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ECONOMIC SOCIOLOGY

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XX

Editor: Patrik Aspers; Patrik.aspers@sociology.su.se

Managing Editor: Mattias Smangs; Mattias.smangs@sociology.su.se

Distributor: SISWO/Institute for the Social Sciences Amsterdam

Editorial Committee:

Jens Beckert Georg-August-Universität Göttingen; jbeckert@uni-goettingen.de
Johan Heilbron Centre de Sociologie Européenne, Paris; johan.heilbron@wxs.nl
Richard Swedberg Cornell University, Ithaca; rs328@cornell.edu

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NOTE FROM THE EDITOR

With this issue, the Newsletter begins its fifth year. The Newsletter was organized by a circle of people around Richard Swedberg at the fourth European Sociological Association conference in Amsterdam, 1998. The link between the Newsletter and the Economic Sociology Network of ESA, however, has been rather weak. The ESA network and the Newsletter are two public and institutionalised nodes in the web of European economic sociology. There are reasons for both parties to benefit from each other, though the independence of each body must nonetheless be maintained. The readers of the newspaper will notice that this issue give space to the recent ESA-conference (23-26 of September). The next conference will take place in Poland, 2005, and it may serve as a common ground for economic sociologists in Europe.

The Newsletter is the major information channel of European economic sociology, and as of now it has about 760 subscribers. Steps have also been taken to increase the number of people who subscribe. If you know of colleagues who also might be interested in receiving a notification by email when a new issue of *Economic Sociology* is published, please let them know about the possibility to subscribe. The subscription procedure is simple and can be made through the Newsletter's homepage at SISWO (<http://www.siswo.uva.nl/ES/>). The increased interest in the newspaper is fundamentally a reflection of the greater interest in economic sociology, something that can be seen in virtually all European countries.

To continue to mirror what is going on within the field the Newsletter depends on active readers, and the editors welcome suggestions and ideas concerning the newsletter, and naturally reports on ongoing economic sociology activities, such as PhD-projects and conferences. Suggestions of books that should be reviewed are also welcome.

Readers of the Newsletter will recognize that its design, and also its structure, is largely unchanged. This and the next two issues will be produced at the London School of Economics, where the editor will be located, and Columbia University and Stockholm university, where the managing editor will be throughout this academic year.

The issue contains two main articles, one on the historical development on the Swedish art market, using the ideas of Pierre Bourdieu. This article, authored by Martin Gustavsson, puts the state at the centre of the analysis. The other longer article, written by Filiz Baluglu, gives an overview of the Economic sociology in Turkey, a country on the verge of Europe. In her article the economic sociology situation is seen from a historical and contemporary perspective. Finally, We would like to thank the previous editor, Frederic Lebaron, for his work during the last year.

THE INTERNATIONAL ENCYCLOPEDIA OF ECONOMIC SOCIOLOGY

Edited by Jens Beckert and Milan Zafirovski
 Routledge
 To be published in 2005

One sign of the maturing of a research field is the codification of its concepts, approaches, and findings in anthologies, handbooks or encyclopedias. Economic sociology has many edited volumes and a handbook. So far it does not have an encyclopedia.

This is going to change in 2005 when the *International Encyclopedia of Economic Sociology* will be published by Routledge. Edited by Jens Beckert and Milan Zafirovski, who are supported by an editorial board of outstanding European and American economic sociologists, the encyclopedia will have roughly 300 entries. They focus on the major topics, concepts, subfields, theorists, approaches, schools and terms of economic sociology. Entries range from “Art and Economy” to the “World System Approach.” The entries are written by some of the best experts in economic sociology and neighboring specializations.

The encyclopedia is going to support researchers and students in the field of economic sociology and general sociology but also in fields like economics, business and organization, and other disciplines, wishing to explore the sociological perspective on the economy. It will give researchers and students a systematic up-to-date picture of the extent and range of work in economic sociology. The encyclopedia offers an addition to existing readers in the field of economic sociology by encompassing a far broader range of subjects than is normally possible. We hope the encyclopedia will become an essential teaching resource and a companion to both research and scholarship upon which undergraduates, graduates, and professors can draw.

Before its publication, lots of work remains to be done. By the authors of the entries and by the editors – we all can tell!

Jens Beckert
 Milan Zafirovski
 (editors)

THE MARKET IN THE STATE AND THE STATE IN THE MARKET¹

Martin Gustavsson
 Department of Economic History
 Stockholm University
 106 91 Stockholm, Sweden
martin.gustavsson@ekohist.su.se

In this article I will discuss a market – the Swedish art market 1920 - 1960. This market cannot be understood or explained with traditional economic theory. The utility maximizing rational consumer in the neo-classical theory, the consumer who is *indifferent* towards the choice of basket of goods of all other individuals, does not appear in this market. Neither can the neo-classical theory explain why some groups for example took a fancy to “A Hillside of Blue Anemones” (“En blåsippbacke”) by Lindorm Liljefors (sold for 200 Swedish kronor at the *Fritzes* commercial gallery in 1935), while other groups preferred “A Corpse Found” (“Likfynd”) by Albin Amelin (sold for 200 Swedish kronor at the *Färg och Form* gallery in 1935). Pierre Bourdieu’s sociological theory about fields populated by agents with different assets of capital – agents affected by the game and influenced by other players – has however offered a fruitful frame of analysis in this study on consumers and distributors within an aesthetically and politically mined market.

My main source of inspiration has been Bourdieu’s studies of the relations between cultural consumers within “fields of consumption” (1979/1994), the relations between cultural producers within “fields of cultural production” (1992/1996) and the attempt of different groups to take get some control through the state, a “meta-field” (1989/1998). Since the fields are assumed to be embedded in each other, the theory does not only serve as a tool to analyse relations *within* different fields, but also indicates something about relations *between* different fields. One central idea of the theory is the structural homology between the space of producers (the internal division of the art field in dominant and dominated positions) and the space of consumers (the internal division of the dominant class in dominant and dominated positions). The young galleries in the field of cultural production are for example expected to recruit their clients from the dominated class, while the aged art dealers are expected to recruit their clients from the dominant class. Was this the case in Stockholm? The theory also states something about the relation between market and state. The holders of different kinds of capital in the field of power are expected to struggle for positions within the state – for the power to rule through legal or economic interventions in the different fields. Did the agents of the art market seize power in parts of the Swedish state?

Below I will first describe the relations between different galleries in Stockholm 1920-1960 (“a field of cultural production”); next I will illustrate the relations between the consumers of the mentioned galleries (“a field of consumption”). Finally I will describe how a few galleries managed to come into possession of parts of the Swedish State (“a meta-field”). By taking possession of two public boards – The State Art Council (1937) and the Business Council for

¹ The arguments in this paper are elaborated at greater length in Gustavsson (2002).

Art and Antiques (1949) – they gained control over the purchasing politics (the art that would be purchased to decorate Swedish public buildings) as well as over the import politics (the art that would be imported to Sweden during the period of import restrictions in 1939-1953).

Space Within the Market

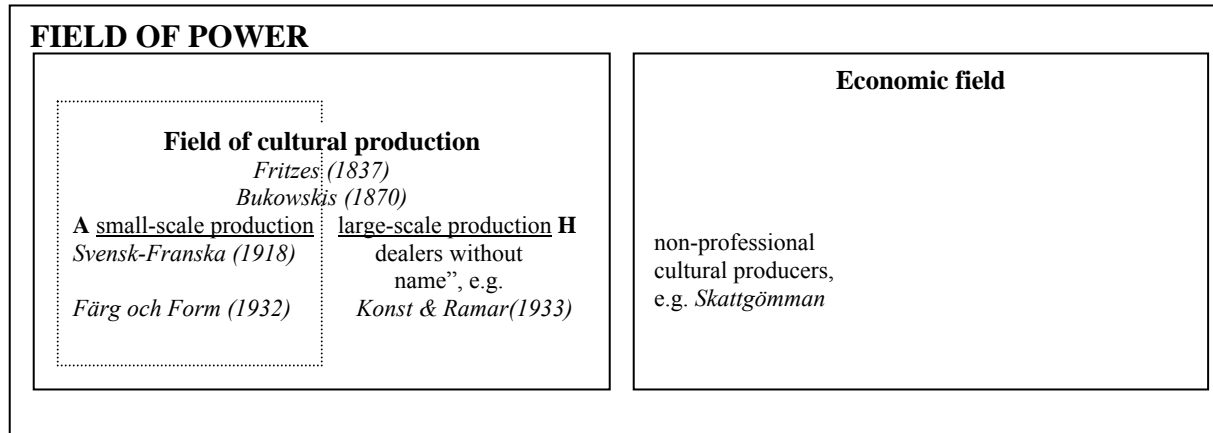
The relations between positions occupied by different social groups constitute the space of social positions. The dominant class populates the top floor (“the field of power”), which is divided into two main fractions: a “dominant” economic fraction and a “dominated” cultural fraction. It is above all from this floor of the social space that the exclusive galleries in Stockholm recruited their clients. In my material with 1,431 art consumers (152 institutions and 1,279 individuals) for example only nine persons (about 0,5%) originated from the dominated class (the working class populating the ground floor of the social space). I will return to the consumption field after a survey of the production field. Within the superior field of power, one finds the economic field, the higher civil service, as well as the fields of cultural production (among others the fields of literature, art and the university).

The fields of cultural production are characterised by two types of hierarchies. The main – horizontal – opposition stands between a commercial (heteronomous) and a non-commercial (autonomous) pole. It is a division between two economies: *the sub field of large-scale production* and *the sub field of small-scale production*. While the field of large-scale production approaches the expectations of a wide audience, the field of small-scale production is above all aiming at a market limited to other producers (colleagues, competitors and others with special competence and dispositions). The secondary – vertical – opposition is above all manifested *within* the sub field of small-scale production, between the (young) avant-garde and the (aged) acknowledged (consecrated) avant-garde (Bourdieu 1992/1996: 121).

