

Swedberg, Richard

Article

On the present state of economic sociology (1990s)

Economic Sociology: European Electronic Newsletter

Provided in Cooperation with:

Max Planck Institute for the Study of Societies (MPIfG), Cologne

Suggested Citation: Swedberg, Richard (2004) : On the present state of economic sociology (1990s), Economic Sociology: European Electronic Newsletter, ISSN 1871-3351, Max Planck Institute for the Study of Societies (MPIfG), Cologne, Vol. 5, Iss. 2, pp. 2-17

This Version is available at:

<https://hdl.handle.net/10419/155830>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

ON THE PRESENT STATE OF ECONOMIC SOCIOLOGY (1990s)

By
 Richard Swedberg
 Department of Sociology
 Cornell University
rs328@cornell.edu

Since the early or mid-1990s important changes have taken place in economic sociology.¹ This goes for its institutional status around the world as well as for its theoretical approach. New topics have also been added to its agenda, and interesting advances have been made in analyzing some of the topics that were discussed already during its initial phase in the 1980s. All of these developments will be touched on in this article.

Let me start out by saying something about the place of economic sociology in the contemporary academic world. In the United States economic sociology is today represented at many of the major universities in the United States, such as Harvard, Stanford, Cornell and so on. In numerical terms, one can speak of a steady increase since the 1980s, even if exact figures are not available.

While in the 1980s one person often represented economic sociology at a department, this is less the case today. There may, for example, be one or two faculty members who teach the core courses, while other members are active in neighboring fields or focus on more specialized topics. For the reader who is interested in knowing exactly what is taught in courses in economic sociology in the United States, there exist a collection of syllabi and other teaching resources, made available through the American Sociological Association (ASA). The fact that ASA recently published a second and expanded edition of these course descriptions is itself a sign that the field is growing and becoming more institutionalized (Green and Myhre 2002). Pointing in the same direction of increased institutionalization is also the fact that there now exist two readers in economic sociology, namely *The Sociology of Economic Life* (eds. Mark Granovetter and Richard Swedberg) and *Readings in Economic Sociology* (ed. Nicole Woolsey-Biggart). The former is the most popular reader in the field, and it was recently reissued in a second, expanded edition (Granovetter and Swedberg 1991, 2002; cf. Biggart 2002).

In the United States a sure sign that a subfield in sociology is being taken seriously in the profession is that it gets its own section at ASA, and this is also what has happened with economic sociology. After some lobbying by Wayne Baker and other people, the section for economic sociology came into being in 2001; and it has today various prizes, a newsletter ("Accounts"), and so on. At the annual meeting of ASA in August 2003 in Atlanta, it was

¹ This article is based on a paper presented at a conference on the economics of convention in Paris, December 11-13, 2003 (see Jagd's report from this conference in this issue).

reported that the economic sociology section has currently the largest number of student members (in percentage). This fact indicates that the field is very popular among graduate students.

Most of the people who helped to introduce economic sociology in the mid- to late 1980s are still active in the field and also keep advancing it intellectually. This is true, for example, for Mark Granovetter, who by many is seen as *the* quintessential economic sociologist because of his influential 1985 article “Economic Action and Social Structure”, in addition to other important works (Granovetter 1985; see also especially Granovetter 1995). It was in this article that Granovetter launched the term “embeddedness” and forcefully advocated the use of networks analysis in economic sociology, an agenda that he has continued to advocate ever since. Similarly Harrison C. White, Granovetter’s teacher at Harvard University and a very influential figure in economic sociology, has continued to deepen his analysis of production markets. His recent *Markets from Networks* represents his most important contribution in this respect (White 2001).

A few more examples of “pioneers” who have continued to contribute to the field are Viviana Zelizer and Bruce Carruthers. Viviana Zelizer has done further work on different types of moneys and currencies, and her studies have become increasingly influential, inside as well as outside economic sociology. But she has also branched out in new directions, such as consumption and the way that economic factors and intimacy are often interrelated (e.g. Zelizer 2002, forthcoming). Bruce Carruthers, who began his career with a splendid study of the financial market in 18th century London (Carruthers 1996), has not only recently co-authored the first undergraduate textbook in economic sociology, but also done important work on credit and credit-rating systems (Carruthers and Babb 2000, Carruthers forthcoming).

While the average age of the “key people” in Table 1 is probably somewhere in the 50s, a younger generation of economic sociologists is also emerging. The people who are part of this new generation (but who are invisible in Table 1) have already shown what they can do. Important work has, for example, been carried out by Sarah Babb and Marion Fourcade-Gourinchas. The former has studied the role of economists in 20th century Mexico (Babb 2001), and the latter has produced a comparative study of the emergence of modern economics (Fourcade-Gourinchas 2001). The two have also more recently carried out a study together of the way that neo-liberalism has been received in France, England, Chile and Mexico (Babb and Fourcade-Gourinchas 2003). Other young scholars who belong in the category of new and coming people include Brook Harrington (2000), Laurel Smith-Doerr (forthcoming), Valery Yakubovich (2002), Ezra Zuckerman (1999) and Milan Zafirovski (2001).

Before discussing what the new developments in economic sociology consist of, something also needs to be said about the situation outside of the United States. While it is true that the current revival in economic sociology started in the United States and has come to its strongest expression in this country, many important contributions have also been made elsewhere. As a result of these developments, economic sociology, while still not as universally accepted as one may wish, is nonetheless rapidly spreading outside of the United States.

