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Article

Note from the editor

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Note from the editor

Dear reader,

It is a pleasure to be involved with the *Newsletter* as its editor this year. I have been a reader and occasional contributor to this publication since its first issue in 1999, and have been impressed by the sustained quality and tremendous variety of the articles that appear here. Last year, we saw some distinctive pieces under the imaginative editorship of Philippe Steiner, and I am sure I speak on behalf of all the *Newsletter's* 1900 subscribers when I thank him for his tremendous work throughout the year.

This is a packed issue, reflecting the generosity of its contributors, their enthusiasm for publishing here, and their capacity to meet my deadlines. Thanks to them all, and to Christina Glasmacher for her superb work in putting all of this material together and managing the whole editorial process. Predictably, most of the papers reflect my own interests and knowledge of the economic sociology field – the sociology of money and finance. In addition, I tried to pull in papers on topics, or which have a theoretical framework, that have not necessarily been covered here in the past. But my key rationale was simple: I approached authors whose work I had enjoyed reading.

Timothy Sinclair, co-author of an upcoming book *The Problem with Banks* (Zed), kicks the issue off with a provocative piece on the ratings agencies. He takes on the rather commonplace view that these important agencies are undermined by a conflict of interest, and argues that we should be focusing on the dilemmas these agencies face as 'gatekeepers' in a market system. The conflict of interest argument, while throwing up important issues, mainly serves a political purpose, he suggests. There is no 'simple fix' where the ratings agencies are concerned, rather we must get to grips with the complex circumstances under which they have developed and rebuild the relations of trust on which their effective operation depends.

Daniel Mügge, author of the recently published *Widen the Market, Narrow the Competition* (ECPR), invites us to stand back and think about finance, particularly financial regulation, in light of the issues raised by Armatya Sen's important book *The Idea of Justice* which was published last year. Criticisms of finance are commonplace these days. What struck me about Daniel's argument is that he was

moving on from this largely negative and increasingly unhelpful debate about finance to consider, in a rather pragmatic way, issues about how financial reform might answer key questions about the nature of justice. The challenge he lays down for scholars in this field is both important and exciting.

Andreas Langenohl sets out a different kind of challenge to scholars in the sociology of finance. He argues that the field lacks a systematic category of 'expectation,' and he seeks to develop such a category through an intriguing interpretation of the sociology of Georg Simmel. His argument that we should reclaim the notion of 'expectations' takes its point of departure from a particular understanding of price as an effacement of the complex motivations behind the actions of others. In financial markets, all that participants have to work with in terms of deciding how to act is therefore a particular model of expectations. Necessarily, they must reduce each other to 'carriers of expectations'. This, he argues, is something sociologists need to understand in more depth.

During the past year we have witnessed a major crisis in the eurozone, and two of the papers in this issue deal with some aspects of its unfolding so far. Looking back, Sonja Joko's paper should be a sobering reminder that the precise nature of the 'crisis' in the eurozone deserves to be debated and contested far more than has hitherto been the case. As she points out, neither the precise timing nor the actual unfolding of the crisis – she focuses on Greece, but one can surmise that similar issues would arise in relation to other 'troubled' states – can be explained by reference to the 'fundamentals' alone. Part of the picture that seems to be missing, she suggests, is the role of the media in framing the crisis, both as a crisis, and as a particular kind of crisis. Joko's detailed analysis of this problem is important and timely.

Looking forward as the crisis continues to unfold, my own paper, co-authored with Johannes Lenhard, deals with the euro crisis and suggests that the increasingly widespread critique of the eurozone as a 'transfer union' misrepresents some important sociological aspects of the union as it has developed so far. The paper's main proposal about the eurobond, together with its attempt to bring Bataille's arguments to bear on our understanding of the moral

economy of the eurozone, are intended to stimulate debate about some important issues that are likely to preoccupy us for some time to come as we face up to a future in which the eurozone may be fundamentally changed.

The paper by Aleksander Miłosz Zieliński and Dietmar Wetzel builds on work they have been doing on power relations among banks in contemporary society. This is a wide-ranging project, and in the paper included here the specific focus is on how we might categorize the relationship between banks and other areas of societal life in economy, politics and media. The 'matrix' they come up with for examining these relations throws up some fascinating insights, and we should welcome this attempt to get to grips with banks as a major part of society, not least because there are actually very few systematic treatments of this subject.

The last two papers of the issue explore a similarly neglected side of our monetary and financial systems, namely

the circulation of forms of money at the local level. Throughout the time of the current crisis, the local currency movement has continued to develop and offer communities alternative ways of managing their local economies through the medium of money. Josh Ryan-Collins, one of the founders of the *Brixton Pound* launched in London last summer, reflects on the theory behind local currencies, offering some interesting insights into the points of intersection with more conventional theories of money. Meanwhile, the paper by Gill Seyfang, Adrian Smith and Noel Longhurst examines the thinking behind the major research they are undertaking which looks at the role of complementary currencies as 'grassroots' innovations which offer solutions to problems of sustainable development. These are important topics that deserve to generate a lot of sociological discussion.

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