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**Article — Accepted Manuscript (Postprint)**

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ԲԱՆԿԵՐ . Bulletin of the Yerevan State University

*Suggested Citation:* Roth, Steffen (2010) : Beyond the one best market: an essay on trans-economic exchange rates, ԲԱՆԿԵՐ . Bulletin of the Yerevan State University, Yerevan State University, Yerevan, Vol. 130, Iss. 5, pp. 66-79

This Version is available at:

<https://hdl.handle.net/10419/104610>

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# **Beyond the one best market: an essay on trans-economic exchange rates**

*BY STEFFEN ROTH*

ԲՆԱԲԵՐ. Bulletin of the Yerevan State University, Vol. 130 No. 5, pp. 66-79.

ABSTRACT. We routinely trust organizations that convert belief, truth, health, power, or beauty into money. Nonetheless, we know almost nothing about the corresponding exchange rates. Based on a system theorist concept of functional differentiation and the Bourdieueconomic forms of capitals, the paper presents strong evidence for the existence of non-economic markets for the mentioned values. The conclusion of the paper is that organizations with a more polyphonic, non-reductionist self- and market concept can act strategically as change agencies between those “markets of society”, i.e. they can influence the exchange rates between economic and non-economic values in terms of trans-political trade cycle politics.

## **I**

### **Introduction**

The fact that the accounting of incommensurable values is a paradoxical undertaking only attracts our attention if we consider really striking circumstances: A return on philanthropy index may make us wonder what the point of calculating the profit of a non-profit strategy is. The idea that we can earn money by evaluating the value of brands is a bit more comprehensible. And it requires no stretch of the imagination to envisage that trust relations between a bank and its customer define the price of the money the customer wants to borrow. Likewise, the excellence of

science may be defined by the amount of third-party funds acquired. The conversion of the incommensurable is sometimes even a cure for a bad conscience: After a flight which has released a great deal of CO<sub>2</sub>, environmental agencies help us to redeem the respect of our peer group by enabling us to make a donation to nature. And, by thinking about more, and more historical, examples, such as the selling of indulgences, it dawns on us that the miracle conversions of incommensurables might be as old as society itself.

So, it is no surprise that we routinely trust organizations which convert belief, truth, health, power, or beauty into money. However, we do not know much, so far, concerning the particular exchange rates, and all too often the organizations involved do not know much more themselves.

Thus, the challenge of unravelling the mystery of the exchange rates between the economic and the non-economic spheres justifies some effort. Unfortunately, a great effort is required, as the only support in this field is provided by Pierre Bourdieu's theory of forms of capital (1986, 1987, 1989; c.f. also Svendsen and Svendsen, 2003). This theory does not completely comply with the requirements of such an undertaking, for the following reasons.

- (1) Bourdieu never worked on a profound concept of organization (Dobbin, 2008; Vaughan, 2008; Mustafa and Johnson, 2008; Schwartz, 2008), which means that a systematic gap exists concerning the best empirical field for the analysis of the gains and costs of the conversion of forms of capital (Bourdieu, 1986, pp. 254f): In his view, capital can be both converted and materialized or embodied (*ibid.*, p. 241), but there is no specific information on how it can be incorporated in organizational terms.
- (2) Bourdieu's forms of capital have often been criticised for being neither sufficiently distinctive (c.f. Smart, 1993, p. 389) nor complete (c.f. exemplarily Verter, 2003). Ironically, both can be argued against the

background of the current “plethora of capitals” (Woodcock, 1998: 154) we owe to the work of Bourdieu.

- (3) Finally, Bourdieu is accused of the illegal import of economic concepts (c.f., as one of his advocates, Lebaron, 2003), i.e. he is charged both with over-sociologizing economics (c.f. Smart 1993, 391) and with over-economizing social sciences (Nassehi and Nollmann, 2004). Even worse, Bourdieu’s concept of non-economic forms of capital raises the question of where these forms of capital can be acquired and invested, too. By claiming the existence of non-economic markets, Bourdieu (c.f. 2000, p. 48, pp. 152ff) ultimately antagonizes both the defenders of the market as a neutral exchange sphere free of social interferences (Sieferle, 1995, p. 15) and those who exclude the market from society before trying to (re-)embed it into society (Granovetter, 1973; Grabher, 1993; Beckert, 2007a, 2007b; Fourcade, 2007).

Concerning the first two problems, Systems Theory (Luhmann, 1987, 1997) can readily serve as sparring partner for Bourdieueconomics (Svendsen and Svendsen, 2003) because it can supply both a robust concept of organization and a theoretical basis for the development of universal as well as distinctive forms of capital.

