

INTRODUCTION TO ECONOMIC SOCIOLOGY
SOC2190 – Spring 2016

Meeting location and times:

M, W 1:25 – 2:15 *Uris Hall G26*

F 1:25 – 2:15 *Uris Hall 262*

Instructor:

Alicia Eads

ade25@cornell.edu

Uris Hall 376

Office hours:

W 2:15 – 4:15

Course description:

This course provides an introduction to the field of economic sociology: its main ideas, its main theories, and its main research results. We will establish a basic conception of what economic sociology is, as well as how it differs from economics. With this foundation, we will consider how various social actors – micro-level individuals, meso-level organizations, and macro-level markets – are influenced by social contexts including social networks, institutions, culture, and the state. We will examine how different types of markets – financial markets, informal markets, and black markets – function and are connected to the “real” economy. In the final sections of the course will explore important research areas in economic sociology including capitalism, global economies, economic development, and inequality.

Learning objectives:

1. Become familiar with the theoretical perspectives and research areas in economic sociology.
2. Be able to offer critical answers to the “big” questions within the field.
3. Develop reading and writing skills.
4. Conduct a mini research project for the final paper.

Required Texts:

1. Granovetter, Mark and Richard Swedberg. 2011. *The Sociology of Economic Life*. **3rd Edition**. Westview Press.
2. Course Pack.

Disabilities:

Please let me know as soon as possible if you require any accommodations. It is Cornell policy to provide reasonable accommodations to students who have a

documented disability (e.g., physical, learning, psychiatric, vision, hearing, or systemic) that may affect their ability to participate in course activities or to meet course requirements. Students with disabilities are encouraged to contact Student Disability Services and their instructors for a confidential discussion of their individual need for academic accommodations. Student Disability Services is located in 420 CCC. Staff can be reached by calling 607.254.4545

Course requirements and evaluation:

You are responsible for all material covered in class, assignments, and readings. The readings that are listed for a given class date will be addressed on that day, so be sure to complete the readings by the start of that class. Your final grade will be based on your performance on exams, your attendance and participation in class, your performance on reading quizzes, and your performance on assignments, as follows:

Attendance and participation and reading quizzes (15%)

First paper (15%)

Final paper (25%)

First prelim exam (15%)

Second prelim exam (15%)

Final exam (15%)

Final grades awarded as follows:

A+ ≥ 96.6

A 93.3 – 96.59

A– 90.0 – 93.29

B+ 86.6 – 89.99

B 83.3 – 86.59

B– 80.0 – 83.29

C+ 76.6 – 79.99

C 73.3 – 76.59

C– 70.0 – 73.29

D+ 66.6 – 69.99

D 63.3 – 66.59

D– 60.0 – 63.29

F ≤ 59.99

Exams – There will be three exams. They will all be a mix of short and long essay questions. The first two will take place during regular class time in the usual room(s). The final will be during the designated final time, room TBD. If you have a family or medical emergency and have to miss an exam, please contact me prior to the start of the exam or your exam grade will be penalized, even if you have a valid excuse. If you miss an exam for any reason, you will complete an alternative exam that will be long essay only. The three exams together make up 45% of your grade.

Reading quizzes – There will be five reading quizzes during class time throughout the semester. They will be multiple-choice. The purpose of the reading quizzes is to encourage you to stay on top of the readings. If you do, the quizzes should be fairly easy. At the end of the semester I will drop your lowest quiz score. Make-up quizzes will be an option only for those with pre-approved absences, including for illnesses and emergencies. Quiz scores will be part of your attendance and participation grade.

Attendance and participation – You are expected to attend all classes, do the assigned readings, and contribute to class discussions. Attendance and participation, which includes reading quiz scores, is worth 15% of your final grade.

Paper Assignments – There are two papers, which together constitute 40% of your final grade. In general, the purpose of these assignments is to give you an opportunity to explore class material in-depth and relate it to topics of interest to you, as well as develop writing skills. For the first paper, you should choose one of the “big” questions that we will explore in each section of the syllabus and offer an answer to it using the material covered in class and additional sources. The final paper will be a research paper in which you conduct a mini-research project on a topic of your choice. If you are going to be turning an assignment in late due to a family or medical emergency, you must let me know ahead of time.

Class, Readings, and Assignments Schedule

NOTE: Your learning is the principle concern in the course, so if we decide to spend more or less time on a given topic, I will change the schedule and/or specific readings accordingly.

