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**Article**

Vadim Radaev answers ten questions about economic sociology

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1. How did you get involved in economic sociology?

I took my degree in political economy in 1983 and doctoral degree in 1986 at the Moscow State University. And till the end of the 1980s I had no idea what sociology was about. How did I get involved? During all my studies, I had an increasing feeling that there was a tension between the facts of real life and abstract orthodox statements produced by the Soviet political economy of socialism. Official statistics were profoundly distorted and unable to fill the gaps in our knowledge. Under such circumstances, data collected from sociological surveys presented a seducing alternative to false statistical figures. At first I started to search for survey results, which could bring light at least to some points of my concern in the field of labour relations and social cleavages. A need to interpret those data pushed me to read sociological theory. Then I decided to conduct my own empirical research, and in 1992 established a small research unit for studying stratification and economic sociology at the Institute of Economics of the Russian Academy of Sciences. At that time a new demand for economic sociology was raised in the Russian academic community. I started to get phone calls from my colleagues who said: “Could you give a course of lectures in economic sociology for us. We have absolutely no idea what it is. But we feel it is important”. These requests forced me to educate myself in economic sociology in a more systematic way. And I moved to this new field to stay for good.

2. Could you name books or articles that have profoundly influenced your own thinking about economic sociology?

In the Soviet epoch I was educated as a Marxist and took many pains exercising in Hegelian dialectics. Besides debates stemming from the famous “Das Kapital”, we drew on Marx’s earlier economic and philosophical manuscripts. So, my first book written with three other young co-authors was devoted to the concept of work alienation and its application to the Soviet reality. A bit later, in the 1990s I had an opportunity to visit a number of leading British universities. I spent much time there and these visits extended my horizons. As for classical authors, at that period I was impressed by works of Max Weber and Werner Sombart (the former is widely recognised today while the latter is surprisingly neglected). On the empirical side, I got enthusiastic about Neo-Weberian stratification studies. Thus, my second book co-authored with Ovsey Shkaratan was devoted to stratification issues (it was the first textbook on stratification in Russia). When writing this
book I was strongly influenced by research of John Goldthorpe, David Lockwood, and Gordon Marshall.

As for economic sociology, like many others, I learnt about this tradition from Richard Swedberg’s studies and wonderful collections published by Richard and his companions during the 1992 to 1994 period. Following the tradition of the “new economic sociology”, I read all major American authors in this field. Among many others, I was heavily influenced by Neil Fligstein and his “political cultural approach”. And I am still attached to this kind of the new institutionalism, which borrows some important insights from the new institutional economic theory but places it in a quite different (and more productive) conceptual frame.

Let me add that within the last five years we have translated into Russian nearly all papers, which I believe to be the most important contributions representing diverse perspectives of economic sociology. Among U.S. authors, we chose studies by Mitchell Abolafia, Howard Aldrich, Nicole Biggart, Paul DiMaggio, Frank Dobbin, Neil Fligstein, Gary Gereffi, Mark Granovetter, Walter Powell, David Stark, Harrison White, Viviana Zelizer, and some others. We have also translated some European scholars – Pierre Bourdieu, Jonathan Gershuny, Karin Knorr-Cetina, Laurent Thevenot. This is not much yet to represent the tradition, but we are taking efforts to extend the list and will translate papers of Patrik Aspers, Michel Callon, Don Slater and some others in the near future. As I myself am influenced by many streams of thought, I feel it’s my responsibility to disseminate this conceptual spectrum to the Russian speaking professional audience.

3. Which countries/cities/universities do you consider to be contemporary strongholds for economic sociology?

We, Europeans, have to acknowledge that the U.S. economic sociology plays a leading part at present. I have in mind the important research at Stanford, Berkeley, Princeton, Columbia, Cornell, Northwestern and many other universities, to mention the core. At the same time European economic sociology has become more and more active over the last years. Among European countries I would point to France with its great variety of distinctive perspectives and sources of inspiration, like Bourdieausian concepts, or economic theory of conventions, or a stream of thought initiated by Bruno Latour and Michel Callon. At present, economic sociology is developing in all parts of Western Europe. Though there are still some countries, like the U.K., where many relevant studies to economic sociology are being produced but most scholars do not formally acknowledge their links to economic sociology.

In Eastern Europe I would distinguish Hungary (especially the Budapest University of Economic Sciences). Hungarians have been the leaders in the area over the years, I suppose. In Russia, the Higher School of Economics I am affiliated with has won recognition and climbed to the leading position. Economic sociology is the main field of studies at the Department of Sociology here. Each year about 45-50 undergraduate, 25-30 postgraduate and 7-8 Ph.D. students choose economic sociology as their major.