This is particularly true for Europe, and in Europe, for France. French economic sociology is, in my opinion, very original and also very different from U.S. economic sociology. This is, for example, the case with the outstanding work of Pierre Bourdieu and Luc Boltanski. Bourdieu's early work on Algeria contains a very suggestive analysis of various economic phenomena that differs on many points from mainstream American economic sociology (see especially Bourdieu 1979; cf. also Bourdieu's last contribution to economic sociology in Bourdieu 2000). While mainstream (American) economic sociology focuses on embeddedness, networks and the social construction of the economy, Bourdieu has a much more structural and perhaps also a more realistic approach. Drawing on the four key concepts of habitus, field, interest and capital (social, cultural and so on), Bourdieu is less interested in how the official economy works than in how people live their lives as part of the economy, struggling with – and against – existing economic conditions. One reason why Bourdieu's analysis is considerably more realistic than that of mainstream economic sociology, has to do with its emphasis of *interest* in its analyses. In contrast, much of mainstream economic sociology simply traces the impact of social relations, and leaves interest to the economists.

Luc Boltanski draws much less on a structuralist approach than what Bourdieu does, emphasizing instead the ways in which economic actors view reality and justify their actions (Boltanski and Thévenot 1991). Boltanski's basic idea is that economic actors develop so-called conventions, as part of their efforts to coordinate economic actions; and that these conventions consist of a few standard ways of thinking about reality and justify why certain actions should be taken (cf. Storper and Salais 1997). Together with Eve Chiapello, Boltanski has also recently published a major study entitled *The New Spirit of Capitalism*, in which it is argued that we are currently witnessing the emergence of a new type of capitalism, *network capitalism* (Boltanski and Chiapello 1999). Social scientists, the two authors argue, have added to the ideology of this project through their naïve advocacy of networks, decentralization and flexible production – all of which according to Boltanski and Chiapello are part of “the new spirit of capitalism”.

While the works of Bourdieu (who died in 2002) and Boltanski currently dominate economic sociology in France, it would be incorrect to leave the reader with the impression that little else has been produced in this country than the studies by these two authors. Important work on the role of economists in French life has, for example, been produced by Frédéric Lebaron (e.g. Lebaron 2000). Philippe Steiner has helped to develop a sociology of knowledge approach to economic thought in France, and also written more generally on economic sociology. His foremost contribution, however, is his attempt to look at the knowledge that people have of economics (“economic knowledge”; cf. Steiner 2001). There is also the important work of Michel Callon, who has spearheaded the application of actor-networks-theory (ANT) to the economy, questioning in particular the conventional theory of markets. Callon is also an advocate of what is known as performativity, namely the idea that economic theory creates the reality that it then realizes (e.g. Callon 1998, *Economy and Society* 2002). Finally, Emanuelle Lazega is currently working on an important study of a commercial court in Paris (for a sample, see Lazega 2003; as to the economy and law, see also the work by Yves Dezalay on international economic arbitration; e.g. Dezalay and Garth 1996).

While Germany in the days of Max Weber and Werner Sombart dominated economic sociology, this is by no means the case today, even if such major figures as Jurgen Habermas and Niklas Luhman have done some interesting sociological work on the economy (e.g. Luhman 1992; for Habermas, see Sitton 1998). Nonetheless, there is one particular area where German economic sociologists have currently taken the lead, and this is in the sociology of finance. Led by Karin Knorr Cetina, a number of interesting and imaginative studies of finance have been carried out, often with an ethnographic dimension (e.g. Knorr Cetina and Bruggers 2002; Knorr Cetina and Preda forthcoming). Modern electronic markets, it has been shown, are far more social than one might think. It should also be noted that Knorr Cetina draws heavily on the sociology of science and on phenomenology in her research. And by doing so, she has considerably broadened the theoretical repertoire of contemporary economic sociology.

Before leaving Germany, the work of Jens Beckert and Christoph Deutschmann should be mentioned. The former has produced interesting theoretical work in economic sociology, especially on the role of uncertainty (Beckert 1996). He is also currently completing a comparative study of inheritance in the 19th century (Beckert forthcoming). Christoph Deutschmann, in contrast, looks at macrophenomena, especially how capitalism has become a kind of religion in modern times (Deutschmann 2001).

While work in economic sociology in the other European countries is not as highly developed as in France or Germany, some interesting individual contributions have nonetheless been produced. Geoffrey Ingham, Nigel Dodd and some other people in England have, for example, looked at money from a sociological perspective (e.g. Dodd 1994, Ingham 1998, forthcoming). Patrik Aspers has carried out an exciting study of the market for fashion photography in Sweden, and Olav Velthuis has done the same for the art market in the Netherlands (Aspers 2001, forthcoming; Olav Velthuis forthcoming).

What is happening in economic sociology outside of Europe and North America is less known. It seems clear, however, that the interest for economic sociology in Russia is on the rise, and that the work of Vadim Radaev has been very important here (e.g. Radaev 1997). From various sources it also appears that occasional courses on economic sociology are being taught in countries in Latin America and in Asia – but details are missing, and there is little knowledge about what type of research is being carried out.