1 - Wednesday, January 27 – Introduction to the Course

What is Economic Sociology? How is Economic Sociology different from Economics?

2 - Friday, January 29 – Economics and Sociology – the sister disciplines

Watts, Duncan. 2011. *Everything is Obvious: How Common Sense Fails Us*. Crown Business. Preface, “A Sociologist’s Apology” and Chapter 1 (Course pack).

Hirsch, Paul, Stuart Michael, and Ray Friedman. 1990. “Clean Models versus Dirty Hands: Why Economics is Different from Sociology” in *Structures of Capital*, (Eds. Sharon Zukin and Paul DiMaggio). Cambridge University Press (Course pack).

3 - Monday, February 1 – The basics of Economic Sociology

Readings:

Introduction pp. xix – xxix (Granovetter-Swedberg).

Ronald Coase. 2012. *Saving Economics from the Economists*. Harvard Business Review: <https://hbr.org/2012/12/saving-economics-from-the-economists#> (Online).

Classical Thought on the Economy – Is there a difference between classical economics and classical sociology on the economy? Are classical ideas from economics and/or economic sociology still relevant?

4 - Wednesday, February 3 – Classical economists

Heilbroner, Robert L. 1953. *The Worldly Philosophers: The Lives, Times and Ideas of the Great Economic Thinkers*. Simon and Schuster, 2011. Chapters 1,3-4 (Blackboard).

5 - Friday, February 5 – Neoclassical economics

Gilpin, Robert. 2001. *Global Political Economy*. Princeton University Press. Selections from chapter 3 “The Neoclassical Conception of the Economy” (Course pack).

6 - Monday, February 8 – Marx

Karl Marx *Das Capital*. “Preface to the First German Edition;” Chapter 4 “The General Formula for Capital;” Chapter 26 “The Secret of Primitive Accumulation;” Chapter 31 “Genesis of the Industrial Capitalist” (Course pack).

7 - Wednesday, February 10 – Weber

Collins, Randall. 2010. “Max Weber’s Last Theory of Capitalism” (Granovetter-Swedberg).

8 - Friday, February 12 - Weber and Marx in the news

READING QUIZ 1

Kolbert, Elizabeth. 2004. "Why Work: A Hundred Years of "The Protestant Ethic." *The New Yorker*, November 29 (Online).

Schuman, Michael. 2013. "Marx's Revenge: How Class Struggle is Shaping the World." *Time*, March 25 (Online).

Monday, February 15 – NO CLASS, FEB. BREAK

9 - Wednesday, February 17 – Weber

Richard Swedberg, "Max Weber's Central Text in Economic Sociology" (Granovetter-Swedberg).

10 - Friday, February 19 – "Hiatus" Economic Sociology

Richard Swedberg, *Principles of Economic Sociology* "After the Classics" pp. 22 - 31 (Course pack and Blackboard).

Individuals and economic action – How do social contexts affect individual economic action?

11 - Monday, February 22 – Individuals and Capitals

Bourdieu, Pierre. "The Forms of Capital" (Granovetter-Swedberg).

12 - Wednesday, February 24 – Individuals and Social Structure

Portes, Alejandro and Julia Sensenbrenner. "Embeddedness and Immigration: Notes on the Social Determinants of Economic Action" (Granovetter-Swedberg).

13 - Friday, February 26

Rivera, Lauren. 2015. "Guess who doesn't fit in at work?" *New York Times*, 2015, May 30: <http://www.nytimes.com/2015/05/31/opinion/sunday/guess-who-doesnt-fit-in-at-work.html> (Online).

Ehrenreich, Barbara. 1999. "Nickel-and-Dimed: On (Not) Getting by in America." In *Social Stratification: Class, Race, Gender in Sociological Perspective*, (Ed.) David Grusky, Boulder, CO: Westview Press (Course pack).

14 - Monday, February 29 – Individuals and Culture

DiMaggio, Paul. "Cultural Aspects of Economic Action and Organization" in *Beyond the Marketplace* (Blackboard).

Organizations and economic action – How do social contexts affect organizations?

15 - Wednesday, March 2 – Organizations and Social Context

READING QUIZ 2

Meyer, John W. and Brian Rowan. 1991. “Institutionalized Organizations: Formal Structure as Myth and Ceremony,” in *The New Institutionalism in Organizational Analysis* (Eds.) Walter W. Powell and Paul DiMaggio. University of Chicago Press (Course pack).