4. How would you evaluate the state of the field in postsocialist countries?

The field is active for a number of important reasons. Dramatic economic reforms in the postsocialist period attracted a great deal of attention to the issues of economic and social change, including privatisation, employment patterns, increasing social cleavages, and others. At the same time, positions of the conventional economic theory are not that strong here due to the dominance of orthodox Marxism during the communist time. All in all, this leaves more space for alternative views including sociological interventions.

A specific feature of sociology in Eastern Europe originates from a principal diversity of academic background. The point is that many academics came to sociology (and economic sociology) from different disciplines (economics, psychology, history, philosophy). It was only in 1989 that the first departments of sociology were established in Russia. This causes a great deal of methodological diversity.

Another specific feature of Eastern European and Russian economic sociology was pointed out by Gyorgy Lengyel, one of the founders of our European research network. He claimed that Eastern Europeans are more “problem-oriented” rather than “paradigm-oriented”. I would interpret this as saying that, in a way, in their research Eastern Europeans are more driven by what is currently in demand in their own countries and are not so keen on methodology though there are always some important exceptions to the rule.
5. Your work has focused on the transformations of Russian economy. What can economic sociologists learn by studying postsocialist transformations?

Without a doubt this is a great opportunity for sociologists to observe fundamental structural and institutional shifts that have taken place over 5-10 years, while normally, in stable western societies it would take several decades. In Russia and postsocialist countries social processes are compressed to the life-span of one generation. It is exciting to see how new markets emerge from scratch, and how new institutions are being constructed virtually in front of one’s eyes. There are also tangible cultural shifts – almost visible because they are unbelievably fast. And this is both a challenge and a great chance for Western and East European scholars to reveal how these mechanisms work and to identify their possible impact on Western societies.

I believe that general attitude towards postsocialist transformations has been largely biased. Experts and analysts paid too much attention to the concept of transition from socialism to capitalism. And they truly believe that this problem has been “resolved” by now (though the degree of success varies from country to country). In my opinion, rather abstract models of capitalism (even with a common reference to ‘multiple capitalisms’) impose a rather restrictive framework assuming, among other things, that postsocialist countries merely follow the trajectories paved by developed societies. We should go beyond this transition/transformation discourse and explore the areas of intensive growth, emergence of multiple structural and institutional arrangements. Russia and the East European societies give examples of such areas along with the BRIC countries. This generates a demand for new insights to conceptualise economic and social change at the micro- and macro-levels.

6. What do you see as the main differences between economic sociology in the United States, Western Europe and Eastern Europe?

Economic sociology in the U.S. seems more refined in terms of methodological instruments. Scholars are also more attached to quantitative methods though there are influential contributions of historical and ethnographic culturally oriented research (like those of Mitchell Abolafia, Viviana Zelizer, etc.). I would stress that despite a great variety of approaches, U.S. economic sociologists speak a common language (both literally and substantively). The European tradition - it would be more correct to say “traditions” – is more fragmented. It is also more driven to “soft” methodologies. Eastern Europeans in this sense make an integral part of the European professional community (no matter whether they have joined the EU or not). In addition, the East European sociology is even more diverse due to its heterogeneous academic background inherited from the socialist past, as I have mentioned before.

There is one more point that could be important for the future. It would be good for us to remember that most classical authors in sociology (and economic sociology) originally came from Europe, and particularly Germany (Marx, Weber, Simmel), France (Durkheim), Hungary (Polanyi), and Russia (Sorokin). And I believe that Europe should take a chance to restore its position as a major source of new ideas yet again.

7. What are according to you the main current debates within the field?

To investigate this issue and to understand the structure of the academic field, I conducted a series of semi-structured interviews with the leading international scholars in economic sociology several years ago. My efforts have resulted in the book “Economic Sociology: Auto-Portraits”, where I published the translations of these interviews into Russian. This collection followed, though in a different manner, the good experience of Richard Swedberg’s book of conversations with famous economists and sociologists published in 1990.

Analyzing these reflections I would agree with Carlo Triglia’s view that we do not see many hot debates over particular issues (see his interview in the October 2005 issue of EESN). Rather, it is important that continuous attempts are made to counterpose and refine different methodologies that originate from the network analysis, new institutionalisms, cultural studies, different sorts of political economies, and others. Economic sociology has grown up into a noticeable stream of thought. It has made a progress in institutionalisation. But still it does not have a recognisable methodological map and coherent internal structure. In my interviews, even those scholars who know each other pretty well, usually suggested different classifications of major approaches in the contemporary eco-
nomic sociology. After all, this is not surprising because economic sociology is a field that is still being actively constructed. Numerous references made by my respondents demonstrate that it is also a field which is open and sensitive to other disciplines, like social geography, linguistics, studies of new technologies.