However, there is as yet no concept of non-economic markets in Systems Theory, just as there is neither in economics nor in the whole of non-Bourdieueconomic sociology. Even against the background of the increasing relevance of the most manifold intangibles, market concepts are still rather one-dimensional; if you are in need of commodities, machines, and economic capital then you go to the market, and likewise if you are in need of human resources, intercultural competence, and social capital. In both cases, the term ‘the market’ means the economic market. Of course, there is already an extensive discourse on specific strategies for the acquisition and investment of intangible forms of capital (c.f. exemplarily Baron and Markman, 2003; Keseljevic, 2007; Matiaske, 2003; Moldaschl, 2005; Svendsen, 2003; Tuominen, 2005), but this has not, so far, led to a consistent test of the

existence of specific non-economic markets on which non-economic forms of capital can have their effects. We rather experience the very opposite, i.e. a broadly held view in economics and social sciences that the notion of the market is to be exclusively applied to economic exchange; we can really speak about a non-economic market taboo.

Thus, a system-theoretical journey through the theoretical architecture of Bourdieueconomics is worth the while of the both theories. Systems Theory learns that neither the theory itself nor other theories in economics, economic sociology, or general sociology have a concept of non-economic markets. This is most surprising since, as this paper shows, there is a lot of evidence for the existence of non-economic markets.

Passing onto the Bourdieueconomic forms of capital, we find that Bourdieueconomic concepts of capital and market do have not an economic bias but rather a political bias. This bias is indicated by Bourdieu's use of the notions of symbolic capital and symbolic power, i.e. the capability of organization and market-making. The interaction of the de-biased theories then produces both a first impression of a society with ten distinctive markets and a concept of market power which is more than merely politico-economic.

Finally, by taking both more than purely political forms of domination and more than purely economic markets into account, we come to the conclusion that organizations with a more polyphonic self-concept can act more strategically as change agencies between the markets of society, i.e. they can more effectively influence the exchange rates between the economic and the non-economic spheres of society in their interest.

## II

## **The one best market dogma**

If we think of markets, then we think of merchandise markets (Weber, 2006), of the formation of market prices (Coase, 1990), of the antagonists of hierarchy (Williamson, 1975), or of “sets of money-mediated exchange transactions” (Zafirovski, 2007, p. 313). For Systems Theory the market is the “inner environment of the economic system”<sup>i</sup> (Luhmann, 1988). This list of purely economic market metaphors could be continued endlessly; the mythic trinity of money, market, and economy seems untouchable, and the dogma of the one and only (economic) market so strong that even the most determined opponents of the market principle (c.f. Ulrich, 2005) are finally turned into its accomplices (c.f. Zelizer, 2007): By patronizing society from the market they support the conservation of the economic shape of both society and market. But, are straight business ethicists and critical economic sociologists really helpers of economism? What else can this sentence mean?

This sentence means business, and in order to understand it, we are to follow a contra-intuitive strategy; we are to trust a theory which is not only assumed to be complicated and nonfunctional (though functionalistic) but also part of the one-market mainstream, Systems Theory in the tradition of Luhmann (1987, 1997). As already mentioned, Luhmann assumes markets to be the inner environment of the economic system:

We can consider markets to be the intra-economic environment of the systems participating in the economic system, with this environment being both different in each case and the same for all, at the same time. Thus, the notion of market refers not to a system but to an environment – but to an environment which can only be differentiated as system, i.e. the economic system, in this case. Therefore, as a market the economic system itself becomes the environment of its own activities ...<sup>ii</sup>

It is hard to imagine how this definition can give us a clear picture of the nature of the market and its non-economic dimension. But, if we examine economic history,

the picture becomes clearer<sup>iii</sup>:

Within the ancient societies, markets started their career in the economic life of the city states (c.f. Swedberg, 2007a, 14f). The first markets in history served long-distant trade and were situated outside the municipal area. So, no matter whether we focus on the economy of single *oikoi* or the economy of the *polis* as a whole, the market was the environment of the economic system in the most manifest sense.

In the next step, markets were internalized. For example, the Agora of Athens was situated in the centre. Nonetheless, the Agora remained a part of the world outside, restrained by boundary stones and ruled by different laws than those effective in the rest of the *polis*. In this literal sense, the market was an “inner environment”. If we now focus on the economic dimension of the *oikoi* and find them starting to produce not only for their own needs but also with regard to the needs of other *oikoi*, then the quotation above becomes much more evident. The market for both the suppliers and the demanders of the homemade products is the same for all *oikoi*: all the other *oikoi*, in each case. But the *oikoi* were multi-functional households sharing not only commodities but also more intangible assets such as ideas, knowledge, objects of art, and loyalties; and they shared these at the market. Thus, why should their market have been an exclusively economic one?

