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Article

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Note from the editors

Economic sociology, political economy, and Latin America's capitalism. Quo vadis?

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Content

In this third issue, we hope to come full circle in our elusive quest for Latin America's economic sociology. Elusive because one may wonder if regional labels are the best way to pose the question about scholarly traditions in the first place (see the interview with Andrew Schrank in this volume). In any case, we conceive the attempt to organize a heterogeneous field not as a definite topology, but as a way of channeling an ongoing conversation among scholars coming from different disciplines and traditions but with a shared historical background and an interest in economic phenomena. It is worth having such a conversation, especially when several subfields reach some degree of maturity, or at least seem to consolidate around more specific research agendas, questions, subjects, and approaches. We took our stand in the three volumes that we put together as editors. Starting from the question of whether there is a Latin American economic sociology proper, we have proceeded from the micro to the meso level, trying to answer the question of how Latin American economies and societies structure each other, how economic action, markets, and institutions are constructed, and how the social sciences make sense of them by developing new concepts and/or borrowing from and contributing to those developed in other latitudes – mainly in the Global North. In this issue, we come back to the macro level to reflect on the region's capitalism, analyze indigenous developments that are not directly related to the mainstream US economic sociology like solidarity economies, and

consider the potential and limits of the tools of economic sociology to make sense of Latin America's reality.

From "estructuralismo" to rational choice

In the introduction to the first issue of this volume of the Newsletter, we argued that the tradition of studying the economy in Latin America started very close to the quest in the classics of the social sciences to understand social change in the context of simultaneous economic, social, and political transformations. This tradition took a marked macro and structuralist approach and reflected on the characteristics of the region's capitalist transformation and how this affected the development of the respective societies and polities, the levels of wellbeing, and social conflict in the region. For a variety of reasons that we developed there (including the counterreaction to continued distributional conflict under the form of military dictatorships), around the 1980s this tradition – that we refer to henceforth as "the old tradition" – lost steam and gave place to new, more specialized developments.

On the one hand, the influence and impetus of the US New Economic Sociology (NES) resonated with indigenous work in Latin America studying from a more anthropological perspective the variety of practices and repertoires of action that emerged in the context of poorly institutionalized and socially fragmented societies. The label "economic sociology" or "estudios sociales de la economía" started to be used to denote this type of work that focused on issues of culture, meaning, and practices – and increasingly also with artifacts and assemblages – and ceased to be associated with the study of capitalism and structures. In this sense, it followed a trend in US – and European – economic sociology to leave this level as an object of inquiry to other disciplines.[1] In any case, this group may be less comfortable with the partition into regional labels, as its unit of analysis is less concerned with national polities than with the practices of actors in the economy. Perhaps, as the conference report in this volume suggests, what is more substantial within this scholarly tradition is the voice it gives to actors themselves, which blurs disciplinary boundaries between economic sociology and anthropology. In this way, if one wants to locate this community within the broader landscape of economic sociology, the "estudios sociales de la economía" tradition is much closer to the works of Viviana Zelizer than any other reference in mainstream New Economic Sociology. In any case, again as the conference report in this volume makes clear, the identity of this community is being forged as it reaches a new stage of maturity, marked by an attempt to make its voice more public and to grasp its own identity in a more professionalized academic environment.

Interestingly, a variety of experiences and practices have continued to develop in different directions. Latin America is part of a global trend toward post-colonial studies stressing the need to create streams of thought and concepts from, in, and for the very places where these concepts are used. An example of this is the "social economy" perspective that Nicolás Gómez describes in this volume. This tradition connects an ethnographical approach to alternative ways of organizing economies around principles of commensality and reciprocity among the poor, with a broader reflection on capitalist modes of production and neoliberal development in the region.