New Developments Since around 1990

The last ten to fifteen years in economic sociology have been characterized by dynamic growth and many new developments have taken place. Some new topics have been broached, such as wealth, entrepreneurship and the role of law in the economy. Earlier insights have also been elaborated upon and developed in new directions. The latter is, for example, true for Mark Granovetter's ideas about embeddedness and Harrison White's theory of production markets. There is also the ongoing attempt to consolidate economic sociology by going back to the classics and learn from these.

What struck economic sociologists as important in the mid-1980s differs to some extent from what they see as important today. The same can be said for the relationship of economic

sociologists to economic theory: what they saw as important two decades ago is not necessarily what they find suggestive and interesting today. The concern with transaction costs, for example, seems to have run its course; while the interest for work by economists on institutions has grown steadily in importance. There is also a growing feeling that economic sociology and behavioral economics has much in common.

Theory and Theory Related Advances

When economic sociology was revived in the mid-1980s sociologists were basically at a loss when it came to theory. There was a strong sense that sociologists should develop their own approach, and that this approach should differ from that of mainstream economics – but that was about all. The heritage of economic sociology, especially the powerful ideas of Max Weber on *Wirtschaftssoziologie*, were not an option since they were little known (cf. Swedberg 1994). To draw on Marx's work did not seem as much of an option either, since the days of radical sociology were over.

It was in this situation that Mark Granovetter came up with the suggestion that one could unite the ideas of Karl Polanyi on embeddedness with networks analysis (Granovetter 1985). Following this suggestion, the task of economic sociology would be to trace the way that economic actions are structured via networks. Economic actions, in brief, do not follow the short and direct paths of maximization, as the economists claim; they rather follow the considerably more complex paths of existing networks.

This embeddedness project has been quite successful; and during the recent decade it has been tested and added to by Granovetter, his students and various followers (e.g. Uzzi 1996, 1997; Portes and Sensenbrenner 1993). During the last ten years this perspective has also been challenged, and one may speak of a general attempt to go beyond embeddedness and replace it with some totally different approach (e.g. Nee and Ingram 1998). One of these challenges has come from Pierre Bourdieu, who has criticized the embeddedness approach for its failure to deal with structural factors (e.g. Bourdieu 2000). In Bourdieu's own theory there is especially the concept of field that takes care of the structural dimension and which allows him to handle macro issues.

Some economic sociologists have also been less critical of mainstream economics than what Granovetter is, and these often draw on the work by various members of New Institutional Economics. They also argue that Granovetter has difficulty in dealing with the role of institutions in economic life (as opposed to networks), and that sociologists have much to learn on this score by new institutionalism economists, such as Douglass North and Oliver Williamson (e.g. Nee and Ingram 1998).

How much economic sociologists should draw on game theory represents another issue that has recently been raised, and for which the embeddedness approach provides little guidance (e.g. Swedberg 2001). Since a few years back the major American journals in sociology regularly contain analyses that draw on game theory. Economic sociologists, on the other hand, have basically remained suspicious of game theory. At the most they have shown sympathy for the attempt to mix empirical analysis with game theory that can be found in the well-known work of Avner Greif on business organizations in the Middle Ages (e.g. Greif

1998). All in all, we may conclude that economic sociology is currently characterized by several theoretical approaches, and that a firm theoretical core is missing.

While many economic sociologists were hostile to economics in the 1980s, it has gradually come to be understood that economics is a multifaceted science and that it also contains some ideas that are of relevance to economic sociology. Some economists have also come to think that they can improve their own analyses by opening these up to sociological concepts and ways of thinking. The work of Herbert Simon has, for example, continued to be close in spirit to economic sociology (e.g. Simon 1997). This is also true for the work of George Akerlof and Jeffrey Sachs (e.g. Akerlof and Kranton 2000, Sachs 2000). Some economic sociologists have also been attracted to the attempts of Douglass North and Avner Greif to resurrect the concept of institution and improve upon it (e.g. Greif forthcoming, North 1990). Many economic sociologists, as already mentioned, also follow the developments in behavioral economics with much interest.

New Developments in Analyzing Old Topics (Networks, Markets and Firms)

In Granovetter's article on embeddedness it was argued that economic activities were not simply embedded in social relations, but that they were embedded in *networks*. Many of Granovetter's students at New York University at Stony Brook in the 1980s would also use network analysis in their studies of the economy. Some of them focused on the kind of networks that develop around firms, while others analyzed the networks that are formed by directors sitting on several boards, so-called interlocks. While big hopes were initially attached to the latter type of study, it was eventually realized that research on interlocks had a limited – but still important – function (e.g. Mizuchi 1996).

One of the great strengths of networks analysis is that it represents a flexible tool with which a number of social phenomena can be approached, and recent developments in economic sociology tend to confirm this (e.g. Rouch and Casella 2001, Zuckerman 2003). Networks analysis has, for example, been used to explore various types of economic interactions which cannot be categorized either as customs or as some kinds of economic organization. These intermediary social forms are sometimes referred to as “network forms of organization” (e.g. Podolny and Page 1998). In a very influential and much cited work from the early 1990s Ronald Burt also suggested that entrepreneurship can be understood with the help of network analysis (Burt 1993). His basic idea is that an entrepreneur connects two groups of people who otherwise would be socially disconnected, say buyers and sellers. The entrepreneur, in his or her capacity as a middleman, straddles according to this argument a so-called “structural hole”.