Perhaps the current dominance of the economic market principle results from the internalization of the former external markets (or “ports of trade”, c.f. Polanyi, 1963) which actually served primarily “as a mechanism for limiting contact between incompatible *economic systems*” (Humphreys, 1969, p. 185). However, the specific location of these external markets is a historical snap-shot itself; if we examine the origins of the market principle we might rather find markets in neutral zones between the loosely coupled segments of tribal societies (c.f. Simmel, 1992, p. 788). In this context, it is most interesting to find that, for a long period of time, the concept of market exchange in neutral spheres was realized even when there was no neutral space (anymore) due to geographic or demographic reasons. The Kula exchange of *The Argonauts of the Western Pacific* (Malinowski, 1979) virtualizes

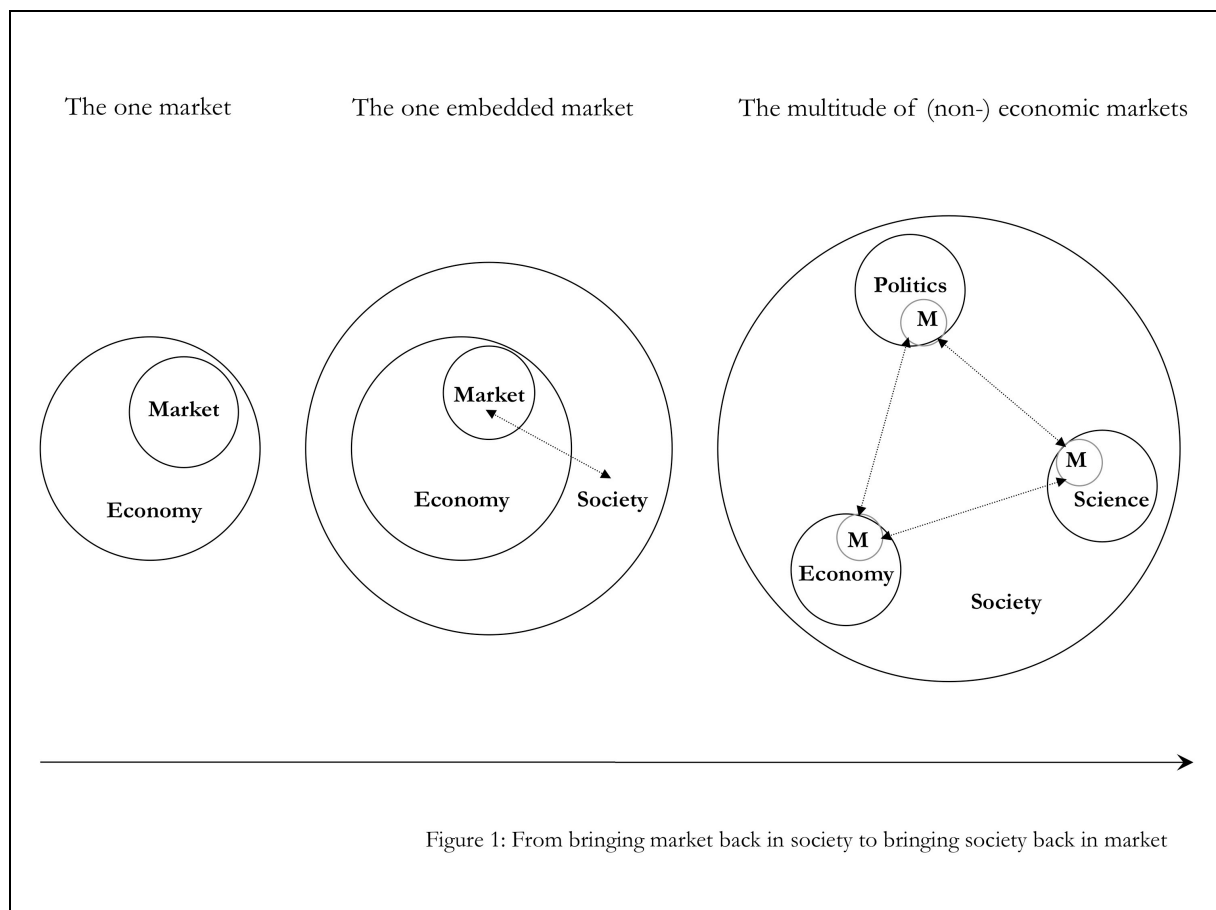
neutrality in absence of its spatial prerequisites. Additionally, the Kula ring impressively demonstrates that the economic function of traditional exchange institutions was quite irrelevant. *The Elementary Structures of Kinship* (Lévi-Strauss, 1993) also indicates that, at that time, commodities were of marginal relevance when two social systems pooled their resources. And even after the internalization of the external market, the marginality of economy left its marks in urban architecture; trade was conducted in the *stolas*, that is, colonnades at the borders of the ancient market place (c.f. Thompson, 1954).

Perhaps it was a political strategy to extinguish all non-economic functions from this market (c.f. Arendt, 1958, p. 156), or perhaps economy was the only function left behind at the market as successful *oikoi* started to “hold court”, i.e. as the nucleus of the ancient societies internalized (parts of) the market themselves. But, the bottom line of all this evidence is that not only economists but also (economic) sociologists cut a long story much too short if they only discuss economic markets and their social embeddedness (Granovetter, 1973; Grabher, 1993; Beckert, 2007a, 2007b; Fourcade, 2007).