While economic sociology focused on the micro level, political science specialized in the study of democratization and of the political system, relinquishing the study of capitalism and its institutions. During the 1980s and 1990s, the old tradition gave way to the increasingly more effective critique of rational choice authors stressing the need to focus less on structures and institutions and more on the internal workings of the state. In a combative and visionary article from 1995, Barbara Geddes argued convincingly that the study of economic reforms in Latin America should seriously turn to studying "politicians, their interests, and the political circumstances that shape the ways in which they pursue their interests. This is the research frontier. It is from these theories that a new

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paradigm will emerge, and only a new paradigm can defeat an old one" (Geddes 1995, 214). The call was therefore not just to concentrate on the importance of the state – as in the work on developmental states in the region and elsewhere – but much more specifically on self-interested politicians acting in the context of specific rules of the game.

Thereafter, political science in and of Latin America increasingly specialized in the study of party systems, electoral institutions, executives, and congresses. In fact, as Luna, Murillo and Schrank (2014) note, democratization in the region functioned as a blessing and a curse. On the one hand, of course, the wave of democratization in the 1980s ended decades of bloody personalistic and military putsches in the region, allowed Latin Americans to elect their authorities, and made way for the building of accountability institutions and the strengthening of fundamental rights and civil society. On the other, however, democratization brought Latin America into the core of rational choice institutionalism and into the research agenda on comparative political institutions; due to the fact that the region finally had working congresses, recurrent elections, and other checks and balances common in advanced and institutionalized democracies, democratization served the purpose of adding dozens of additional cases to the respective datasets (see the interview with Andrew Schrank in this issue).

The revitalization of political economy

In spite of the dominance of US rational choice political science, an important group of Latin Americanists continued to reflect on and research the political economy of the region in the footsteps of the old tradition. Certain institutions were key to maintaining this continuity in terms of topics, methods, and type of reflections with that tradition, among them the University of California at Berkeley or the University of North Carolina at Chapel Hill, where generations of political scientists studied under the supervision of leading figures of the tradition such as David Collier, Ruth Berins Collier, Peter Evans, Evelyn Huber, and John Stephens.

Tired of the hegemony of the new paradigm, and taking inspiration from this continued work, in 2014 two political scientists and one sociologist – Juan Pablo Luna, María Victoria Murillo, and Andrew Schrank – wrote a piece on *Latin American Politics & Society.* In it they questioned the state of research on the political economy of Latin America and urged for a refoundation of the discipline and rescue of the old tradition, taking inspiration for this endeavor from titans of Latin American – and international – social sciences such as Guillermo O'Donnell, Fernando Henrique Cardoso, and Albert O. Hirschman. The document prompted a vibrant and stimulating discussion with other key figures of the Latin American research community and eventually served to agglutinate will and parallel efforts, and give birth to the Red Economía Política América Latina (REPAL), a network of researchers in the Americas that refuse to abide by the rationalist paradigm and seek to revitalize the spirit of the old political economy tradition from the perspective of today's epistemological and methodological advances. REPAL focuses on the interaction between economic, political, and social processes through empirically grounded and context-sensitive research that seeks to generate a diverse and plural debate on the political economy of the region.[2] The refoundational moment was crowned with the publication of a number of monographs that would set the future agenda of research for old and new generations of social scientists, among which are Ben Schneider's work on business politics and *Hierarchical Capitalism* (2013), research by Hilel Soifer (2015) and Marcus Kurtz (2012) on state capacity and institution building, Stephen Kaplan (2013) and Daniella Campello's (2015) studies of Latin American governments' dependence on international financial capital, Tasha Fairfield's (2015) revitalization of the business power literature, and the myriad volumes devoted to Latin America's "left turn" (e.g. Levitsky and Roberts 2011; Hunter, Madrid and Weyland 2010; Flores-Macías 2012; Silva 2009), to name but a few of the most influential.