The Field of Cultural Production – Relations Between Different Dealers

The art field consists of systems of relations between positions occupied by, among others, artists, critics, galleries and art dealers. Instead of constructing a (social) field on the basis of information about the holding of capital of different artists and critics, I will here concentrate on different characteristics of the *distributors*: Did they make a profit at all? How many years did they live on the market before money started to flow in? Did they exhibit young or old artists? What was the price of the works? etc (Broady 1990: 271). Figure 1 gives an overview of what the field of art trading *institutions*, the field of the galleries, looked like in 1935.

Figure 1: The Field of Cultural Production and the Economic Field in the Field of Power 1935



Note: (A) = autonomous/intellectual pole, (H) = heteronomous/commercial pole.

Sources: Bourdieu (1992/1996: 124); Gustavsson (2002: 39, 77).

In the middle of the 1930s there were 136 arts- and antiques dealers in Stockholm. The majority of these dealers, for example *Konst & Ramar* (see figure 1), did not have an acknowledged name. They were located in the lower regions ("young" on the market) and far out to the right (near the commercial pole) in the sub field of large-scale production. In this area the trade in cultural goods tends to be regarded as any other trade. The artists and the enterprises near this pole are content to adjust themselves to the *pre-existing* demand of a (mass) clientele. These enterprises belong to the field on condition that they avoid "the crudest forms of mercantilism and by abstaining from fully revealing their self-interested goals" (Bourdieu 1992/1996: 142). Several enterprises failed to achieve this. The non-professional cultural producers and distributors are by Bourdieu placed *outside* the field of cultural production, within the "usual" economy (see *Skattgömmen* in the figure). I will return to these enterprises that did not gain access to the field below.

The group of acknowledged art dealers and galleries, which constituted a minority of the 136 agents on the Stockholm art market, could be divided into two groups. On the one hand, there existed about ten well-reputed dealers offering traditional art on the market. *The Fritzes* and *Bukowskis*, two consecrated royal art dealers, ruled this group (see figure 1). No art dealer in Stockholm could compete with Fritze's seniority. In 1935 they had been active in the business for 98 years. They sold above all works of artists who had a break-through in the late 1800s, with e.g. the Swedish "national painters", such as Carl Larsson (1853-1919), Anders Zorn (1860-1920) and Bruno Liljefors (1860-1939). In the middle of the 1930s these painters had already been acknowledged for a long time. *The Bukowskis* (with 65 years in the business) also sold works by Anders Zorn, even though foreign dead master-painters dominated their supply of art works. These acknowledged art dealers with consecrated goods were partly present in the upper regions ("old" on the market) of the sub field of small-scale production and partly in the upper regions of the sub field of large-scale production (where "bourgeois"

art is offered, unlike in the lower regions of the same sub field where “commercial” art is offered to a larger public). Over the years they had moved closer to the commercial pole (to the right in the figure). In the year of 1935 they had a *short production cycle*: they aimed to minimize the risks by advanced adjustment to predictable demand, not least to a demand, as will be shown, from the economic elite. *The Fritzes* sold for example “mass fabricated” pictures by Liljefors (in the autumn of his life he painted foxes, hares and black grouses in a steady stream). *The Bukowskis* sold mass fabricated etchings by Zorn.

On the other hand, there existed about ten galleries selling modern art. *Svensk-Franska konstgalleriet* and *The Färg och Form* gallery (located in the sub field of small-scale production – see figure 1) belonged to the front row of this group. Unlike the dealers presented above, who preferred safe investment on a short-term basis, these young galleries had a *long production cycle* (above all the *Färg och Form* which only had been in the business for 3 years). Their market in the present was restricted. Both galleries did also account for a net loss close to 10,000 Swedish kronor in their income tax return in 1935. Over time, however, they could transform an accumulated symbolic capital into money, and their future was to be prosperous. A large part of *Svensk-Franska*’s supply consisted of the French modernists, for instance works of Legér (1881-1955), Braque (1882-1963) and Picasso (1881-1973). These paintings became a commercial success towards the end of my research period (from the second half of the 1950’s). *The Färg och Form* was also on an upward trend, even though it was not as steep as *Svensk-Franska*’s. Their supply was composed of the Swedish artists who had a break-through during the interwar period, e.g. Bror Hjorth (1894-1968), Sven Xet Erixson (1899-1970) and Albin Amelin (1902-1975). It is clear that these “young” artists, and the gallery they started by themselves in 1932, followed another economic logic than the one pursued by *The Fritzes* and *The Bukowskis* in the middle of the 1930s. They were not subject to the demand from a bourgeois audience with great spending power (it would be a long time before these groups started to invest in these painters); rather, as will be shown, they produced and distributed works to other producers in the intellectual sub field. In other words, they were located closest to the intellectual pole in the sub field of small-scale production (far away to the left in the figure where independence in relation to the market and its demands is big). They also occupied symbolically dominated positions (at the bottom of the figure). *Svensk-Franska* and their more consecrated French painters had reached a higher position in the symbolic hierarchy than *The Färg och Form* and their younger Swedish painters. The most consecrated “aged” Swedish national painters, who were sold by *The Fritzes*, hold symbolic dominant positions at the top of the hierarchy (see figure 1).

The Swedish art market strikes a discordant note to the neo-classical idea of (an “invisible hand” on) a free market. Power relations and hierarchy was built-in the construction of the market itself. Some short examples can illustrate the secondary – vertical – opposition *within* the sub field of small-scale production between the avant-garde (the young heretics) and the consecrated avant-garde (the orthodoxy). The newcomers, *Svensk-Franska* during the 1920s and *The Färg och Form* during 1930s, challenged the orthodox producers as well as the orthodox consumers. The head of *The Bukowskis* did for example attack *Svensk-Franska* because they were soiling the market with “horrible” modernistic goods. The old critics stated that parts of *The Färg och Form*’s supply were “tasteless and unpleasantly”. Both galleries suffered from physical attacks by consumers with traditional taste in arts. A well-groomed

gentleman with top hat smashed works of arts at *Svensk-Franska*. A Nazi-influenced businessman reported modernist works of art at *The Färg och Form* in 1935 to the police, who confiscated the works.² The young heretics' attacks on the orthodoxy are none the less striking. They tried continually to *banish into the past* those consecrated producers, against whom they measured themselves, "and, consequently, their products and the taste of those who remain attached to them" (Bourdieu 1992/1996: 157). Their attacks were often centred on the fact that agents in dominant positions had surrendered themselves to the demand; that the old trading houses had started with large-scale profit production and distribution. The head of *Svensk-Franska*, Gösta Olson, accused for instance the ageing dealer *The Fritzes* for not selling "real" pure art, but "commercial gifts". The artists of the *Färg och Form* gallery went together in a group to the *National Museum* during the 1930s just to be able to despise the art of Anders Zorn up front (whose art was sold by the Fritze's and the Bukowski's art dealers at a high price). *The Färg och Form* not only accused *The Fritzes* and *The Bukowskis* but also *Svensk-Franska*, who had advanced some steps further in the hierarchies, for commercial deviations. They described the head of the gallery as a "capitalist businessman" who writes "starvation contracts" with poor artists.

The main – horizontal – opposition still stands *between* the agents in the intellectual sub field and the agents in the commercial sub field. These internal struggles inevitably take the form of conflicts over definition. Each side is trying to impose the *boundaries* of the field according to their own interests or, which amounts to the same thing argues Bourdieu, the definition of conditions of true membership of the field. The defenders of the most "pure", the most rigorous and the narrowest definition of belonging state that a certain number of artists, dealers etc. (nearest the commercial pole) are not *really* artists, nor are they *true* artists. One aim of the struggle is also to delimit the population of those who possess the right to participate in the struggle over the definition of the artists, i.e. to defend the boundaries of the *entire* field against threats coming from *outside* (Bourdieu 1992/1996: 223-227; cf. Moulin 1967/1987: 139, 145, 163). Below I will show how the well-reputed art dealers (*The Fritzes*, *Bukowskis*, *Svensk-Franska* and *The Färg och Form*) managed to unite, in spite of a number of internal conflicts, and make a vigorous effort in order to prohibit and exclude the "inferior" cultural producers. These "inferior" agents were denied existence as artists and distributors worthy of the name to all sorts of producers, even though they could have lived like *real* artists and distributors according to a larger and looser definition of the profession. In the eyes of the renowned dealers, the "inferior" dealers, e.g. *Skattgömmen*, did not sell "art" but commercial "industrial products" which sailed under false colours. That kind of dealer had nothing to do in the art field; they belonged to the "usual" capitalistic economy.