Even the few who question the “market conception of money” (Zelizer, 2007, p. 1061) by thinking about “differentiating monies” (ibid., 1063) in their economic and non-economic forms do not waste a thought on the existence of the corresponding non-economic markets; even market sociology does not, which indicates a self-concept as a segment of economic sociology and not an independent segment of sociology itself.

Thus, currently, even the most informed approaches are based on the myth of the single, i.e. the economic, market. They do so by assuming, rather than studying, a schism between the economic market sphere and the rest of society (c.f. Beamish, 2007, p. 999). Due to this reductionism, even the most critical concepts voluntarily shape society as a service provider for the economy (c.f. Zelizer, 2007, p. 1058) while the dominance of the economy is still interpreted in terms of economic colonization (Habermas, 1981; Thielemann 1996; Ulrich 2001). The problem with

the corresponding anti-colonialism is that patronizing society from the market principle supports the continuance of its economic shape. If non-economic values are prevented from market entry, then how can they change the market's dominance by economic market principles? For similar reasons, there is also no use in bringing the market back into society (c.f. Beckert, 2007a, 2007b). Rather, it might be one of the new ideas economic sociology is in need of (c.f. Swedberg, 2007b) if we follow Bourdieu's concept of non-economic markets and put the embeddedness approach back on its feet again by bringing Society Back into the Market (Figure 1).



The “economy = scarcity | money | markets | society”<sup>iv</sup> equation would be still correct within this new market society. But we would also have to recognize that markets “count as economic phenomena but they are common in other social

spheres as well. In politics, in science, in religion, in art, in education, in law, in organizations or in professions, people compete as well” (Baecker, 2006b, p. 333). Thus, we could find that there are as many distinctive markets as there are functional systems of society. This is a lesson that Systems Theory needs to learn from itself, or perhaps from Network Theory, too; if “markets are networks of relations” (Arts, 2004, p. 244), then networks of political relations can be interpreted as markets, as well. The same is true of networks of scientific, legal, religious, aesthetic, or educational relations.

A consequence that Bourdieueconomics needs to draw from this is that there might be more than its 3+1 forms of capital to be considered. And if it wants to avoid adding a plethora of markets to the existing plethora of capitals, it is well advised to practice open innovation, i.e. to enter a strategic alliance with a theory whose strength is in reducing complexity. Both this and the prospect of a robust concept of organization justify further efforts concerning the convergence of the two theories.

### III

#### **Symbolic capital and market power**

For Bourdieueconomics “capital is accumulated labour (in its materialized form or its ‘incorporated’, embodied form)” (Bourdieu, 1986, p. 241). For Systems Theory, capital is a horizon of investment alternatives which enables calculation concerning their assumed quality, i.e. their assumed return (c.f. Baecker, 2001, pp. 315, 321).

In the first case, forms of capital are real values which are constantly relativized by their alternatives; capital is not just the accumulated labour of an individual, but also the accumulated labour of all the individuals in the market. Concerning the value of all these forms of capital, Bourdieu assumes that the specific logic of each social field defines what is in upswing, i.e. what is relevant and efficient in the concrete game (c.f. Bourdieu, 1987, p.194).

In the second case forms of capital are potentialities competing for realization (Baecker, 2001, p. 313). However, Systems Theory possesses a real value concept in terms of the symbolically generalized communication media, whose similarity to the Bourdieueconomic forms of capital has already attracted attention (c.f. Fischer, 2006): In both cases we deal with

“Entities which can be compared with each other (such as ‘capital’, or ‘communication media’), can be translated into each other, but cannot be deduced from each other. With regard to these ‘entities’ (forms of capital or communication media), neither theory recognises any ‘primary’ or ‘secondary’ (...). Concerning their design principles, neither approach recognises any hierarchy between these ‘entities’, no primacy of any entity”.<sup>v</sup>

Thus, the synchronization of both concepts can be sketched both as a promising research program and as a necessity due to the fact that the Bourdieueconomic forms of capital are still both too little (c.f. Verter, 2003) and under-defined (Saake, 2004):

Concerning the economic dimension of the two theories, we can speak of a strong elective affinity between economic capital and payments in the medium of money. When examining cultural capital, it is not that easy to find similar consonances between forms of capital and specific functional systems; cultural capital can be available in objectified, embodied, and institutionalized states (Bourdieu, 1986, pp. 242ff). Writings, paintings or monuments are typical examples of objectified cultural capital (ibid, p. 245), but only if these can be distinguished from natural objects and thus are perceived as artworks. Thus, we move from a form of capital to the arts system (c.f. Baraldi, Corsi, and Esposito, 1999, p. 104). Institutionalized cultural capital (i.e. school and university degrees) results from successful interactions in the educational system. In contrast, according to Bourdieu (1986, p. 248), incorporated cultural capital results not from education (i.e. social interaction), but rather from self-improvement “in the absence of any deliberate inculcation”. Thus, if he claims a university to be a market he is in fact talking about two distinct markets for cultural capital, one for degrees (education), and one

for ideas, i.e. the domain of science.

