: Uma Antologia*, Oeiras, Celta Editora.
- NEE, Victor and Richard Swedberg (eds) (2005), *The Economic Sociology of Capitalism*, Princeton, Princeton University Press.
- PINCH, Trevor and Richard SWEDBERG (eds) (2008), *Living in a Material World: Economic Sociology Meets Science and Technology Studies*, Cambridge, Massachusetts The MIT Press.
- PODOLNY, Joel (2008), *Status Signals: A Sociological Study of Market Competition*, Princeton, Princeton University Press.
- PORTES, Alejandro (2010), *Economic Sociology: A systematic Inquiry*, Princeton, Princeton University Press.
- PREDA, Alex (2009a), *Framing Finance: The Boundaries of Markets and Modern Capitalism*, Chicago, University of Chicago Press.
- PREDA, Alex (2009b), *Information, Knowledge, and Economic Life: An Introduction to the Sociology of Markets*, Oxford, Oxford University Press.
- SMELSER, Neil and Richard SWEDBERG (Eds.) (2005), *The Handbook of Economic Sociology*, 2nd edition, Princeton, Princeton University Press.
- STARK, David (2009), *The Sense of Dissonance: Accounts of Worth in Economic Life*, Princeton and Oxford: Princeton University Press.
- STEINER, Philippe and François VATIN (eds) (2009), *Traité de Sociologie Économique*, Paris, PUF.
- SWEDBERG, Richard (2003), *Principles of Economic Sociology*, Princeton, Princeton University Press.

- SZTOMPKA, Piotr (1999), *Trust: A Sociological Theory*, Cambridge, Cambridge University Press.
- TRIGILIA, Carlo (1998), *Sociologia Economica: Stato, Mercato e Società nel Capitalismo Moderno*, Bologna, Il Mulino.
- VATIN, François (1996), *Le Lait et la Raison Marchande: Essais de Sociologie Économique*, Rennes, Presses Universitaires de Rennes.
- VELTHUIS, Olav (2007), *Talking Prices: Symbolic Meanings of Prices on the Market for Contemporary Art*, Princeton, Princeton University Press.
- WHITE, Harrison C. (2002), *Markets from Networks: Socioeconomic Models of Production*, Princeton, Princeton University Press.
- ZELIZER, Viviana (1983), *Morals and Markets: The Development of Life Insurance in the United States*, Transaction Publishers.
- ZELIZER, Viviana (1994), *Pricing the Priceless Child: The Changing Social Value of Children*, Princeton, Princeton University Press.
- ZELIZER, Viviana (1997), *The Social Meaning of Money: Pin Money, Paychecks, Pay Relief and Other Currencies*, Princeton, Princeton University Press.

Texts and case studies will be available in the course webpage at the beginning of the semester. Students are advised to use JSTOR, Ingenta, B-ON, SCOPUS and PROQUEST as research tools for the project.

The final grade will result from the weighted average of a research group project (65%) to be presented in one of the final four classes of the course and class participation (35%). Class participation involves one individual report and comments on texts discussed in class and made available at the course webpage. The themes for the group project will be distributed at the beginning of the semester. A final exam will be available for the students whose option is not to take part in the group project and the individual report.