Besides theoretical debates, many colleagues express their concern with the status of economic sociology in a wider professional and public community. They speak in favour of closer cooperation with economists and seek to have more influence on policy makers and the corporate sector. However, there is not much clarity as to the instruments that could help us reach these goals.

8. In your view, what research topics within economic sociology have so far been neglected or have not received enough attention?

There are some topics, which sociologists have left to neighbour disciplines and which as a result remain underdeveloped or even neglected. I would give two examples. The first is about the use of coercion and force in economic relations. We know that Max Weber excluded these aspects from his principal definition of economic action. But nevertheless they remain an important part of the economy as a complex constellation of economic and non-economic actions. Use of force was especially important for Russian business relationships in the 1990s. However, coercive pressures should be seen as in-built elements of any economy. And it would be naïve to wait for all necessary explanations from political scientists and lawyers.

The second example has to do with behaviour of crowds and, broader, mechanisms of mass behaviour. Their analysis has been very unfortunately left to social psychologists though, in my view, these illustrate only a specific type of social ties. Dismissing the economic assumption of perfect and formal rationality of economic action in favour of bounded (or context) and substantive rationality, sociologists are still too concerned with the analysis of rational strategies. We need to know much more about social mechanisms which break down rationality and push economic agents to other modes of action. Meanwhile, these latent social ties strike back here and there. For example, Russia has experienced several collapses of the stock and real estate markets associated with crowd effects over the last 10 years, which destroyed not only private savings but rational strategies of economic actors. And from time to time it happens in any country. I think that sociologists must bring crowd effects back to their field.

Also, in some cases we need to choose a different dimension when treating a conventional concept. For example, a lot of work has been done on the informal economy. But in most studies it is treated as a set of marginal market and non-market segments and viewed either as a shadow/criminal or migrant/ethnic or family/household economy. I think we should make a step forward and apply instruments of the institutional analysis here more effectively. The most principal issue which has not been sufficiently investigated is how informal elements of formal institutions operate in the very core market segments. We need to know much more about a phenomenon that I would call «institutional compromises»: conditions under which both market actors and controlling government bodies systematically deviate from the rules in order to make the formal institutional systems work smoothly.

9. Is it important for you to establish a dialogue with economists, and if so, what are feasible strategies to accomplish that?

When conducting my interviews with leading U.S. economic sociologists and economists, I was astonished by the extent of their mutual ignorance and absense of cooperation even if their departments are located next door. The situation in Russia seems a bit different at present. A large part of older and middle-aged economic sociologists took their degrees in economics. As a result, they can and do cooperate with economists, at least with those who study institutions. Thus, we do not have that dramatic gap between economists and sociologists – a characteristic feature of the state of the field in the USA and many other countries. Though I have to admit that younger generations of economists and sociologists find it more and more difficult to understand each other due to increasing specialisation and compartmentalisation of their professional training.

Strategies for successful cooperation between economists and sociologists are not easy to implement. Joint research projects should be acknowledged as a good instrument. But I think that some serious efforts should be also taken by universities at the level of undergraduate and graduate programs to extend the views of our students. Otherwise,
Unfortunately, I have not been able to be that active in empirical research in the last several years due to the increasing amount of administrative duties. I hold a position of First Vice-Rector of a new university, which aims to position itself at the top in the social and economic sciences in Russia. However, I am not going to give up. Now I am doing theoretical research on sociology of markets. Two years ago I published a book, which presented the major theoretical approaches and some illustrative cases of empirical research that I had previously conducted with three Russian business associations. It was the first volume devoted to sociology of markets that ever appeared in Russian. I am planning to develop this study further and then, probably, will devote my time to translating it into English.

10. What are your own current and future research plans on economic sociology topics?

As for my own research, I, with a team of other researchers, have studied new Russian entrepreneurs since the beginning of the 1990s to see how this new class was brought to life. We described their social profiles, channels of social recruitment, and structure of motivation that forced them to move from their traditional occupations.

Then we investigated the structure of transaction costs of the newly born private firms when they confront bureaucratic extortion, infringement of business contracts, and use of force in business relations, which were widespread, especially in the 1990s.

On the empirical side, me and my colleagues focus on studying new FMCG (fast moving consumer goods) markets. We are following very closely the fundamental and dramatically fast changes in the Russian retail sector, as domestic markets are being penetrated by global operators. I must say that it is overwhelming for a scholar to watch entirely new market structures and institutions appear within a very short period of time, and to see them change previously existing competitive orders and business practices.