Social capital is also a cause of discontent due to insufficient differentiation in Bourdieueconomics. Expressed briefly, social capital is a “capital of social relations”<sup>vi</sup>. However, in order to understand the phenomenon we should focus more closely on the specific qualities of these social relations (Coleman, 2000; Burt, 1992; Putnam, 1995; Granovetter, 1973). Social capital is not only a network of relations but also the norms (Portes, 2000; Putnam, 1995) and rules (Adler and Kwon, 2000) that keep the network together; thus, social capital can also be assumed to involve the legal system (c.f. Nett, 1997, 1999). Furthermore, there is no doubt that a capital which is “linked to possession of more or less institutionalized relationships of mutual acquaintance and recognition – or in other words, to membership of a group” (Bourdieu, 1986, p. 251) has a political dimension, too. Finally, by moving from control to trust within the trust-control nexus (Bijlsma-Frankema and Costa, 2005) we find that social capital might also be a matter of religion (c.f. Verter, 2003; Cornwell, 2007).

In other words, by discussing the congruence between forms of capital and communication media we have derived new forms of capital, namely arts capital, scientific capital, educational capital, law capital, political capital, and religious capital. Certainly, this match between the theories is still rather conceptual, and far from being complete, as we have not yet discussed the most physical forms of capital, i.e., sports capital and health capital. And still, on each side of the theoretical gap, there is one concept missing; what is the role of symbolic capital in Bourdieueconomics, and what is that of the mass media system in Systems Theory? Both concepts are most curious as they both cause some major confusion within their theories, and both are rather lateral and poorly defined concepts within their theoretical architectures. Bourdieu himself uses the notion of symbolic capital so inconsistently that it is really hard to understand; in one case we are informed that “a school diploma is a piece of universally recognized and guaranteed symbolic capital, good on all markets” (Bourdieu, 1989, p. 21). But, as mentioned above,

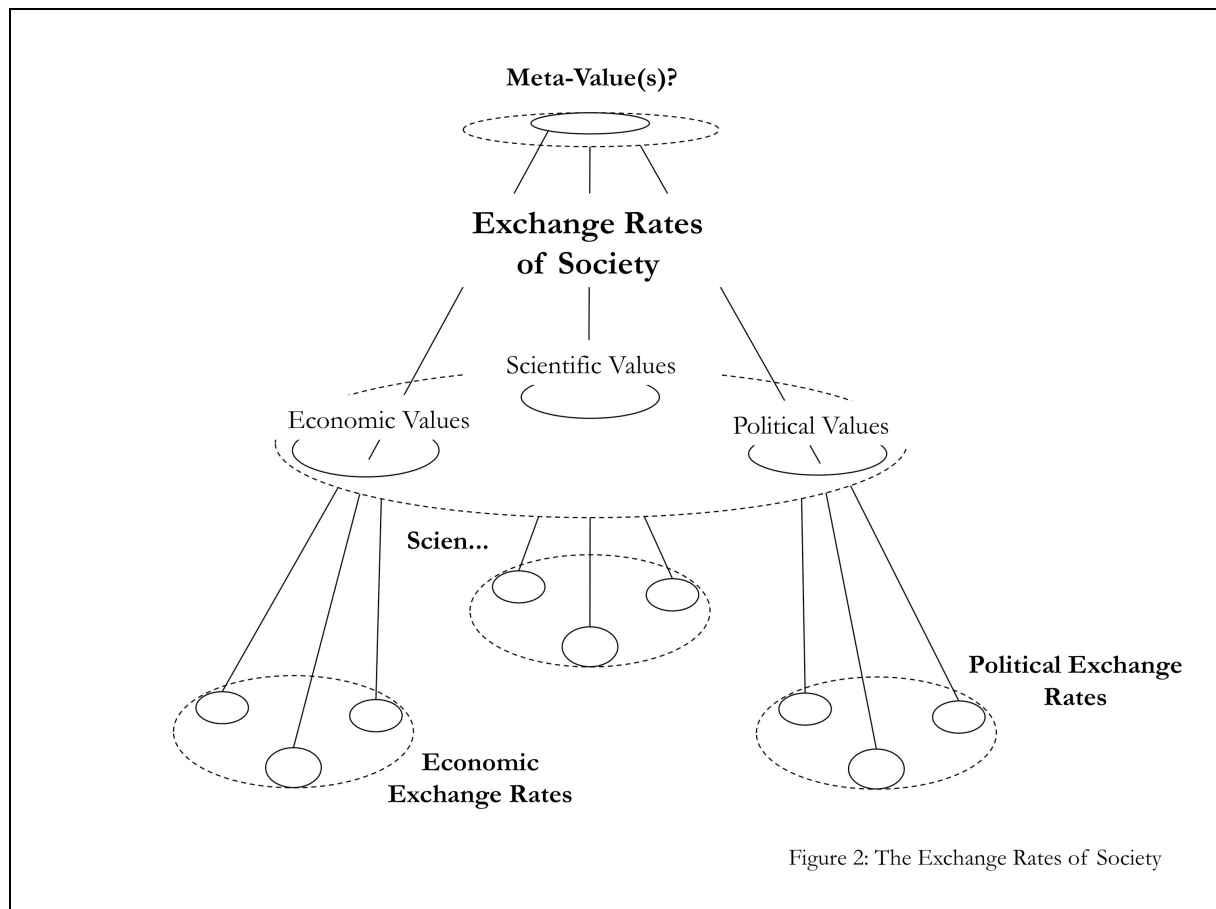
educational degrees are forms of institutionalized cultural capital to him, too. A similar problem arises with the division between symbolic and social capital; symbolic capital refers to the fact that all other economic, cultural and social forms of capital are indeed equal in terms of theory (c.f. Fischer, 2006, p. 2852), but not in terms of reality, as specific forms of capital can be more relevant than others depending on the specific social field they are used in (c.f. Bourdieu, 1987, p. 281). For instance, in a Bohemian milieu we will find a different “hierarchy of values” than among the *nouveau riche*. (Bourdieu, 1989, p. 21). The ability to modify or to design this hierarchy within families, milieus, cultures, or even world society is then called “symbolic power, whose form par excellence is the power to make groups” (ibid., p. 23). Only one page before, symbolic power has also been defined as the “power of ‘world-making’”.