The Field of Consumption – Relations Between Different Consumers

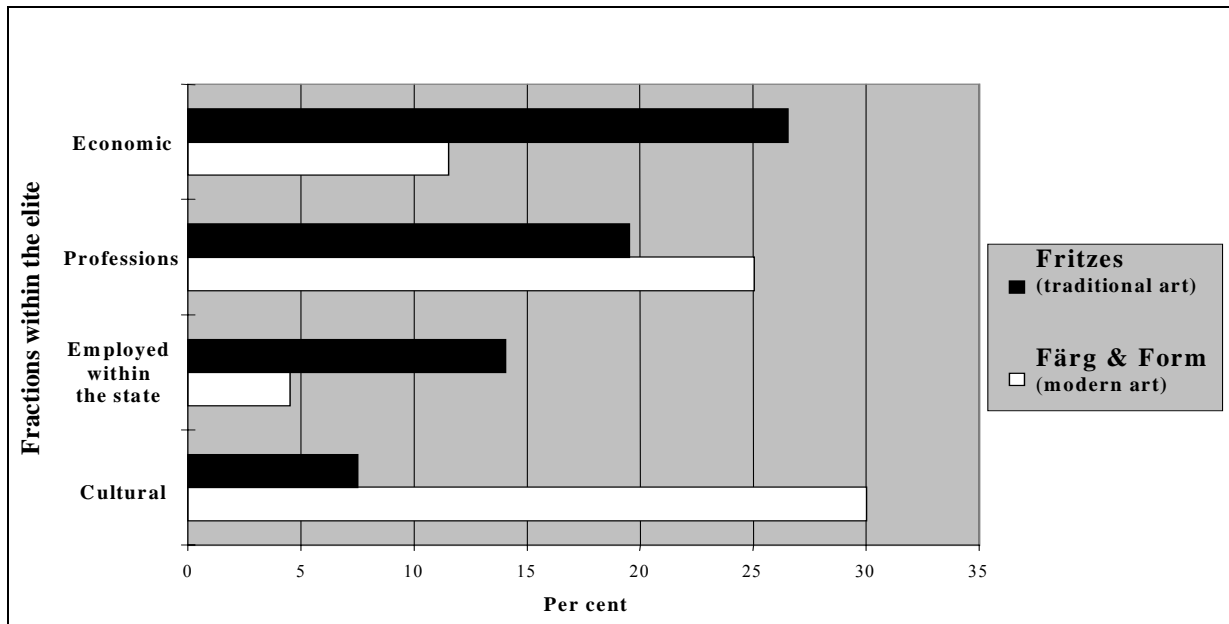
This market is, argues Bourdieu, an economic world inverted: the artist and the dealer cannot triumph on the symbolic terrain except by losing on the economic terrain (at least in the short run). The symbolic profits are high, and the economic low, near the autonomous pole in the

² Cf. Schumpeter's (1942/1975: 132) discussion about problems the entrepreneurs could meet when they introduce novelties on the market: "the environment resists in many ways [...] from simple refusal either to finance or to buy a new thing, to physical attack on the man who tries to produce it".

field. The opposite manifests itself near the heteronomous pole, where the symbolic profits are low and the economic high. *Temporal success* is rejected near the autonomous pole “as evidence of a mercenary interest in economic and political profits”, but recognized and accepted by producers near the heteronomous pole. Heteronomy occurs in effect through demand. Hence the size and the social composition of the audience constitute a clear indicator of which position a producer occupies in the field: independent or subordinate with respect to the demands of the (bourgeoisie or “general”) public? It is a fundamental difference between works made for the public and works that must make their own public (Bourdieu 1992/1996: 83, 115, 218).

Was it above all the participants *within* the sub field of small-scale production (other artists, critics and intellectuals from the same generation) that acknowledged and bought the (young) avant-garde art that was offered in the same part of the economy? And, on the contrary, was it above all a bourgeois audience that acknowledged, aesthetically and financially, the most acceptable works by the (old) consecrated avant-garde and the “commercial” artists? (Bourdieu 1993/1995: 50-59). It appears from figure 2 that this actually was the case in Stockholm in 1935.

Figure 2: Class Fractions and Preferences for Traditional and Modern Art 1935



Source: Gustavsson (2002: 96).

I have compared the groups buying “modern” and “traditional” art in Stockholm at three points in time when new art movements were introduced by new galleries on the market: 1935 (socially involved expressionism), 1947 (concretism), and 1955 (informal art). The consumers of these different art objects are compared to those who invested in the late nineteenth century art (*plein air* painting, impressionism and national romantic art) at the same points in time.

The registers of sold art items, census-registration statements and assessment books are the main sources for this study. In the year of 1935, for example, the people buying art at *The Fritzes* (which sold works of the late nineteenth century avant-garde) are compared with those buying art at *The Färg och Form* (which sold works of the interwar period avant-garde). During this year, the first-mentioned art dealer had 241 customers and the last-mentioned gallery 251.

The Fritzes and *The Färg och Form* were neighbours in the city centre of Stockholm, but active in two socially separated economies. The majority of the consumers at *The Fritzes* (an art dealer who belonged to the upper left corner as can be seen in Figure 1) belonged to the economic fraction of the dominant class (26 percent, see figure 2). The closer to the “cultural zones” of the dominant class one moves, the fewer traditional art consumers (only 8 percent of the customers at *The Fritzes* came from the cultural fraction of the elite). At *The Färg och Form* we find a reversed order. In this gallery, (which was embedded in the “south-west” part of the economy according to figure 1), the majority of the consumers came from the cultural fraction of the dominant class (30 percent, see figure 2). In the “economic zone” of the dominant class the modern art consumers are few (only 12 percent of the customers at *The Färg och Form* came from the economic fraction of the elite).

Although the consumers at *The Fritzes* were richer, a large part (40 percent) of the art consumers at both galleries had the same annual income. The prices were generally higher at *The Fritzes* but a big part (30 percent) of the pictures in both galleries was sold at the same price. Thus, it was not only the size of their wallets (the overall *volume* of capital) that decided where they wanted to buy their art. Also the *structure* of capital deserves attention: the consumers at *The Fritzes* had enough economic capital to buy a optional picture at *The Färg och Form*, but they had not enough cultural capital to feel at home in this gallery and appreciate the art it represents. A symbolic wall piled up in front of the doors to the gallery. The art works by the socially involved artists at *The Färg och Form* were both aesthetically and (left-wing) politically laden. In Nazi Germany, for instance, this kind of art was prohibited (“Entartete Kunst”). The conflict of the time between capitalism and socialism was translated into a question of the language of form in the art field: motives of nature in a realistic form (sold by the *Fritze’s* commercial gallery) stood against social motives and disharmonic form (sold by the *Färg och Form* gallery).

The cultural conservatives’ attacks on *The Färg och Form* and their artists were hard. Among other things a Nazi-influenced businessman (from the economic fraction of the elite) reported some works at *The Färg och Form* to the police. As noted above the police confiscated the works. The Nazi-paper *A Free Sweden* argued that the Swedish police had still not gone far enough, and that it should have followed the German example and put the artists and his defenders in a concentration camp. Even the culturally conservatives outside the Nazi circle associated *The Färg och Form* and their audience with “the spiritual upper class”. They were “Bolshevik aesthetic snobs”, in their eyes. When the individuals from different fractions are scrutinised, it becomes clear that all groupings from the Swedish social modernist movement really were represented among the customers of the *Färg och Form* gallery in 1935; especially the socially engaged artists themselves, but also the young writers and the academically educated art critics (included in the white bar over the cultural fraction in figure

2). We also find famous functionalist architects, young engineers and physicians (included in the white bar over professions) in the audience that year. These groups were busy planning, building and decorating the *new* society for the *new* social individual. One path in the formation of these radical groups was to consume and use the markers of the new society. The goods of the *Färg och Form* gallery worked as markers of the new democratic society. In the eyes of these consumers, a converse choice of the art of the old society, sold at the *Fritze's* commercial gallery, worked as a dissociation from their modern project. Their cultural capital was thus also, besides a general familiarity with Culture and in some case degrees from higher education, a kind of “social movement capital”. In the eyes of the conservatives, who lacked these kinds of capital, the choice of the radical groups worked as means for disassociation from their values.

The polarisation between the two main fractions of the dominant class was less at the time for my last cross-section, in year 1955. During the 1930s open conflicts between the classes and class fractions seeped through into areas of art production and art consumption. The consumers' choice of aesthetic objects was made on insecure grounds, since these choices were seen as taking a political stance, for or against the new society. Until World War II modern art carried the critic of the system from the left. However, the 1950s were different. The Swedish concretists (“the men of 1947”) provoked their time for a short while at the end of the 1940s. In the middle of the 1950s, however, this line of art had broken into the commercial market of commodities as popular decorations. At this point in time, modern art carried the marks of a preservation of the market system from a liberal point of view. From the end of the 1940s, the government of the United States looked upon abstract expressionism “as a propaganda weapon” in the Cold War against the Soviet Union (cf. Whiting 1989: 201). In Sweden during the 1950s, the state and the unions as well as corporations bought art by concretists. This art form was abstract and free of conflict, making it a favourable arena to meet for the main agents in the Swedish model of consensus. Both the art itself and the situation in society, were less laden with conflicts in the 1950s than in the 1930s, hence the situation was less polarised.

A homology between the space of producers and the space of consumers could yet be identified also in my last cross-section. In 1955 the cultural fraction above all shopped at the youngest gallery (the *Galerie Blanche*, established in 1947, which among other things sold informal art closer to the autonomous pole in the field). The economic fraction shopped, as in 1935, above all at *Fritze's* commercial gallery (rooted closer to the heteronomous pole in the field). The professional groups (with their position in the midst of the field of power) were now a major consumption group at the ageing *The Färg och Form* gallery (by that time rooted between the two poles on the production field). In the middle of the 1950s, the *Färg och Form* gallery could not offer the *latest* trends in art. Besides that, the art works by their leading artists had spread to a wider audience (groups outside the cultural elite). According to Bourdieu (1979/1994: 249; 1992/1996: 255), it can be expected that groups who primarily position themselves through the acquisition of symbolic assets leave objects and places of purchase when they have lost their functions as markers by other groups getting access to them. This was also the case in Stockholm: the cultural fraction of the elite had reduced their shares of *The Färg och Form's* customers from 30 percent in 1935 to 9 percent in 1955. They had at that time fled to the *Galerie Blanche*.

But in the 1930s, to go back to that decade, the goods of the *Färg och Form* gallery worked well as objects for distinctions for the young social modernist movement. In Germany, a broad coalition of anti-modernist culture conservatives and National Socialists won the battle against this movement. They managed to chase the modernists out of the city Weimar, and then out of the country. The modernist groups did however manage to get all the way into the Swedish state.

Spaces Within the State

The state is, according to Bourdieu (1994/1998: 41), the culmination of a process of concentration of different species of capital: instruments of coercion, economic capital, cultural capital and symbolic capital. It is this concentration that constitutes the state as the holder of a sort of meta-capital granting power over the different fields and over the different particular species of capital. The fractions of the dominant class struggle in particular over this meta-capital, that is, for power over the state.