REPAL has recently held its 6th Annual Conference, at the University of Tulane in New Orleans. A quick look at the program suggests that old topics and research questions – business–state relations, the power of trade unions and patterns of corporatist intermediation, different determinants of economic reform, the social bases of political parties, institution building and state capacity, foreign direct investment (FDI) and development, social policy and inequality – meet new and fascinating topics such as extractive industries and social movements, pollution and environmental regulation, participatory institutions, crime, violence, and corruption, among others.

Looking closer at the discussions in REPAL, one has the feeling that this vibrant research community has created an important space for questioning the hegemonic rational choice paradigm. The new findings and reflections raise new questions and lead us to think about the circular logic of paradigm shift in the social sciences. Maritza Paredes' article in this issue illustrates this. Paredes reflects on the conflicts and quandaries of economic development, state capacity,

and inequality at the subnational level. In the context of the institutionalist literature in economics and other social sciences, a focus on institutions and state capacity has come to reflect a more nuanced understanding of how countries progress and what are the limits to that progress. However, the discovery of institutions in a region like Latin America quickly leads to more profound questions about how those institutions emerge in the first place, what are the prerequisites for their functioning, and what, therefore, are the politics behind the region's pervasive institutional weaknesses (Brinks, Levitsky and Murillo 2019). In relation to this, Paredes' article shows that the commodity boom of the 2000s was a mixed blessing for countries in the region: alongside the lower external financial dependence, increased state revenues, and higher social expenditure that this made possible came the strengthening of extractive/enclave industries with high pollution costs and few ties to local communities, and a reinforcement of regional inequalities – particularly between urban and rural areas. In this context, the capacity and incentives for governments to make rational use of windfall economic resources and/or to build institutions to improve their management in the future was very limited. In the end, therefore, state capacity and strong institutions seem to be prerequisites for state building and institutional consolidation. Acknowledgment of this circular logic has led in the last few years to revitalization of the research on coalitions, that is, thinking about the set of actors, their interests and organizational capacity that would push countries onto more virtuous institutional development paths – and about those that oppose and have opposed them for centuries (see e.g., Doner and Schneider 2016; Holland and Schneider 2017).

As Andrew Schrank warns (see his interview in this issue), not everything has been perfect in these refoundational efforts, and while new and exciting avenues are opened, other issues come to the fore, such as the compartmentalization of the different social sciences and the career incentives that researchers and practitioners face in different disciplines and locations.

Questions for the future

It would be difficult to close this third issue without a broader reflection on the future of the social sciences studying Latin America's economies. Two considerations come readily to mind. The first is concept formation: How should we make sense of concepts developed for other latitudes? Are Latin American social scientists supposed to engage with and in them? What is the space for indigenous concept and theory formation? Should it be a goal of Latin American social sciences to influence back the northern "mother" disciplines that inspired them in the first place? Or are we supposed to found new region-based foci of knowledge creation and discussion? The second concerns the development of the social science disciplines that study the economy. The Latin American social science traditions have always been less institutionalized and therefore more ecumenic and transdisciplinary than their northern counterparts. What leads research is more often than not the quest for answers to pressing problems and a militant approach to research problems rather than the scientific quest for knowledge. How are we to react to the increasing demand for "scientific" method and evidence-based knowledge at the moment of influencing debates in our countries? Are we supposed to respect disciplinary boundaries and lines of inquiry? How are we supposed to connect this in the actual practice of research and teaching in concrete educational organizations? How do we combine the institutionalization of our disciplines with maintaining porosity and exchange among them? How can we strengthen our methods and research approaches without losing our political commitments and interests? As we warned in our introduction to the first issue, it is not our duty or our will to provide answers, but to open pathways and invite reflection.

Endnotes

1 Although the NES grounded its refoundational spirit in the classics of sociology, it took a distinctly micro and meso approach that did not take into consideration macrosociological approaches to the economy, as Giovanni Arrighi complained some time ago (see Arrighi 2001). For a critical appraisal of this debate, see the interview by Andrew Schrank in this issue.

2 http://redeconomiapoliticaamlat.com/about

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