So, one problem with this demiurgic competence is that Bourdieu ties it so strongly to power that it can scarcely be separated from social capital, which clearly has a political dimension, and which is about group making, too. But the real question is why Bourdieu is so keen on emphasizing the power dimension of symbolic capital when this very capital can also be “nothing other than economic or cultural capital when it is known and recognized, when it is known through the categories of perception that it imposes” (ibid., p. 21). In other words, what is this “power granted to those who have obtained sufficient recognition to be in a position to impose recognition” (ibid., p. 23) about if we replace power by a concept of that is not biased by a passionate focus on the political power-dimension of dominance? Then, symbolic power would mean the ability of “the nobles (etymologically, those who are well-known and recognized), [who] are in the position to impose the scale of values most favorable to” (ibid., p. 21) their own configuration of forms of capital, so that they can “move in their field of activity like a fish in the water” (Bourdieu, 1986, p. 257, fn. 18). That is, the acquisition or investment of symbolic capital is much more than just the establishment of certain political power relations; it means directing social attention to an existing set of forms of capital and

establishing this set as a standard, i.e. turning the whole set of forms of capital into capital itself. In this game, social attention is the key, while the specific value of power, truth or money is not defined until they are related to each other in terms of a specific symbolic capital.

Thus, a de-biased Bourdieueconomic concept of symbolic capital, i.e. a weapon within the “symbolic struggles over the perception of the social world” (Bourdieu, 1989, p. 20) corresponds closely with the mass media system in Luhmannian society. The mass media are the current form of the organization of the public (c.f. Luhmann, 1997, p. 1098), as “they design a concept of the reality, a world construction”<sup>vii</sup>, a copy, a map, an image of society. It is most interesting that both theories mention focus control and organization in the same breath. Is *concentration control* perhaps the core of organization?

Well, even within the Luhmannian nexus we have our doubts about this idea. Firstly, organizations are systems of decisions (c.f. Luhmann, 1997, p. 830)<sup>viii</sup>, and decisions are a matter of politics, are they not? The answer, however, is a definitive no. Decisions are a matter of politics if they are decisions about who is to (be allowed to) decide. But a buying decision is not a political decision (even if it can be interpreted in terms of politics). Secondly, it is the exclusive concern of science to decide what is true and what is not. So, power means defining what is relevant in politics, payment means defining what is relevant in the economy, and truth means defining what is relevant in science. But what defines whether politics is currently more important than the economy or science, or whether law is more important than health or religion? What defines which of the related forms of capital is more valuable than all the others (c.f. Figure 2)?



The answer is that the current hierarchy of functional systems and forms of capital will correlate strongly with the amount of concentration focused on it. Thus, *divide et impera* in an age of functional differentiation means not only to act in the field of politics, but rather to realize domination in terms of an adequate trade cycle policy of concentration.