When the state is dissected an “ensemble” of administrative or bureaucratic fields emerge, fields that often take the empirical form of bureaus, commissions, boards and councils. Within these worlds agents struggle – with original place of residence in, for example, the economic field or the art field – for the power to regulate the functioning of different fields. Whether through financial intervention, such as public support of investment in the economic field or support for one kind of art in the cultural field, or through juridical intervention, such as different regulations concerning organizations or the behaviour of individual agents. (Bourdieu & Wacquant 1992/1996: 111ff; Bourdieu 1989/1998: 388; Bourdieu 1994/1998: 33). The higher civil service is to be found, as stated above, between the fields of cultural production and the economic field within the superior field of power. The whole ensemble of different bureaucratic fields, the state as a “meta-field”, can be thought of as an (not drawn) ellipse within the field of power in figure 1, covering parts of the fields of cultural production in the “west” as well as parts of the economic field in the “east”.

What went on inside the Swedish State? The art dealers and the galleries that have been discussed in this paper did not only occupy leading positions in the market; they also held prominent positions in the state apparatus. The head of the *Färg och Form*, Fritz H Eriksson, and the artists making up the gallery’s core group, became chairs in The State Art Council (1937), and by that they gained control over the purchasing politics. *The Fritzes* and *The Bukowskis* art dealers (representatives of traditional art) and the *Svensk-Franska* gallery and *Galerie Blanche* (representatives of modern art) got hold of the chairs in the Business Council for Art and Antiques (1949), and by that they could exert an influence on the import politics that this body governed. Between my cross-sections 1935 and 1955, the state had intervened in the market, but the market – here equivalent to centrally positioned agents from different areas in the art field – had also entered the state. That the modernists from the inter-war years finally filled important seats of these councils had been far from a self-evident development. The outcome of the conflict between old and new was uncertain in the early 1930s. The modernists lost for instance the battle of the Government cultural policy on the field of theatre, in contrast to the battle of the cultural policy on the field of the visual arts. That these art councils, with representatives from *different* zones of the field, combated the “inferior” art

is however not a surprise. The cultural producers, and also the cultural consumers from the elite, who often disagreed, completely agreed on *one* question: that the boundaries of the entire field (the “east” border of the field of cultural production in figure 1) had to be defended against foreign elements. An invasion of commercial art from the “usual” economy, which was doubly devalued as mercantile *and* “popular”, had to be stopped at all costs (cf. Bourdieu 1992/1996: 220).

Purchasing Politics and Import Politics

The State intervened in several countries to help, among others, artists who suffered after the capitalist crisis during the inter-war years. The “Reichskulturkammer” was for example created in Germany in 1933 (Steinweis 1993). At the same time in the United States similar institutions emerged, providing public buildings with art. In Sweden, the State Art Council was created a couple of years later, in 1937. The Art Council had several purposes. The council’s politics were both a labour market measure (in order to create work opportunities for Swedish artists), and a taste-cultivating measure (to decrease the distance between the masses and the culture of the elite). The capitalist crisis of the 1930s made the artists themselves turn to the state. Many were unemployed and suffered. At the same time, the state had an interest in employing “the good artists”: the faith in art as a cultivator and as propaganda was common during the period. The Social Democratic government’s political ambition was to democratise the “educated” art. The elite culture would be everyone’s property through the benevolence of the state. The battle concerned what type of art that would be seen as educating and good; traditional or modern.

The aim of the minister of education and the formal initiator of the council, Arthur Engberg, a radical socialist with conservative cultural preferences, was that the traditional bourgeois art should reach everybody. This dream was not accomplished since the artist making up the *Färg och Form* gallery’s core group managed to control this part of the State; they were represented in the council’s committee of purchasing during my entire research period (1937-1960). The council’s task was to decorate public buildings and spaces with art from *living*, *Swedish* and *good* artists. By that alone, the *Fritzes* commercial gallery was discriminated against as a potential business partner; selling “good” traditional art largely by dead painters. Nor did the state buy at the *Svensk-Franska* gallery. The gallery sold modern art, preferred by the council’s modernistic influenced members, but the art was French and not Swedish. When purchasing easel art on the open market, the council gave priority to above all one gallery, namely the *Färg och Form* gallery. Artists tied to this gallery were also engaged in several missions to decorate public buildings and public spaces with monumental art. The taste that the young social modernist movement expressed in the middle of the 1930s turned in this way into the taste of the State. It became the norm of the Swedish State (the Nazi state, in contrast, perceived modernistic art as “inferior” and decorated the German public space with nostalgic traditional art). The artists tied to the *Färg och Form* gallery did however not only influence the purchases of Swedish contemporary art, in an indirect way they also influenced the purchases of foreign art since the State Art Council worked as experts in matters concerning foreign trade.

The question of "inferior foreign art" had been discussed in artists' circles since the early years of the 20th century, but it was not until the creation of the State Art Council in the year of 1937 that the corps received permanent institutional means to solve the problem. One of the Art council's first initiatives was to start a large preparatory research that involved all the customs stations in the country of Sweden. During six months in 1938, all imported art was registered, more than 21,000 objects. The ambition was to get a feeling for the share of "inferior" art in relation to the veritable flood of new art objects that ran over the Swedish border. This share was big, according to the council. The ideological project of the Art Council, to sanitise the art market from foreign "inferior" art, threatening to drive art produced by Swedish artists out of the market, was given a hand, both by the war and later by the insecure monetary situation after the war. The import prohibition that was enforced in 1939 was largely abolished in 1946, but already the next year, the Swedish government had to enforce a general import prohibition to protect the Swedish currency. The Swedish Art Council, and later also the Business Council for Art and Antiques (1949), worked as an institution under the Commission on Commerce, handling the applications for exceptions to these prohibitions. Works of art were among those commodities that required a special license for import. One may then ask who would be allowed to import what?

Power of Definition

The artists and the gallerists in the Art Council and the Business Council controlled "a very mysterious power" namely the "power of nomination". By stating with authority what a being, a person (for example an art dealer) or a thing (for example an art work), is in accordance with its socially legitimate definition, that is, what they have a right to be, the state wields a "quasi-divine" power according to Bourdieu (1994/1998: 49, 52; 1989/1998: 376). *Skattgömmman* and *Konst & Ramar* (see figure 1) were not allowed to import works of art to Sweden under the period 1939 - 1953. They did not, in the eyes of the councillors, deal in "art", although they said so themselves, and were thus not given a license to import. *Skattgömmman's* application for import of 100 paintings from Denmark in 1948 was for example refused, because the Art Council stated that it did not contain "real" works of art. *Konst & Ramar's* application for import of works of art from France in 1952 was refused, because the Business Council stated that the firm was not a reliable "real" art dealer "with a name".

This power of definition can be seen in the number of rejected and passed applications for import licences during 1939-1953. The further away from the autonomous zone in the field of art the applying art dealers were, the higher the number of rejected applications. On the one hand were *Skattgömmman*, *Konst & Ramar* and 130 other "commercial" dealers, who were not allowed to import a single work of art. On the other hand was the "intellectual" *Svensk-Franska* gallery, which also held a seat on the Business Council for Art and Antiques, and which *alone* obtained 40 per cent of the amount that had been set aside for licensing art import during the period 1941-1953 (another 122 companies also acquired licenses to import for various sums of money).

Between 1941 and 1947, when the Art Council's decision material was better, the arguments mostly concerned the quality of the actual piece of *art*. However, one seldom finds any

articulated or precise formulations. Mostly, the art expertise stated that the object “lacked quality” without really going into any details and this was done after an examination of the work itself, or of a photography of the work. In rare cases there were comments on the “unskilful construct” and the “banal” and/or “sentimental” motives. During the most rigorous control period during the war, the council stamped the back of legitimate art: “Approved by the State Art Council”. Between 1948 and 1952, when there were more cases and less decision material, the arguments concerned the producers and, above all, those who wanted to import. Artists and dealers with *unknown names*, i.e., unknown to the art and business councils, or name of those previously known as “inferior” dealers or artists, did not get their licences approved. During the whole prohibition period, the fluid arguments concerning import licenses were also supported by economic arguments (to household with small quotas of currency), and political and social arguments (to help artists in need and work against a shallowness of the art taste among the Swedish public).

The state forms of classification of different categories of art works are never neutral. Those who came out as “authorized” experts from the struggle with other specialized agents were thereby given the means to pursue their interests. The specialized agents’ own specific interests, which are intertwined in the classifications, must be hidden and appear as an expression of the “universal”, otherwise the classifications lack legitimacy and by that the penetrating power. The bureaucratic field is, like the artistic field (“art for art’s sake”), a microcosm that is constituted on the basis of an inversion of the fundamental law of the economic field (“business is business”) and in which the law of economic interest is suspended. The fundamental law in the bureaucratic field is “the commonweal”, a universe in which social agents have no personal interest and sacrifice their own interests to the public. The bureaucrats are obliged to refer to the values of neutrality and disinterested loyalty to the public good (Bourdieu 1994/1998: 52-59, 84-88; Bourdieu 1989/1998: 379-389).

Despite industrious attempts, the populace was never convinced that the art they liked was “inferior”. There were also a lot of protests against the mode of justification that the art experts had established. Both from the small business corporations (who considered the grounds for approving import licenses to be arbitrary and biased) and from annoyed working class consumers (who argued that the art expertise should not busy itself with what art they had in their homes). Those artists, galleries and art experts who successfully had co-opted parts of the state did not have equal success in portraying their exclusive art taste as being the “common good”. The prohibition also became more and more politically impossible, since the economic forces, which had supported it, eroded with the new international liberal market economy. In the middle of the 1950s new strategies to combat “inferior art” were unravelled: the prohibitions were replaced by information campaigns and pedagogic art exhibitions. A new order had been established.