In another fine example of network analysis – co-authored by Paul DiMaggio and Hugh Louch – a specific kind of consumer purchases are analyzed, namely those for which people use their networks of friends and acquaintances; and these are then contrasted to purchases of the type where the buyer does not need to use a referral or network (DiMaggio and Louch 1998). Padgett and Ansell have also carried out a very suggestive historical study with the help of networks analysis (Padgett and Ansell 1993). The famous Medici family, it is argued,

held its power partly because of its tremendous skill in building and activating various types of economic and political networks.

Together with networks, markets have been one of the central topics in economic sociology from the very beginning. To repeat, one of the very first articles that helped to launch economic sociology in the early 1980s was devoted to precisely this topic. Its author was Harrison C. White, a brilliant physicist turned sociologist, and a major figure in 20th century sociology. After leaving the topic of markets for a period in the early 1990s, White then resumed work on this topic, adding various features to his earlier model (e.g. White 2001). One of White's followers, it may also be mentioned, has followed up on his ideas on how the identity of market actors is related to their position in the market (Aspers 2001).

According to White's theory, the typical (industrial) market has a small number of actors who, by signaling to one another through price and volume, may form a coherent group with a stable social structure – in brief, a market. An alternative theory to that of White, however, has been suggested by Neil Fligstein, according to which the characteristic feature of modern markets is their emphasis on *stability* (Fligstein 1996, 2001). Market actors, according to this perspective, do not want volatility in price or cutthroat competition, but stable markets without any surprises.

Before leaving the topic of markets, a special mention should be made of the elegant study by Joel Podolny on the role of status in markets (Podolny 1992). The argument here is that buyers are willing to pay a premium for status, something which is obviously profitable for the seller. Having status, however, also restricts the seller to a small market since he or she would otherwise lose status (and the earlier market).

Just like networks and markets have been on the agenda of economic sociology for two decades by now, so have firms. One major reason for this is that sociologists since long time back have done work in organization theory and, as part of this, studied firms. There is also the fact that many American sociologists are employed in business schools, where organization theory is often seen as helpful. One important contribution that sociologists have made to the analysis of firms, and which has grown considerably in importance during the last decade, is that of population ecology (e.g. Hannan and Carroll 1995). The main focus here is on whole populations of firms in some area of the economy (say railroads, newspapers or breweries), instead of on a single firm or on a few firms. The task is then to study how these populations of firms at some point in time come into being, expand and gradually decline. Another contribution, which has developed forcefully during the last decade, has to do with the diffusion in a population of firms of various ideas, ways of doing things and the like (e.g. Davis 1991). The way that the social relations between the firms are structured, will clearly influence the speed and range of the diffusion.

The main novelty, when it comes to recent sociological research on firms, however, has to do with entrepreneurship. While this topic was occasionally touched on in the 1980s, one could not really speak of a sociology of entrepreneurship – something which, however, is possible today. Mark Granovetter, for example, has helped to theorize why people who are not particularly entrepreneurial in their home countries may become successful entrepreneurs once they are in a foreign environment (Granovetter 1995). The secret, Granovetter suggests, is that extended family ties may prevent entrepreneurship in the home country, but will be

absent in the new country – with forceful entrepreneurship as a result. AnnaLee Saxenian has added to Alfred Marshall's ideas about industrial districts through her study of Silicon Valley (Saxenian 1996). By contrasting the decentralized and informal social structure of Silicon Valley in California to the centralized and formal social structure of Route 128 in Massachusetts, Saxenian has tried to get a handle on the factors that are conducive to entrepreneurship.

Some New Topics (Finance, Law, Stratification, Comparative-Historical Studies)

While one may speak of a certain continuity in the study of networks, markets and firms, even if new and interesting contributions have been made during the last decade, this is much less the case with the topics that will now be discussed. In finance, for example, a number of important developments have taken place during the last decade. Sophisticated analyses of the social mechanisms that operate in this type of markets have begun to appear, as exemplified by the studies of Donald McKenzie and Ezra Zuckerman (McKenzie 2003, McKenzie and Millo 2003, Zuckerman 1999). In a study conducted with Yuval Millo, Donald McKenzie argues that option markets may have been partly created with the help of economic theory – which is then used to explain the workings of this very market (so-called performativity). Ezra Zuckerman analyzes the penalty that firms have to pay that are not tracked by security analysts.

First and foremost, however, economic sociology has brought ethnography and culture to the study of finance, and thereby altered the kind of questions that can be asked and also what kind of material to look for. This way, for example, Viviana Zelizer has discovered that people in their everyday lives do not see money as some unitary substance, but rather divide it up into different monies or currencies (e.g. Zelizer 1989). Karin Knorr Cetina and Urs Bruegger (2002) have also drawn on phenomenology to analyze what it means for people such as brokers, to interact with each other with the help of computers.

Law and economics emerged as a distinct field of inquiry many years before economic sociology came alive, and at first attracted little attention among economic sociologists. Slowly, however, it has been realized that law constitutes a central part of the modern economy, and a broad program for how to analyze its role from a sociological perspective has recently been formulated (Swedberg 2003a, 2003b). This program outlines the task that an “economic sociology of law” may want to undertake; it also points to a small number of already existing studies which are highly relevant in this context.

One of the most important of these already existing studies has been authored by Lauren Edelman, who is the modern pioneer in introducing a sociological approach to law and economics. She has especially suggested that one should bring together the study of organizations with that of law; and one of her earliest studies that does this, deals with due process in the workplace (Edelman 1990). The same approach can also be found in another study, which analyzes a related subject matter, namely the legalization of the workplace (Sutton et al 1994).