## IV

### **The polyphonic organization and the exchange rates of society**

The knowledge of the exchange rates of society is a mystery which is not dealt in public. Thus, not until recently we used to think of a bank as an economic organization. Since then, however, the large numbers of publications about the impact of intangible forms of capital on economic performance (c.f. Baron and

Markman, 2003; Cooper and Markus, 1996; Hopkins, 2002; Keseljevic, 2007; Matiaske, 2003; Moldaschl, 2005; Svendsen, 2003; Tuominen, 2005; Woolcock, 2000) clearly indicates both that organizations increasingly deal with cultural as well as social resources and that they have become increasingly aware of the fact that they have to deal with these quite differently than they do with tangibles. And by focussing on the design of profitable corporate cultures (Schneider, 2000), the cultivation of trust (Köszegi, 2001a, 2001b; Matiaske, 2003; Meiffert, 2003; Nahapiet and Ghoshal, 1998) or the selection of appropriate immaterial incentive schemes (Albers and Gedenk, 1992; Freimuth, 1993; Niederer and Zimmermann, 1992; Vahs, 1994), organizations obviously demonstrate that even the most conservative firm is no longer exclusively focussed on economic value creation.

None of these ideas is as novel as the tender age of the concept of polyphonic organization (Andersen, 2002; Kronberger, Clegg, and Carter, 2006) might lead us to believe. So, it is no surprise that the concept has had both a fast and an understated career. Even families can be interpreted as polyphonic organizations (Zelizer, 2007). So, the concept also works well in the gray area between family, corporation, and markets already introduced in our discussion of the ancient *oikos*: The *oikoi* surely were polyphonic organizations whose symbolic capital was mainly represented by its head, i.e. both the leader of multi-functional base unit of society and a responsible citizen of the *polis*. As such, 'his' concrete set of forms of capital was both an accumulated history of his family and the means & object of speculation on the emerging markets. Thus, we have no problem imagining that successful *oikoi* played the symbolic capital game so well that they did not need to go to market anymore, since they could attract favored parts of the market to come to their house, instead. This hospitality generated further returns both at the level of single forms of capital and at the level of symbolic capital. Over time, rather small advantages effected a social stratification which was passed on for generations. As symbolic capitalizing is a matter of organization in terms of market-making, we find that specialization in terms of excellence in just one capital form is

both rather risky<sup>ix</sup> and unprofitable, thus, given an adequate set of forms of capital it makes more sense to specialize in symbolic capital, i.e. to specialize in (organizing) diversity.

To redirect concentration from the market towards one's own house has the additional advantage that internalization makes market design much easier; if one provides the market infrastructure, then one can decide who is in or out. At the same time, the knowledge of building markets and holding courts, i.e. the knowledge of the exchange rates of society, increasingly turns into a private affair. Thus, it is no surprise that the nobles of the Middle Ages held a monopoly on almost every (former) market sphere of their particular segment. But again, the economic market sphere draws our attention: why was the economy left behind at the market, or was soon outsourced (again) in terms of privileges, e.g. in terms of (economic) market towns?

Market towns soon become special economic areas and increasingly gained autonomy, i.e. they regained more and more of the functions of a complete market of society, which arranged everything neatly around its own foundation myth, the primacy of the economic market. One can easily imagine that the founding fathers of the early civil societies were autodidacts when it came to the exchange rates of society, parvenus who were nouveau riche in the sense of lacking all forms of capital except for the economic, including symbolic capital, first of all. Thus, from the beginning, the bourgeoisie imitated the habits and lifestyle of the nobles (c.f. Elias, 2000), and they even went on doing so as they began to develop a specific bourgeois culture, e.g. by holding court in the drawing rooms. But, the founding bias remained, and it still remains in the form of a market model which is not only economically biased but which also provides us with a biased view of the economy itself: Today, the function of the economy is said to be the elimination of scarcity. This, however, is nothing but the economic logic of (former) have-nots. The economy can also be of noble stock, which means focussing on the multiplication and the distribution of wealth. Currently, the internal markets of the Western global

village are much more about the allocation of wealth than about the elimination of scarcity. And, in the face of external market relations, Western societies usually fear the elimination of wealth, too, which seems justified because today more property is lost in markets than in wars (c.f. Hahn, 2000).

Today, as societies herald the Ages of Information and Innovation we approach the final frontier of bourgeois economism. Innovation societies depend on knowledge (Barré 2001, Nowotny, Scott, and Gibbons, 2004), and they have noticed that economically coded information of non-economic phenomena will no longer be sufficient, while they unfortunately do not yet know much about the non-economic dimensions of innovation (c.f. OECD, 2005). Triple-helix-shaped innovation systems (Etzkowitz and Leydesdorff, 2000; Leydesdorff, 2006) can be a solution for this problem because they support the diffusion of knowledge between the economic system, the political system, and the scientific system of society. But the economic bias is still a systemic problem within the triple-helix concept due to the fact that the success of an innovation is still indicated by its diffusion into the market (c.f. Rogers, 1998, 2003), which is commonly assumed to be the economic one. That is, the economy can currently still rule the game by having the final say in defining innovation. Thus, in innovation societies, both the detection of non-economic markets and the analysis of the exchange rates between all of these markets is the order of the day.