Conclusions – the Market in the State and the State in the Market

The walls round the sub field of small-scale production rose higher when the leading agents in the art market stepped into the state, and when the state stepped into the market. The state supported dealers, and by that also consumers, closer to the autonomous pole in the field. This it did in relation to import (foreign modern art imported by the *Svensk-Franska* gallery) as

well as in relation to purchasing (Swedish modern art sold – and bought – by artists tied to the *Färg och Form* gallery).

According to Bourdieu (1992/1996: 183), the theory about the fields of struggle, “obliges us to rethink the presuppositions of economic theory, especially in the light of what is learned from the analysis of fields of cultural production” (cf. Fligstein 2001: 16). A traditional economic theory, populated by utility maximizing rational actors who are *indifferent* towards other actors’ choices on the market, is in any case less suitable for an analysis of the Swedish art market 1920-1960. This place was at times in a state of war, there were severe conflicts between the dealers as well as between the consumers. “Free choices” were unusual as well. The agent’s choices were instead, as seen above, strongly connected to their positions in different fields.

The force of Bourdieu’s theory is that it partly serves as a tool for analysing relations *within* different fields, and partly turns one’s attention to related courses of events in *different* fields, which are embedded in each other. In this article, I have tried to give an overview of the field of art production (the supply), the field of art consumption (the demand), without forgetting to examine what went on in the state, which partly set the boundaries of the two first mentioned fields. The analyses of the hustle and bustle in these different places should deserve to be integrated in order to clarify to what extent the different fields were connected to each other. For instance, my study made it clear that one and the same individual or institution sometimes managed to acquire positions in more than one field. Gösta Olson (the *Svensk-Franska gallery*) played in the field of production (in the small-scale area), in the field of consumption (intellectual taste for the French modernists) and in the “meta-field” of the state, where he relatively successfully tried to reproduce his own specific interest in modern art as “the common well”.

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ECONOMIC SOCIOLOGY IN TURKEY: A HISTORICAL OVERVIEW

By
Filiz Baloglu
Istanbul University
Faculty of Economics
Department of Economic Sociology,
34452 Beyazıt-Istanbul
TURKEY
filizbaloglu@ttnet.net.tr

Introduction

The period between 1923, the year the Republic of Turkey was founded, and the following 15 years, significantly affected the social sciences as a period for the search of “a new social identity” and a new era of production. The most prominent characteristics of this period are the facts that subjects were analysed mostly in theoretical fields and that sociology was interrelated to different disciplines and fields such as philosophy, politics, and education. It has been observed that studies became more academic and more productive after the foundation of Istanbul University in 1933. Many German scientists who took refuge in Turkey in the period 1940-1950, because of the neutrality policy pursued by Turkey during World War II, contributed to the development of sociology in Turkey as well. Later, when Turkey went through a transition period to a multi-party political environment, the democratisation introduced variations in the scientific studies. The 1960s saw the foundation of some institutions that contributed to the development of the social sciences in Turkey. For instance, the establishment of the State Planning Institution contributed immensely to studies on the macro level. Despite the fact that the discipline was interrupted due to the political turmoil in 1970s, it is noteworthy that this field was regarded as a requisite in the institutions of education and that people recognized the significance of sociology and the great number of theoretical and application studies appeared in the second half of 1970s. In 1980s, the increase in scientific studies in all disciplines was encouraged through the liberal policies adopted in economy. Later, the collapse of the Soviet Union, globalisation, and discussions on the European Union introduced further variations in studies in sociology.

I argue that the development of Economic Sociology in Turkey, was influenced by these political and social events in Turkey, as well as by the economic policies adopted in Turkey. There is no doubt that, since the newly-established Republic had problems with which methods to employ for industrialization, economic development, and the establishment of a new economic order, most of the works were on these issues.

In this article, I aim to analyse three groups of sociologists from a historical point of view. Moreover, in Turkey the developments in the world, and sub-disciplines like industrial sociology were considered as parts of Economic Sociology. Therefore, it is difficult to argue

that the works covered in this article totally belong to Economic Sociology. However, these works are significant in that they laid the groundwork for the beginning and subsequent development of Economic Sociology in Turkey. Later, I will deal with contemporary studies.

The Philosophical Bases of Turkish Economic Sociology

Occasionally, some philosophers tend to study social problems without resorting to co-operation and specialization. This, for example, is the case of Ziya Gökalp, who focused on Economic Sociology as well as other branches of sociology.

Gökalp, who took Turkish nationalism as a basis for his philosophy, supported the idea that in order to prosper economically, society should attain the awareness of national solidarity and unity. And he regarded industrialization as an economic ideal, and argued that these ideals could only be reached by the theories of “national economy”¹ (Kurtkan, 1965:18). He insistently argued that in his epoch, the conception of national economy adopted in England was not a universal theory and that the Turkish economists therefore had to provide a scientific programme for our national economy. When stressing the significance of national culture and expounding the relations between culture and economy, he stated that, “if the level of economic life in a country is not high, no science, arts, philosophy, ethics or religion can be at the height of development” (Ülken, 1939:146).

He further elaborated on the economic system that should be adopted by Turks: “Since Turks love independence and freedom, they cannot be participants. However, since they support equality, they cannot act as individualists, either.” Therefore, Gökalp asserted that the most suitable system for the Turkish culture was solidarism. According to him, individual property was legal as long as it covered social solidarity. In his opinion, the fact that socialists and communists aim to remove individual property is not justified. In addition, having property is not limited to individuals. There should be both individual and social properties. The additional plus-values that result from the societal division of labour and which are not the product of the efforts of individuals belong to the society.

According to Gökalp, individuals should not benefit from these plus-values. The great amounts accumulated on behalf of the society due to the additional plus-values should serve as capital for the establishment of factories and big farms, serving the public good. With the income received from such enterprises, special schools should be founded for the poor, orphans, widows and widowers, patients, crippled, and blind, deaf and mute people. Public parks, museums, theatres, and libraries should be opened. Houses should be built to enable villagers to live in a healthy environment and a general network of electricity covering the country should be built. In brief, all requirements are met to secure the welfare of the society by terminating all sorts of poverty. Even when this social welfare reaches a satisfactory level, there is no need to levy taxes on people. At least it is possible to reduce the amount and variations of taxes (Gökalp: 1972).

¹ It can be argued that the fact that the Ottoman Empire did not achieve a national economy level and that it was deprived of a national state where national unity was strong had great influence on Gökalp's approach. That most of the economic activities in the Ottoman Empire were carried out by non-muslims, introduced inefficiency in acquiring welfare. Therefore, for the first time, deep gaps emerged between us and the West in the commercial capitalism and then in industrial capitalism.

Even though Gökalp stressed the significance of the economy as the basic structure of society, he criticised Marx's philosophical theory that social events in reality are economic events. Therefore, the effects of ethic, legal, political, philosophical and cultural events on economic events cannot be denied. (Ülken, 1939:146). In conclusion, Gökalp's ideas on the economy are based on the concept of nationality.

Another key figure in Turkish Sociology is Prince Sabahattin. He ardently supported the capitalist system in economy. He aimed at replacing the communal structure of the Ottoman Society with an individualistic social structure. In order to achieve that, he believed that the characteristics of a society in which individualistic social structure reigns should be introduced into the Ottoman society. He argued that land should be allocated to individuals as private property. Besides, he suggested that "a bourgeois class" should be created that would facilitate the transition to the new social structure and that would apply this new structure. The concept of "individual enterprise" introduced by Sabahaddinderives from the fact that he supported a capitalist economy. Success can be attained by "each of individuals who form a society, directly seeking the success of self-reliance in his/her enterprise instead of relying on his/her family or the government no matter the society he/she lives in (Sabahattin, 1908: 166). Sabahaddin stood for individual enterprise in private life and central administration in public life in order for the society to overcome the collapse and break-up of society as it was seen at that time.

In Sabahattin's view, social manifestations such as law, economy, and ethics vary according to the formation of the society. It means that they do not change the social structure; on the contrary social structures form them (Sabahattin, 1913: 336-338). Sabahaddin also contended that the effect of religion on economic life was relative. Therefore, he argued that those who supported the idea that Islam as a religion was a handicap for the progress were wrong. According to him, what obstructs progress in Turkey was not religion but social organization. He argued that the communal social structure made individuals inactive by encouraging them to consume rather than to produce, which prevented the development of character and social skills. Therefore, the fact that individuals are always bound to search for the bases that combine them with family, society, and government, leads to a simple social structure (Sabahattin: 337-338, 341). Communal structure does not relate an individual with others but with production. That is to say, individuals should expect that personal enterprises and social activities would enable them to increase their level of welfare. The communal structure improves individual skills and personal power (Sabahattin: 340-341). When these views are evaluated, it should be stated that Sabahaddin had a forward-looking approach compared to other thinkers of his time.

The Period of Development of Economic Sociology in Turkey

The Department of Economic Sociology in the Faculty of Economics at Istanbul University goes back to "İktisat ve İctimaiyat Enstitüsü" (The Institute of Economic and Sociology) founded by Ziyaeddin Fahri Findıkoğlu. Findıkoğlu mostly focused on Economic Sociology and methodology. He adopted a philosophical system opposing the Marxist approach, which is clearly observable in his works. He criticised Marxism since it envisages only one reason for social issues and events (Findıkoğlu, 1976:197). Based on this criticism, it is evident that

Findıkoğlu had a pluralist approach. According to him, what should be done to understand, explain and direct social and economic events, is not to develop a monist or dualist causality, but a pluralist theory of causality (Findıkoğlu, 1970:73-74).