But there is more to the current attempt to develop a sociological approach to law and economics. There exists, for example, an attempt to show how networks analysis may be of

help in analyzing the social structure of illegal cartels (Baker and Faulkner 1993). There is also a study that suggests that the privatization process in eastern Europe may have created a new type of property (Stark 2001).

To claim that the study of stratification and wealth, represents a new development for economic sociology may seem strange to everybody, except perhaps sociologists. Is it not precisely these two topics that economic sociology is all about, from Marx to C. Wright Mills and beyond? Questions of inequality, however, are today exclusively handled in sociology in a special subfield called stratification, and not in economic sociology. And wealth, as it turns out, is rarely studied at all in contemporary sociology. Recently, however, stratification experts and economic sociologists have begun to study wealth and also to relate it to the workings of the economy (e.g. Keister and Moller 2000, Spilerman 2000). Some examples of a similar impulse, when it comes to the study of stratification, can also be found.

Another illustration of the attempt to bring together the study of stratification with the workings of the economy, can be found in the work of Victor Nee (1989). Using recent changes in China as his empirical example, Nee argues that when a society goes from redistribution to exchange via the market, this tends to be reflected in its stratification system. This so-called market transition theory has led to a very lively debate among sociologists (e.g. Cao and Nee 2000).

Before concluding this brief introduction to new developments in economic sociology, something needs to be said about the recent attempt by practitioners in this field of study to develop a historical and comparative economic sociology. Sociologists have a long and successful tradition of analyzing historical and comparative topics, and it is sometimes argued that these two topics represent areas where economic sociologists have comparative advantages in relation to economists. However that may be, to exemplify this trend a few studies of this type should be mentioned.

Some of these are historical in nature and try, among other things, to trace the social construction of an industry, and to trace the historical evolution of accounting (e.g. Carruthers and Espeland 1991). Others cover different countries and periods, basically making the argument that economic activities can be organized in many different ways, and that there consequently is little support for the argument that there only exists one optimal way of doing so. Marion Fourcade-Gourinchas, for example, makes this point for economic theory itself, by showing how economic theory reflects the social environment of the countries in which they have emerged (Fourcade-Gourinchas 2001). Akos Rona-Tas and Alya Guseva investigate and compare the conditions under which a market in credit cards can operate (Rona-Tas and Guseva 2001). Frank Dobbin, finally, may well be the most ambitious of all since he not only suggests that the industrial policy of various countries differ from each other, but also that they reflect the way that political power is organized (Dobbin 2001).

Concluding Remarks

It is clear that the 1990s and the last few years have been characterized by a steadily growing number of studies in economic sociology. New topics have been broached and old theories

have been developed further. We have today, for example, several different theories of how markets operate; there is a growing field of in the sociology of finance; and so on.

But there also exist a number of areas which are central to economic sociology, but where little progress has been made. A few of these have been discussed in this article, such as law and economics, and the attempt to bring stratification theory and economic sociology closer together. But there also exist others, and in these concluding lines I especially want to emphasize that economic sociologists have done very little to understand the role that technology plays in the economy. Modern economic well-being depends to a large extent on gains made possible by technology, something which means that economic sociology needs to understand technology in general as well as technological innovations, the concept of productivity and so on.

It also seems to me that even if economic sociology is indeed alive today and progressing very fast, it is still somewhat short of good ideas. The 1980s saw, for example, the birth of the idea of embeddedness (Granovetter), the idea of production markets (White), and the notion that one can use networks theory to analyze the economy (White and his students). Few theoretical innovations of a similar stature have, however, been made since then. To some extent, in other words, today's economic sociology lives on old ideas, something which is always dangerous. What we need are first and foremost new and interesting ideas so that economic sociology can continue to be an exciting and important intellectual enterprise.

REFERENCES

- Abolafia, Mitchel. 1996. *Making Markets: Opportunism and Restraint on Wall Street*. Cambridge: Harvard University Press.
- Abolafia, Mitchel. 1998. "Markets as Cultures: An Ethnographic Account". Pp. 69-85 in Michel Callon (ed.), *The Laws of the Markets*. Oxford: Blackwell.
- Akerlof, George and Rachel Kranton. "Economics of Identity", *Quarterly Journal of Economics* 115(2000):715-53.
- Aspers, Patrik. 2001. "A Market in Vogue: Fashion Photography in Sweden", *European Societies* 3,1:1-22.
- Aspers, Patrik. Forthcoming. *Markets in Fashion*. London: Routledge.
- Babb, Sarah. 2001. *Managing Mexico: Economists from Nationalism to Neoliberalism*. Princeton: Princeton University Press.
- Baker, Wayne and Robert Faulkner. 1993. "The Social Organization of Conspiracy: Illegal Networks in the heavy Electrical Industry", *American Sociological Review* 58:837-60.
- Beckert, Jens. 1996. "What Is Sociological about Economic Sociology? Uncertainty and the Embeddedness of Economic Action", *Theory and Society* 25,6:803-40.
- Beckert, Jens. Forthcoming. *Negotiated Modernity: Inheritance in France, Germany, and the United States since 1800*. Berlin: Campus Verlag.
- Biggart, Nicole Woolsey (ed.). 2002. *Readings in Economic Sociology*. Oxford: Blackwell.