## V

### Conclusion

A research program that aims at bringing society back into the market and at elaborating the exchange rates between the markets of society means a narcissistic shock to the economy and its related disciplines. But this program is not only about giving society back all of its internal markets; it is about giving economy back all of its external markets, as well.

This means that the economy will become more sensitive to the supplies and demands of the other markets of society. This kind of robust sensitivity can serve as a basis for robust economic profit-maximizing, as well. If economic organizations, i.e. organizations whose programs primarily concentrate on economic value creation start to cultivate a more polyphonic self-concept, then they will be able both to detect a broader scope of risks and chances and to react to both challenges by means of a broader scope of strategies.

In its theoretical dimension, one major objective of this paper has been to sketch a market sociology that is not longer to be treated as a segment of economic sociology. Rather, independent market sociology should focus on economic, political, scientific, arts, and the other markets in equal measures. This undertaking also offers a salutary challenge to current social theories; In our case, system-theoretical market sociology is to get aware of its own economic reductionism in order to being able to conceptualize non-economic markets. In the meantime, Bourdieueconomics may overcome its politico-economic bias, which is based on the assumption that organization is the power to camouflaging (economic) power.

From the point of view of neutral market sociology both these biases are due to overly hasty and unnecessary determinations. Thus, one most basic programmatic element is to treat all forms of capital and media as equal, except for the concepts of symbolic capital and the media system. These concepts are considered as two sides of the same coin, i.e. they both represent dimensions of the demiurgic competence of organization and market-making. Thus, due to of the combination of two major theories of the 20th century, we come to the conclusion that for market sociology the eye of the storm is neither economic forms of capital and economic markets nor the economy itself. Instead, all markets of society should be studied with special regard to the creation and the fluctuation of the exchange rates between the functionally differentiated markets of society. Against the background of a global society, this new approach in market sociology would make at least as much sense as studying the impact on society of the exchange rates between

European Euro, Armenian Dram, and Ethiopian Birr.

As we cannot use the term market without reference to any kind of organization, organization theory is in the same boat. In this context, the new focus on the media system means to conceptualize organization consistently as a symbolically generalized medium itself, i.e. a medium that has no bias to any kind of further criteria of relevance but to its own. So, the fact that the notions of organization or market currently equate to power or the economy is to be regarded as an indicator which tells us something about the current exchange rates of society, because organizations are in the role of change agency between society's markets. In this sense, polyphonic organization, can become the research object for the analysis of trans-economic trade cycle politics, i.e. the analysis of trans-political hierarchies of values in and between organizations, markets, and societies.

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## Endnotes

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<sup>i</sup> „Der Markt als innere Umwelt des Wirtschaftssystems“ (Luhmann, 1988, p. 91). In this context, the term environment indicates everything which is not the actual system of reference.

<sup>ii</sup> „Als Markt kann man (...) die wirtschaftsinterne Umwelt der partizipierenden Systeme des Wirtschaftssystems ansehen, die für jedes eine andere, zugleich aber für alle dieselbe ist. Der Begriff des Marktes bezeichnet also kein System, sondern eine Umwelt – aber eine Umwelt, die nur als System, in diesem Fall also als Wirtschaftssystem, ausdifferenziert werden kann. Als Markt wird mithin das Wirtschaftssystem selbst zur Umwelt seiner eigenen Aktivitäten ...“ (Luhmann, 1988, p. 94).

<sup>iii</sup> The digression is also justified because of Polanyi's (1993) question whether the single-market focus of current economics and social sciences results from the generalization of a specifically European market history whose roots can be traced back to the Ancient times.

<sup>iv</sup> „Wirtschaft = Knappheit | Geld | Märkte | Gesellschaft“ (Baecker, 2006a, p. 45)

<sup>v</sup> „Größen, die je miteinander verglichen werden können (als ‚Kapital‘, als ‚Kommunikationsmedium‘), ineinander übersetzt, aber nicht auseinander hergeleitet werden. Hinsichtlich dieser ‚Größen‘ (Kapitalsorten oder Kommunikationsmedien) kennen beide Theorien kein ‚primär‘ und ‚sekundär‘ (...). Von ihrem Konstruktionsprinzip her kennen beide Ansätze keine Hierarchie dieser ‚Größen‘, kein Primat einer Grösse“ (Fischer, 2006, p. 2852).

<sup>vi</sup> „Kapital an sozialen Beziehungen“ (Bourdieu, 1987, p. 194)

<sup>vii</sup> „... sie erzeugen eine Beschreibung der Realität, eine Weltkonstruktion“ (Luhmann, 1997, p. 1102)

<sup>viii</sup> Whereas decision does not refer to psychic operations but to a social system, i.e. a special case of communication.

<sup>ix</sup> E.g. if you are specialized in one single form of capital which is suddenly worthless you lose twice over; the time you invested in becoming an expert, and the time you need to become an expert again (c.f. Bourdieu, 1986, p. 248).