When expounding events by a multi-factor method, he makes a kind of comparison of Karl Marx' and Max Weber's methods: without denying the economic factors, he aimed at applying the effect of economic issues on other social problems (Findıkoğlu, 1976:227-228). According to Findıkoğlu, the area of adjustment where "economic sociology policies" and sociology in general terms coincide is particularly the area that is termed "social problems". The increasing gap between the lower and upper levels of the stratified society is the source of social problems. That is to say, if the level of the poor is much lower than level of the rich in a country, there exists a "social problem" which needs to be solved. In his view, the capitalist system cannot be justified in its pure form regarding the allocation of income and wealth. According to Findıkoğlu, who shared the view expressed by John Stuart Mill, this problem in the capitalist regime lead to experiencing of communist, socialist, and co-operatives orders (Findıkoğlu, 1965: 168).

Findıkoğlu also carried out studies that stressed the significance of some cities and towns in Turkey in the economic and social structure. Findıkoğlu regarded the town of Karabük as the first heavy industrial centre in Turkey. The Iron and Steel Factory in this town served as fertile ground for the training of entrepreneurs who were going to establish the small industrial enterprises in Karabük. Findıkoğlu studied the transition from heavy industry to small-scale industry by analysing how the workers working in this enterprise acquired specialization and started their own businesses. At the same time, this situation indicates the social movement for the individual from being a workman to becoming a businessman (Findıkoğlu 1962: 57-59). In brief, Findıkoğlu contributed immensely to the development of Economic Sociology with hundreds of works.

The first Marxist work to be addressed herein was carried out by İsmail Hüsrev Tökin and dealt with the problems of villages and agriculture in Turkey. In his work entitled *Türkiye Köy İktisadiyatı* [Village Economy in Turkey], he resorted to historical materialism as a theoretical basis without mentioning it by name. Tökin stated that each society has a "social order" which is based on the relations of production. The social order is determined by the social qualities of the relations of production. Social order varies and changes according to each system. The "social positions" of people in a society are determined according to their roles in production and their participation in production.

He defined the economic system as "...a historical and social development which has an order corresponding to a certain technique in its relations with Nature and to a certain level of progress in this technique" (Tökin, 1990:18).² But he distanced himself from Sombart, stating that the first and main element in the system is not the economic mentality but the relation between man and nature and therefore he regarded technology as a mediating factor. He argued that economic systems will change as a result of the dialectic progress of the relations

² The first edition of the work was published in 1934.

between Man and Nature (Tökin, 1990:18). According to him, the mentality as a system is complementary and determinant of the characteristics of a society.

Cavit Orhan Tütengil (1970), who is noteworthy for his statements on the underdeveloped countries from a sociological point of view, based his thoughts on the idea of “Westernisation” during the Ottoman Era and afterwards with an ideology supporting Atatürk’s principles.

In underdeveloped societies, “a study which is conducted only in terms of economy is not only incomplete but also causes misconceptions”. He underlined the significance of Economic Sociology by including demographic, sociological, and cultural issues in economic problems. Since demand determines supply in underdeveloped societies and therefore, the consumption trend in underdeveloped societies is intense, demand turns into a factor that determines supply in the market. Tütengil defined this characteristic of the economy of an underdeveloped society as “a dead end”. He stated that this dead end brings about negative results introduced by external powers such as the expenditure of the accumulation of capital in society in areas that do not meet the real needs of the society. This increases the consumption trend in underdeveloped societies. He argued that development is not possible through a capitalist system or a socialist system. The application of the policy of state control, which was put forward as a concept by Tütengil, in essence, aims at developing capitalism through the state. Based on this, we may say that Tütengil is the first Turkish sociologist to have conducted a systematic analysis of underdevelopment and underdeveloped countries.

Another philosopher who has published works on Economic Sociology is Sabri F. Ülgener, who originally was an economist. In his works, he aimed at providing a general picture of the ethics and mentality of the economy. Influenced by Weber in analysing the world of ethics and mentality, Ülgener stressed that a lot of factors should be taken into consideration but that it would be useful to focus on only one of them. Therefore, he endeavoured to expound the way Turkish people behave today as well as in the past. He stated that the type of man which he defines as “somebody who does not like wasting his life by worrying about work, bounded by the records of tradition and authority in determining his behaviour, and somebody who favours lump sum at work and in his accounts” is about to disappear (Ülgener, 1981a: 209). However, he also underlined the negative sides that still are in effect: “today excessive and imposing consumption as far as people can afford is far beyond the efforts of production” (Ülgener, 1981b: 13).

In his work he stressed that people favoured living in welfare in the pre-capitalist period but they did not want to exert too much effort for this end as opposed to the current unbelievable speed of capitalism. Based on this fact, the inactivity and clumsiness introduced by the motto “we can somehow manage” completes the picture (Ülgener, 1981b: 13). The fact that the real mentality adopted by the economic man of a certain period and environment is separated from the ethics of the economy, and the review of these two concepts as economy ethics and economy mentality individually, are the novelties worth mentioning in this field. According to him, rational life, rational science, rational work and ethics of profession only characterise the West, the rest of the world is not familiar with them.

In these views, Ülgener have also attempted to introduce a historical explanation for the reasons why capitalism did not flourish in Turkish society. While the societies in the West

experienced economic development through technological innovations, why were such developments not experienced in the societies in the East? This is the main question for which he sought an answer in his work. In his view, there should be changes in the behaviour and mentality of both consumers and producers in favour of rationality and efficiency, which would lead to an increase of the national income, the level of employment, investment, consumption, savings and foreign trade. To conclude, I argue that Ülgener sought the basic element of economic development in the characteristics of the citizens of a particular country (1981a,b).

Mehmet İzzet is another Turkish sociologist who adopted a sociological approach on economic events. He argued that societies are in a continuous process of progress and transformation. People settled on land for religious and economic reasons. Then they established clans, villages, communities, cities, and empires. İzzet believed that the motive behind this transformation is co-operation. Through co-operation, societies in which professions reach the level of specialization, the most civilized kind of societies emerge. With the improvement of co-operation, the increase in common production and transformation changes the mentality about property as well. Possessing properties contribute to the improvement of freedom and personality. According to İzzet, economic innovations are also related to theories, traditions and thoughts. One cannot wish to change economic life and stick to the old theories at the same time. This is a fact. However, it is also a fact that our thoughts, traditions and laws are related to economic life. Based on this statement, İzzet argued that economic innovations constitute a motive in the transformation (İzzet 1929: 76-83).

Mehmet Eröz's work entitled "*İktisat Sosyolojisine Başlangıç* (Introduction to Economic Sociology)" (1973) is very significant in the discipline. Economic issues such as co-operation, production, value, exchange, re-allocation, property and consumption are presented again from a sociological point of view and through an extensive literature review. Eröz studied the characteristics of Turkish society in great detail and he thought that economic development "is a means of putting up with sacrifices and deprivations". He pointed out that, in order to achieve development, first the tendencies of saving for individuals', whose level of average or marginal savings tendencies he considered to be low, should be increased.

I also wish to refer to some sociologists who extensively have studied issues of social change. Mübeccel Belik Kıray concentrated on small and short-term issues rather than comprehensive and long-term problems. This is because she believed that the issues in the first group are solved theoretically. The problem is to realise short-term changes and their dynamic movements. In her basic and original work (Kıray, 1964) based on this view, she aimed at determining the social structure of Ereğli, which is a pre-industry town. Kıray defined the concept of "the buffer institution", which she employed when expounding the change as "institutions and relations that do not emerge in neither of the two basic structures but is in formation and that enable integration in relatively more rapid and more comprehensive situations of change" (Kıray: 7). According to her, if change is too slow or too rapid, buffer institutions may not emerge. Changes at medium speed enable the emergence of such institutions.

On the other hand, Amiran Kurtkan Bilgiseven has in her work aimed at shedding light on social structure and change, industrialization, and social problems of small-scale industry .

When the work entitled “*Türkiye’de Küçük Sanayiın İktisadi Ehemmiyeti* (The Economic Significance of Small-Scale Industry in Turkey)” (1962) was published, agricultural production was dominant in Turkey. Therefore, Kurtkan sought to explain the fact that small-scale industry was requisite for the Turkish countryside economy, and this she did by expounding the benefits brought about by the development of small-scale industries.

Orhan Türkdoğan's “*Sanayi Sosyolojisi: Türkiye’nin Sanayileşmesi* (Industry Sociology: Industrialization of Turkey)” (1981) covers three periods: Ancient Turks, the Ottoman Empire, and the Republic Era. The relations between the economic and commercial mentalities of Turkish society and its social structure are revealed through an investigation of the economic, commercial and industrialization processes of the Turkish society in the light of history. According to the writer, the industrialization process can only be evaluated after the identification of this ideology and after its place in the Turkish cultural code are specified.

Finally, I would like to refer to Emre Kongar, who conducted many studies that analyse the social structure of Turkey. In the work entitled “*İmparatorluktan Günümüze Türkiye’nin Sosyal Yapısı* (Social Structure in Turkey from the Age of Empire to the Present)” (1979), he studied capitalism as an element enabling social transformation and he also conducted an analyse of the roots of capitalist classes in Turkey.