- Biggart, Nicole Woolsey and Thomas Beamish. 2003. "The Economic Sociology of Conventions: Habit, Custom, Practice, and Routine in Market Order", *Annual Review of Sociology* 29:143-65.
- Biggart, Nicole Woolsey. 1989. *Charismatic Capitalism: Direct Selling Organizations in America*. Chicago: University of Chicago Press.
- Boltanski, Luc and Eve Chiapello. 1999. *Le Nouvel Esprit du Capitalisme*. Paris: Gallimard.
- Boltanski, Luc and Laurent Thévenot. [1987] 1991. *De la Justification. Les Economies de la Grandeur*. Paris: Gallimard.
- Bourdieu, Pierre. 1979. "The Disenchantment of the World". Pp. 1-91 in *Algeria 1960*. Cambridge: Cambridge University Press.
- Bourdieu, Pierre. 2000. "Making the Economic Habitus: Algerian Workers Revisited", *Ethnography* 1, 1:17-41.
- Bourdieu, Pierre. 2000. *Les Structures Sociales de l'Economie*. Paris: Seuil.
- Burt, Ronald. 1992. *Structural Holes: The Social Structure of Competition*. Cambridge: Harvard University Press.
- Burt, Ronald. 1993. "The Social Structure of Competition". Pp. 65-103 in Richard Swedberg (ed.), *Explorations in Economic Sociology*. New York: Russell Sage Foundation.
- Callon, Michel (ed.). 1998. *The Laws of the Market*. Oxford: Blackwell.
- Cao, Yang and Victor Nee. 2000. "Comment: Controversies and Evidence in the Market Transition Debate", *American Journal of Sociology* 105(2000):1175-89.
- Carruthers, Bruce and Sarah Babb. 2000. *Economy/Society: Markets, Meanings, and Social Structure*. Thousand Oaks: Pine Forge Press.
- Carruthers, Bruce and Wendy Nelson Espeland. 1991. "Accounting for Rationality: Double-Entry Bookkeeping and the Rhetoric of Economic Rationality", *American Journal of Sociology* 97:31-69.
- Carruthers, Bruce. 1996. *City of Capital: Politics and Markets in the English Financial Revolution*. Princeton: Princeton University Press.
- Carruthers, Bruce. Forthcoming. "Credit and Money". In Neil Smelser and Richard Swedberg (eds.), *The Handbook of Economic Sociology*. 2nd ed. New York and Princeton: Russell Sage Foundation and Princeton University Press.
- Davis, Gerald. 1991. "Agents without Principles? The Spread of the Poison Pill through the Intercompany Network", *Administrative Science Quarterly* 36:583-613.
- Deutschmann, Christoph. 2001. "Capitalism as a Religion? An Unorthodox Analysis of Entrepreneurship", *European Journal of Social Theory* 4(4):379-86.
- Dezalay, Yves and Bryant Garth. 1996. *Dealing in Virtue: International Commercial Arbitration and the Construction of A Transnational Legal Order*. Chicago: University of Chicago Press.

DiMaggio, Paul and Hugh Louch. 1998. "Socially Embedded Consumer Transactions: For What Kind of Purchases Do People Most Often Use Networks?", *American Sociological Review* 63:619-37.

Dobbin, Frank. 2001. "Why the Economy Reflects the Polity: Early Rail Policy in Britain, France, and the United States". Pp. 401-24 in Mark Granovetter and Richard Swedberg (eds.), *The Sociology of Economic Life*, 2nd ed. Boulder: Westview.

Dobbin, Frank. 1994b. *Forging Industrial Policy: The United States, Britain and France in the Railroad Age*. Cambridge: Cambridge University Press.

Dodd, Nigel. 1994 *The Sociology of Money: Economics, Reason and Contemporary Society*. Cambridge: Polity Press.

Economy and Society. 2002. "Theme Issue: The Technological Economy [The Theories of Michel Callon]" 31,2:175-306.

Edelman, Lauren. 1990. "Legal Environments and Organizational Governance: The Expansion of Due Process in the American Workplace", *American Journal of Sociology* 95:1401-40.

Favereau, Olivier and Emmanuel Lazega (eds.). 2002. *Conventions and Structures in Economic Organization*. Cheltenham, England: Edward Elgar.

Fligstein, Neil. 1990. *The Transformation of Corporate Control*. Cambridge: Harvard University Press.

Fligstein, Neil. 1996. "Markets as Politics: A Political-Cultural Approach to Markets", *American Sociological Review* 61:656-73.

Fligstein, Neil. 2001. *The Architecture of Markets: An Economic Sociology of 21st Century Capitalist Societies*. Princeton: Princeton University Press.

Fourcade-Gourinchas, Marion and Sarah Babb. 2003. "The Rebirth of the Liberal Creed: Paths to Neoliberalism in Four Countries", *American Journal of Sociology* 108:533-79.

Fourcade-Gourinchas, Marion. 2001. "Politics, Institutional Structures, and the Rise of Economics: A Comparative Study", *Theory and Society* 30:397-447.

Granovetter, Mark 1994. "The Problem of Explanation in Economic Sociology". Pp. 25-56 in Nithin Nohria and Robert Eccles (eds.), *Networks and Organizations*. Cambridge: Harvard Business School Press.

Granovetter, Mark and Richard Swedberg (eds.). 2001. *The Sociology of Economic Life*. Second revised and expanded edition. Boulder: Westview Press.

Granovetter, Mark. 2002. "A Theoretical Agenda for Economic Sociology". Pp. 35-60 in Mauro Guillen et al (eds.), *The New Economic Sociology*. New York: Russell Sage Foundation.

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

- Granovetter, Mark. 1995a. "The Economic Sociology of Firms and Entrepreneurs". Pp. 128-65 in Alejandro Portes (ed.), *The Economic Sociology of Immigration*. New York: Russell Sage Foundation.
- Granovetter, Mark. 1995b. *Getting A Job: A Study of Contacts and Careers*. 2nd ed. Chicago: University of Chicago Press.
- Green, Gary and David Myhre. 2002. *Economic Sociology: Syllabi and Instructional Materials*. 2nd ed. New York: American Sociological Association.
- Greif, Avner. 1998. "Self-Enforcing Political Systems and Economic Growth: Late Medieval Genoa". Pp. 23-63 in Robert Bates et al, *Analytical Narratives*. Princeton: Princeton University Press.
- Greif, Avner. Forthcoming. *Institutions and History*. Cambridge, UK: Cambridge University Press.
- Hannan, Michael and Glenn Carroll. 1995. "An Introduction to Organizational Ecology". Pp. 17-31 in Glenn Carroll and Michael Hannan (eds.), *Organizations in Industry*. New York: Oxford University Press.
- Harrington, Brooke. 2000. *Dollars and Difference: The "Diversity Premium" in Organizational Demography*. PhD thesis, Harvard University, Department of Sociology.
- Heilbron, Johan. 1998. "Economic Sociology in France", *European Societies* 3,1 (2001):41-68.
- Ingham, Geoffrey. 1998. "On the Underdevelopment of 'The Sociology of Money'", *Acta Sociologica* 41:3-18.
- Ingham, Geoffrey. Forthcoming. *On the Nature of Money*. Cambridge: Polity Press.
- Keister, Lisa and Stephanie Moller, "Wealth Inequality in the United States", *Annual Review of Sociology* 26(2000):63-81.
- Knorr Cetina, Karin and Alex Preda (eds.). Forthcoming. *The Sociology of Financial Markets*. New York: Oxford University Press.
- Knorr Cetina, Karin and Urs Brügger. 2002. "Global Macro Structures: The Virtual Societies of Financial Markets", *American Journal of Sociology* 107:905-50.
- Lazega, Emmanuel. 2003. *Networks in Legal Organizations: On the Protection of Public Interest in Joint Regulation of Markets*. Inaugural Lecture of the Wiarda Chair, December 3. Utrecht: Faculty of Law, Utrecht University.
- Lebaron, Frédéric. 2000. *La Croyance Economique. Les Economistes entre Science et Politique*. Paris: Seuil.
- Lie, John. 1997. "Sociology of Markets", *Annual Review of Sociology* 23:341-60.
- Luhmann, Niklas. [1970] 1982. "The Economy as a Social System". Pp. 190-225 in *The Differentiation of Society*. New York: Columbia University Press.

- Mackenzie, Donald. 2003. "Long-Term Capital Management and the Sociology of Arbitrage", *Economy and Society* 32,3:349-80.
- Mackenzie, Donald and Yuval Millo. 2003. "Constructing a Market, Performing a Theory: The Historical Sociology of a Financial Derivatives Exchange", *American Journal of Sociology* 109:107-46.
- Martina Morris and Bruce Western. 1999. "Inequality in Earnings at the Close of the Twentieth century", *Annual Review of Sociology* 25:623-57.
- Meyer, John and Ronald Jepperson. 2000. "The 'Actors' of Modern Society: The Cultural Construction of Social Agency", *Sociological Theory* 18:100-20.
- Mizruchi, Mark. 1996. "What Do Interlocks Do? An Analysis, Critique and Assessment of Research on Interlocking Directorates", *Annual Review of Sociology* 22(1996):271-98.
- Nee, Victor and Paul Ingram. 1998. "Embeddedness and Beyond: Institutions, Exchange, and Social Structure". Pp. 19-45 in Mary Brinton and Victor Nee (eds.), *The New Institutionalism in Sociology*. New York: Russell Sage Foundation.
- Nee, Victor and Richard Swedberg (eds.). Forthcoming. *The Economic Sociology of Capitalism*. Princeton: Princeton University Press.
- Nee, Victor. 1989. "A Theory of Market Transition: From Redistribution to Markets in State Socialism", *American Sociological Review* 54:663-81.
- North, Douglass. 1990. "Institutions", *Journal of Economic Perspectives* 5,12:97-112.
- Padgett, John and Christopher Ansell. 1993. "Robust Action and the Rise of the Medici, 1400-1434", *American Journal of Sociology* 98(1993):1259-1319.
- Podolny, Joel and Karen Page. "Network Forms of Organization", *Annual Review of Sociology* 24(1998):57-76.
- Podolny, Joel. 1992. "A Status-Based Model of Market Competition", *American Journal of Sociology* 98:829-72.
- Portes, Alejandro and Sensenbrenner. 1993. "Embeddedness and Immigration: Notes on the Social determinants of Economic Action", *American Journal of Sociology* 98:1320-50.
- Radaev, Vadim. 1997. "Practising and Potential Entrepreneurs in Russia", *International Journal of Sociology* 27,3:15-50.
- Rona-Tas, Akos and Alya Guseva. 2001. "Uncertainty, Risk, and Trust: Russian and American Credit Markets Compared", *American Sociological Review* 66:623-46.
- Rauch, James and Casella, Alessandra (2001), *Networks and Markets*, New York: Russell Sage Foundation.
- Sachs, Jeffrey. 2000. "Notes on a New Sociology of Economic Development". Pp. 29-43 in Lawrence Harrison and Samuel Huntington (eds.), *Culture Matters*. New York: Basic Books.