Contemporary Economic Sociology

The most notable characteristic of the first wave of economic sociological studies in Turkey is the fact that they are theoretical. In contrast, the studies of today are based upon field works, and this is typical of contemporary Economic Sociology in Turkey. It can be argued that gender studies, which is one of the areas of interest for Economic Sociology in Turkey, is a productive field. One can refer to many studies conducted in this field³. Here I will refer to an article written by Yıldız Ecevit (1998), who has carried out many studies. In this article, she aimed at analysing the place of women in the labour market in general, and in the industrial sector in particular, by adopting an gender based approach. The article is innovative in that it reveals that the gender ideology has emerged for several reasons, it also shows how it affects the fields in which it is employed as well as the way it is used. The research conducted under “The Development of Women’s Employment”, a project propounded by the Republic of Turkey, the Prime Ministry, and General Administration of Women’s Status and Problems (TC. Başbakanlık Kadının Statüsü ve Sorunları Genel Müdürlüğü), which supports studies in this field and which is a state institution, is noteworthy as well. Some of these studies are: “*The Participation of Women in Employment in Rural Areas* (Kırsal Alanda Kadının İstihdama Katılım) (February 2000)”, “*New Production Processes and Women’s Employment*

³Deniz Kandiyoti 1989, “Women and Household Prouction: The Impact of Rural Transformation in Turkey”, K. ve P. Glavanis (Derleyen) *The Rural Middle East*, Zed Books, London., Hacer Ansal 1998, “Küreselleşme, Sanayide Teknolojik Modernizasyon ve Kadın İstihdamı” (Globalization, Technological Modernization in Industry and Employment of Women), Özbay F. (Ed.), *Kadın Emegi ve İstihdamındaki Değişimler – Türkiye Örneği*, T.C. Devlet Bakanlığı Kadının Statüsü ve Sorunları Genel Müdürlüğü ve İnsan Kaynağını Geliştirme Vakfı, İstanbul, Oya Çitçi, 1990, “Women in the Public Sector”, Women, Family and Social Change in Turkey, (ed.Ferhunde Özbay), UNESCO, Bangkok, sayfa 105-119. Meryem Koray, 1992, “Çalışma Yaşamında Kadın Gerçekleri” (The Facts About Women in Business Life), *Amme İdaresi Dergisi*, cilt: 25, sayı: 1.

(Yeni üretim Süreçleri ve Kadın Emeği) (November 1999)", *"The Socio-Economic and Cultural Dimensions of the Problems about Women's Participation in Business Life in Cities (Kentlerde Kadınların İş Yaşamına Katılım Sorunlarının Sosyo-Ekonomik ve Kültürel Boyutları)* (May 2000)", *"Urban Women as Employees Ready to Work and Change (Çalışmaya Hazır İşgücü Olarak Kentli Kadın ve Değişimi)* (August 1999)". These researches will be influential in the solution of problems of employment of women in both urban and rural areas.

Consumption, , is one of the widely attractive fields for research after 1980 due to the new economic policies pursued in Turkey. The adoption of liberal policies led to significant changes in the mentality of Turkish people regarding consumption. The studies by Ahmet Güner Sayar (1976) and Begl  Dike ligil (1982) are theoretical. Sayar's thesis, which analyses Veblen's views in detail, and Dike ligil's article that analyses consumption, contributed to the introduction of Western sociologists into Turkish Economic Sociology. In addition, Dike ligil's thesis, in which the relations between life style and income are analysed, is an innovative work in this field (1979).

Rana A.Arslano lu (1999) employed the concepts of Appadurai, Featherstone and Baudrillard in her work, in which she studied the encounter experiences in shopping centres in the metropolises of Turkey. In some sense interpreting the transformation of consumption, Yavuz Odabaşı (1999) pointed out that the concept "consumption society" has different meanings according to different levels of advancement. The writer stated that big shopping centres are places where people coming especially from the shantytowns and rural areas, spend their free time and where social encounters are experienced.

Development and Entrepreneurship are still significant in Economic Sociology today. In the work where cultural bases of development are studied, Mustafa E.Erk l argued that social and cultural factors and determinants are as influential as economic ones. The fact that only a materialist and economic approach considers man as a means of production who manufactures products and tools led to the inefficient evaluation of his moral characteristics. According to him, both liberal and Marxist approaches are full of such inefficiencies. Homo economicus cannot be applicable in all fields of social life (2000: 52, 3). Burhan Baloglu (1987) has provided a profile of successful entrepreneurs through questionnaires submitted to 60 presidents of Board of Directors and who, at the same time, are capitalists chosen from the "Top 500 Industrial Enterprises in Turkey" selected by Istanbul Chamber of Industry. The writer underlined the significance of cultural values in enterprises and economic events.

Another sociologist who has conducted studies on entrepreneurship is Ne e  zgen. Here I wish to refer to her article (2001), which I consider significant in terms of the analysis of the concept of poverty. In this article, it is stated that people who earn a living by collecting garbage earn more than the living indices of cities where the research was carried out suggest. However, the writer found that these people were in a way excluded from the society by being deprived of the urban and universal consumption styles and that they established a network of power for themselves. This research revealed that the new structures brought about by Globalisation and New Policies of Economy led to the emergence of new classes in cities and introduced the concept of "new urban poverty".

Yet another interesting example of the present type of studies is Veysel Bozkurt's "*Püritanizmden Hedonizme:Yeni Çalışma Etiği* (From Puritanism to Hedonism: New Ethics of Working)" (2001). In this study it is stated that, in parallel with the widespread adoption of the consumption culture in a post-modern era, work ethics rapidly move from Puritanism to hedonism. It was observed that university students from different faculties, who were the subjects of the research, were influenced immensely by the hedonist/narcissist culture of the post-modern era. In particular, hedonist tendencies increased as income increased and the respondents denied the view that "working is the most important thing in life". It was revealed that those who support the puritan values ardently were the students from religious schools.

Finally I will refer to Fuat Ercan's "*Toplumlar ve Ekonomiler* (Societies and Economies)" (2001), which expounds the significance of the economy in the social structure and social transformation. The writer stressed that the concept of economy cannot be defined without a historical and most importantly, a social content (Ercan 2001: 179). Influenced by Karl Polanyi, he argued that we should accept a reality in which we experience different societies and economies.

Conclusion

Needless to say, this article does not claim to cover all academicians and researches that contributed to economic sociology in Turkey. I based my study on names since the works published on Economic Sociology in Turkey, as far as I know, have not been collected in a work. I aimed at covering more extensively the studies of academicians whom I believe to be important historically and to reiterate different viewpoints that have been expressed in Turkey. As for the section on the contemporary studies, in a sense, I introduced several studies. I hope that this study serves as a foundation for the collection of all works on Economic Sociology in Turkey.

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BOOK REVIEW

**Jens Beckert: *Beyond the Market: The Social Foundations of Economic Efficiency*.
Princeton: Princeton University Press 2002**

By Michel Renault
Université de Rennes I
michel.renault@univ-rennes1.fr

Jens Beckert's book, *Beyond the Market: The Social Foundations of Economic Efficiency*, represents both a critique of the conceptualisation of action in mainstream economics and a proposal for a new foundation for economic sociology. As Beckert writes in the conclusion of the book, two questions are at the heart of the thesis: "*how do actors manage to act cooperatively*" and "*on what basis do they make decisions in situations in which they can know only ex-post if they have acted advantageously*".

The book is divided into two main parts (and a conclusion). In the first part Beckert shows the limits of the rational actor model as a foundation for analysing economic efficiency. Three areas are discussed in particular all of which show the limits of the rationalist conception of action: cooperation, uncertainty and innovation. Cooperation is without any doubt a fundamental problem faced by neo-classical microeconomics and it raises a very old question in economics and political philosophy: How can egoistic monads, as depicted by economics constitute a coherent social order? One may also ask how markets can exist in such context? Economists have mainly tried to address questions like these within the game-theory framework. The goal is to show that cooperation (or the coordination of behaviour) may rest upon rational actor basis. As underlined by Beckert, we are led to adopt one of two solutions. One is "*internal*", based on, for example, "*repeated games, reputation mechanisms...by which economic actors are driven to recognize cooperation and not defection as a dominant strategy*". The other is "*external*" solution with rewards and punishments imposed by an external element (which is part of "common knowledge"), for example a "Leviathan" (the state). These two kinds of solutions suffer from serious limitations; the internal solution, for example, supposes that agents proceed to an intertemporal cost/advantage calculation, implying the use of a discount rate. A new set of question is then raised: how is such a discount rate known, and where does it originate? The problem of backward induction is also always in play and raises further questions. Indeed, the "external" solution largely appears to be of an "Ad Hoc" character, and Leviathan (or social norms) is taken as given. Explaining the existence and origin of Leviathan, or social norms, from within the rationalist framework would lead to a *regressio ad infinitum*. Consequently, Leviathan as a public good is subject to the free rider problem.

The second problem faced by mainstream economic theory concerns uncertainty. Economic actors aim at maximising their utility, but in various non-trivial circumstances the causal

means-ends relationships are unknown to the actors. Beckert refers to the fundamental criticisms raised to economic theory by scholars such as F. Knight, J. M. Keynes and more recently H. Simon. Moreover, one could add that many economists, like K. Arrow, have stressed the importance of social norms for dealing with information and uncertainty.

The third problem is that of innovation. Beckert argues that, "*The neo-classical consideration of innovative process concentrated on the mathematical analysis of the result of technological change for the production function, with the goal of modelling technological change within the concept of the production function, which would allow it to be integrated into the static theory*". Innovation is thus only considered from an external point of view, that is, through its consequences. The innovative process in itself is not taken into account, and the limitations mentioned above concerning cooperation and uncertainty also affect how we should understand the innovation process. Beckert refers to the many contributions by J. Schumpeter, American institutionalists and evolutionary theory, a body of criticism that together constitute a critique of mainstream neoclassical economics, and that also offer new ways of thinking.

These three questions are examined in the second part of the book, which aims "*(...) to obtain elements of a sociological conceptualization of the three action situations from the theoretical conceptions and formulations of E. Durkheim, T. Parsons, N. Luhmann and A. Giddens that are relevant for economic sociology*". One question raised here is the arbitrariness of the choice made by Beckert of these thinkers; despite their relevance, the choice is not really justified.

Each of these four writers is discussed in a separate chapter. I will not discuss these in detail, instead I will move on and say a bit on the main elements useful for a theory of economic action. The main element in Beckert's book is certainly the embeddedness of economic action as demonstrated by the following phrase from E. Durkheim (quoted by Beckert): "*The value of things, in facts depends not only on their objective properties, but also on the opinion of them*". Economic action possesses an irreducible social dimension, namely that individual choices and evaluations *are made through interactions with others*.

The second important element, surely the most promising for the conceptualisation of economic action, according to my opinion, is the pivotal role of communication (according to G. H. Mead's definition). D. Hume and A. Smith have identified this idea already, but it was systematised by Mead and by pragmatists' work in philosophy, sociology and economics, in particularly by J. Dewey, C. H. Cooley and J. R. Commons. As a matter of fact, every author that Beckert discusses at length underlines the role of social institutions, and more generally the "*patterns of mutual expectations*". Cooperation and coordination imply that actors are able to put themselves in the position of the other, expecting what is waiting from them. Uncertainty and innovation too can be taken into account only through consideration of what as been called "*other regarding behaviour*" and the constitution of a "*generalised other*" as Mead demonstrated. It thus seems to us that the main and fundamental question raised by this book is that of intersubjectivity. The last chapter, dealing with the work of Giddens, illustrates this perspective. Intersubjectivity, communication, implies as a matter of fact the understanding of the meanings given by others to their actions or decisions. For example, an economic relation of exchange, or barter, requires a mutual understanding and thus intersubjectively shared meanings and a common definition of the situation. In such a

framework, constitution of intersubjectively shared interpretations is to a large extent referred to as the ability to see the world through the lenses of the other, what has been demonstrated by Mead and by A. Schütz.

The relevance of the framework Beckert outlines is confirmed by a recent issue of the "Journal of Economic Methodology" focusing on the work of J. Dewey and his contribution to the conceptualisation of economic action. This can be seen in the quotations from R. E. Park and W. Burgess from 1922: "*Dewey's description of what takes place in communication may be taken as description of the process by which (these) collective representations come into existence; 'to formulate an experience' Dewey says, 'requires getting outside of it, seeing it as another would see it, considering what point of contact it has with the life of another so that it may be gotten into such form that he can appreciate its meaning'*"¹. The reference to a pragmatic framework thus seems to be of central importance if one wants to deal with the questions that must be addressed in relation to economic action, such as the emergence of institutions, conventions, rules, norms, routines and of course innovation.

To conclude this review, the research program opened by the book can be summarized by the following quotation from Beckert: "*The unmistakable sociological contribution of economic sociology can be seen in the analysis of the structures of expectations to which actors refer in decision processes, but which also emerge in their action as social rigidities*". The social embeddedness of actors can then be taken into account through: 1-norms and institutions, 2-traditions, customs, and routines, 3-structural predispositions of decision: social networks, organizational structures, and path dependency, 4-power.

¹ Park R.E. & Burgess (1922) *Introduction to the science of sociology*, The University of Chicago Press (3rd edition), Chicago, p .38.

CONFERENCE REPORT

European Sociological Association Conference in Murcia

by
Patrik Aspers

The European Sociological Association (ESA) conference took place in Murcia, Spain, September 23-29, 2003. This was a large conference, with 25 different research networks and 15 so called streams. The conference also hosted some speakers, among them Howard Becker and Saskia Sassen. The Economic Sociology Research Network got almost 70 abstracts, which means that the Network continues its increase in terms of how many papers it attracts. This should be interpreted as an increased interest in economic sociology in Europe. It is not possible to discuss the papers in detail. For those interested in the papers presented, there is a website, which show the abstracts and contact information to the authors.

http://www.um.es/ESA/principal_ingles.htm

Go to Sessions Programme -- 6. Economic Sociology -- [OPEN] – [Click on the abstracts you are interested in].

The Economic sociology network organized in total 13 sessions, covering a wide range of topics. Social capital, networks, markets, entrepreneurship, art and capitalism are among the themes that came up in several papers, and these topics were discussed at some length. A statement by a member of the audience, that “the economic sociology network is one of the few networks where sociological issues are discussed”, is indicative of the discussion climate in the sessions. It should be mentioned that one session was on the emerging sub-fields in economic sociology, taxation and law. Both empirical and theoretical papers were presented at the conference. During informal discussions with representatives from academic publishers, it became obvious that there is a demand from the market for good economic sociology books, both textbooks and studies (presented in edited volumes or in monographs).

Patrik Aspers and Sokratis Koniordis organized the Economic Sociology Research Network activities in Murcia, including a business meeting. Some ideas of closer cooperation were voiced, though no clear plans materialized. Aspers declared that he wanted to step down as co-chair, and Søren Jagd was suggested as a new co-chair for the next two years together with Sokratis Koniordis who will continue. Jagd works at Roskilde University in Denmark and has previously been a co-chair of the network. A ballot was organized, and the final result will be reported in the January edition of the Newsletter. Maria Nawojczyk informed us about the city that will host the next ESA conference, Toruń in Poland, which is her hometown. This conference will take place in 2005. Below there is an announcement of an upcoming conference on entrepreneurship, which will take place in Toruń.

PHD'S IN PROGRESS

Current PhD projects in economic sociology in Europe

Young researchers are kindly requested to send in a brief description of their PhD project. Please indicate first: Name of PhD candidate, title of the project, Department, University, City, Postal Code, and email address. Then give a concise description of the project, not much longer than approximately 200 words.

Please send project descriptions to be included in the next issue of the Newsletter before January 1, 2004 as an email attachment to the Editor at:

Patrik.aspers@sociology.su.se

ANNOUNCEMENTS

Conference: Social Economics: A Paradigm for a Global Society

Eleventh World Congress of Social Economics
Albertville, France
June 8-11, 2004

Conference Website: www.socialeconomics.org

The Association for Social Economics has scheduled its Eleventh World Congress of Social Economics for June 8-11, 2004, at Hotel Million in Albertville, France. The general theme will be “*Social Economics: A Paradigm for a Global Society*.” It is not necessary to be a member of the Association to participate in the Eleventh World Congress. We hope that non-members will be interested in joining the Association.

Social economists think about economic affairs in ways substantially different than mainstream economists. Social economists view the economy as a social, cultural, and political institution. Social economics questions the traditional assumptions of *homo economicus*, rational economic man, and recognizes the interconnectedness of people’s life and work—both paid and unpaid. The Association for Social Economics (www.socialeconomics.org) was founded in 1941 to challenge the emerging dominant paradigm of neoclassical economics, to broaden the scope and methodology of economics, to encourage the pursuit of economic justice, and to inspire research and analysis on policies to eradicate poverty, unemployment, hunger, inequality, and promote an economy that values human beings and allows them to live with dignity.

Proposals for the World Congress may include: (1) individual or coauthored papers; (2) entire sessions of 4 papers; (3) roundtables of 4-5 persons on a particular topic; and (4) pedagogical sessions on teaching in the social economics tradition. The editors of the two journals of the Association—*Review of Social Economy* and *Forum for Social Economics*—are especially interested in papers suitable for publication. There will be no formal discussant assigned to papers/sessions. Instead, we encourage participation and discussion among the panelists and participants. We encourage historical, theoretical, empirical, and policy papers. We are particularly interested in research that will help to develop a social economics paradigm. What assumptions would a social economist make in theory building? What methodological tools would be used? What is the relationship between social economics and other heterodox economics approaches, including economic sociology? How can social economics guide policymaking? teaching? Topics for papers/sessions could include:

economic justice - economic sociology - values & ethics in economics - alternative development strategies - economic thought & methodology- health & welfare - inequality, poverty, & discrimination - economics of war & peace - gender, race-

ethnicity, & class - supra-national institutions & trading blocs - labor standards in a global economy - EU social policy

The Program Committee prefers to receive proposals by e-mail. In your proposal, include:

- Author/Panelist name(s), postal address, telephone, fax, e-mail address
- Paper, Panel, or Session title
- A 100 word (maximum) abstract of the Paper, Panel, or entire Session

Please send these materials no later than **November 1, 2003**, to each member of the Program Committee:

Betsy Jane Clary, College of Charleston, USA
claryj@cofc.edu

Wilfred Dolfsma, Erasmus University, The Netherlands
w.dolfsma@fbk.eur.nl

Deborah M. Figart, Richard Stockton College, USA
figartd@stockton.edu

Phillip A. O'Hara, Curtin University, Australia
philohara2@hotmail.com

Following the World Congress, the Program Committee plans to work with selected paper authors to edit a thematic book volume to be published in 2005

Workshop: Entrepreneurship: Individual or Team Creativity

In the contemporary perspectives on entrepreneurship, the focus should be put on the process rather than on the person, while recognizing the indispensable role played by the person. Thus, “entrepreneurship is the process through which individuals and teams create value by bringing together unique package of resources inputs to exploit opportunities in the environment.” Entrepreneurship understood as above has attitudinal and behavioral components: innovativeness, risk-taking, proactiveness. This perspective on the nature of entrepreneurship makes it possible to analyze individuals, organizations and societies from the point of view of being entrepreneurial.

A growing percentage of employees is working in the small business sector. It is seen as solution to the growing problem of unemployment and the persisting difficulties of managing and controlling labor in large-scale organizations. This shift of workforce between small and large-scale sector is one of the features of more general change from industrial to post-industrial societies. At the same time, the growth of small business sector helps to foster ideologies of self-reliance.

The small actors became more and more important in the global economy as the movement put forward from economies of scale to diseconomies of scale, from “bigger is better” to “bigger is inefficient, costly, wastefully bureaucratic, and inflexible”. Entrepreneur is the most important player in the building of the global economy because he/she is the cornerstone of a healthy domestic economy. The bigger and more open the world economy becomes, the more the small and middle-size companies will dominate. The world is witnessing an unprecedented movement toward free enterprise. Entrepreneurship is the engine that drives market-based economies. Entrepreneurship has also proven to be a powerful mechanism for redirecting incentives toward the efficient use of resources. As such, it is also ideally suited to the circumstance of economies in transition.

For details, contact

Dr Maria Nawojczyk

Institute of Sociology, Nicholas Copernicus University

Fosa Staromiejska 1a; 87-100 Toruń, Poland;

maria.nawojczyk@umk.pl