- Saxenian, AnnaLee. 1996. "Silicon Valley: Competition and Community". Pp. 29-57 in *Regional Competition: Culture and Competition in Silicon Valley and Route 128*. Cambridge: Harvard University Press.
- Schumpeter, Joseph. 1934. *The Theory of Economic Development*. Cambridge, Mass.: Harvard University Press.
- Simon, Herbert. 1997. "The Role of Organizations in an Economy". Pp. 33-53 in Herbert Simon, *An Empirically Based Microeconomics*. Cambridge: Cambridge University Press.
- Sitton, John. 1998. "Disembodied Capitalism: Habermas' Conception of the Economy", *Sociological Forum* 13,1:61-83.
- Smith-Doerr, Laurel. Forthcoming. "Flexibility and Fairness: Effects of the Network Form of Organization on Gender equality in Life Science Careers", *Sociological Perspectives*.
- Spilerman, Seymour. 2000. "Wealth and Stratification Processes", *Annual Review of Sociology* 26(2000):497-524.
- Stark, David. 2000. "For A Sociology of Worth". Keynote Address at the Meeting of the European Association of Evolutionary Political Economy, Berlin, November 2-4.
- Steiner, Philippe. 2001. "The Sociology of Economic Knowledge", *European Journal of Social Theory* 4(4):443-58.
- Storper, Michael and Robert Salais. 1997. *Worlds of Production: The Action Framework of the Economy*. Cambridge: Harvard University Press.
- Sutton, John, Frank Dobbin, John Meyer and Richard Scott. 1994. "The Legalization of the Workplace", *American Journal of Sociology* 99:944-71.
- Swedberg, Richard (ed.). 1996. *Economic Sociology*. Cheltenham, UK: Edward Elgar.
- Swedberg, Richard. 1998. *Max Weber and the Idea of Economic Sociology*. Princeton: Princeton University Press.
- Swedberg, Richard. 2001. "Sociology and Game Theory: Contemporary and Historical Perspectives", *Theory and Society* 30/3:301-35.
- Swedberg, Richard. 2003a. "The Case for an Economic Sociology of Law", *Theory and Society* 32/1:1-37.
- Swedberg, Richard. 2003b. *Principles of Economic Sociology*. Princeton: Princeton University Press.
- Thévenot, Laurent. 2001. "Organized Complexity: Conventions of Coordination and the Composition of Economic Arrangements", *European Journal of Social Theory* 4,4:405-26.
- Thornton, Patricia. 1999. "The Sociology of Entrepreneurship", *Annual Review of Sociology* 25:19-46.
- Uzzi, Brian. 1996. "The Sources and Consequences of Embeddedness for the Economic Performance of Organizations: The Network Effect", *American Sociological Review* 61:674-98.

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

Velthuis, Olav. Forthcoming. "Symbolic Meaning of Prices: Constructing the Value of Contemporary Art in Amsterdam and New York Galleries", *Theory and Society*.

White, Harrison C. 2001. *Markets from Networks*. Princeton: Princeton University Press.

White, Harrison. 1981. "Where Do Markets Come From?", *American Journal of Sociology* 87:517-47.

White, Harrison. 2002. "Markets and Firms: Notes Towards the Future of Economic Sociology". Pp. 129-47 in Mauro Guillen et al (eds.), *The New Economic Sociology*. New York: Russell Sage Foundation.

Yakubovich, Valery. 2002. *Between Exchange and Reciprocity: Matching Workers with Jobs in a Local Russian Labor Market*. PhD thesis, Stanford University, Department of Sociology.

Zafirovski, Milan. 2001. *Exchange, Action and Social Structure: Elements of Economic Sociology*. Connecticut: Greenwood.

Zelizer, Viviana. Forthcoming. "Culture and Consumption". In Neil Smelser and Richard Swedberg (eds.), *The Handbook of Economic Sociology*. 2nd ed. New York and Princeton: Russell Sage Foundation and Princeton University Press.

Zelizer, Viviana. 1989. "The Social Meaning of Money: 'Special Monies'", *American Journal of Sociology* 95:342-77.

Zelizer, Viviana. 2001. "Economic Sociology". Pp. 4128-32 in Vol. 6 of *International Encyclopaedia of the Social and Behavioral Sciences* (eds. Neil Smelser and Paul Baltes). Amsterdam: Elsevier.

Zelizer, Viviana. 2002. "Intimate Transactions". Pp. 101-25 in Mauro Guillen et al (eds.), *The New Economic Sociology*. New York: Russell Sage Foundation.

Zuckerman, Ezra. 1999. "The Categorical Imperative: Securities Analysts and the Illegitimacy Discount", *American Journal of Sociology* 104:1398-1438.

Zuckerman, Ezra. 2003. "On Networks and Markets by Rauch and Casella, eds.", *Journal of Economic Literature* 41(June):545-63.