Uzzi, Brian. 2011. “Social Structure and Competition in Interfirm Networks: The Paradox of Embeddedness” (Granovetter-Swedberg).

16 - Friday, March 4

No new readings, exam review

17 - Monday, March 7 – FIRST EXAM

Markets – What are markets? How are they created and impacted by social contexts?

18 - Wednesday, March 9 – Markets and the state

Swedberg, Richard. 2003. *Principles of Economic Sociology*. Princeton University Press. Chapter VII Politics and the Economy, pp. 158 – 160, 171 – 173, 182 – 188 (Course pack).

Dobbin, Frank. “Why the Economy Reflects the Polity: Early Rail Policy in Britain, France, and the United States” (Granovetter-Swedberg).

19 - Friday, March 11

Healy, Kieran. 2004. “Altruism as an Organizational Problem: The Case of Organ Procurement.” *American Sociological Review* 69(3): 387-404 (Online).

20 – Monday, March 14 – Markets and culture

Zelizer, Viviana. “Human Values and the Market: The Case of Life Insurance and Death in 19th Century America (Granovetter-Swedberg).

Financial Markets – What are financial markets? Do they differ from other types of

markets? How are financial markets connected to the “real” economy? What accounts for panics and crises?

21 – Wednesday, March 16 – Financial markets

Knorr-Cetina, Karin and Alex Preda. 2006. “Introduction” in *The Sociology of Financial Markets*, Oxford University Press. Pp. 1-8 (Course pack).

Knorr-Cetina, Karin and Alex Preda. 2012. “Introduction” in *The Oxford Handbook of the Sociology of Finance*. Oxford University Press. Pp. 1-5 (Course pack).

Carruthers, Bruce. 2012. “Historical Sociology of Modern Finance” in *The Oxford Handbook of the Sociology of Finance*. Oxford University Press (Course pack).

22 – Friday, March 18 – **FIRST PAPER DUE**

Reed, Christopher. 1999. “The Damn’d South Sea,” *Harvard Magazine*, May-June: 36-41 (Online).

Ingrassia, Catherine. 1995. “The Pleasure of Business and the Business of Pleasure: Gender, Credit, and the South Sea Bubble,” *Studies in Eighteenth-Century Culture* 24: 191-210 (Online).

23 – Monday, March 21 – Panics

READING QUIZ 3

Galbraith, John K. 1993. *A Short History of Financial Euphoria*. Penguin Books. Chapters 1-4 (Course pack).

24 – Wednesday, March 23 – Connectedness of financial markets

MacKenzie, Donald. 2006. “How a Superportfolio Emerges: Long-Term Capital Management and the Sociology of Arbitrage” in *The Sociology of Financial Markets*, Oxford University Press (Course pack).

Baker, Wayne. 1990. “Market Networks and Corporate Behavior,” *American Journal of Sociology* 96: 589 – 625 (Online).

25 – Friday, March 25

Swedberg, Richard. 2013. “The financial crisis in the US 2008–2009: losing and restoring confidence.” *Socio-Economic Review* 11 (3): 501-523 (Online).

Monday, March 28; Wednesday, March 30; Friday, April 1 –
NO CLASS SPRING BREAK

Informal markets and black markets – Why and how do these markets operate? What are the consequences?

26 – Monday, April 4 – Informal markets

Portes, Alejandro and William Haller. 2005. “The Informal Economy” in *The Handbook of Economic Sociology*, (Eds.) Neil Smelser and Richard Swedberg. Princeton University Press and the Russell Sage Foundation (Course pack).

27 – Wednesday, April 6 – Informal markets

FINAL PAPER PROPOSAL DUE

Duneier, Mitchell. 1999. *Sidewalk*. Farrar, Straus and Giroux. Introduction, pp. 3-14; Part I, “The Magazine Vendors,” pp. 43-80; Part III, “Accusations: Caveat Vender,” pp. 217-230 (Course pack).

Light, Ivan. 1977. “Numbers Gambling Among Blacks: A Financial Institution,” *American Sociological Review*, 42: 892-904 (Online).

28 – Friday, April 8

Fairclough, Gordon. 2002. “In New York, a Black Market for Illegal Cigarettes Thrives,” *Wall Street Journal*, December, 27:
<http://www.wsj.com/articles/SB1040938577857473793> (Online).

Exam review

29 – Monday, April 11 – SECOND EXAM

Capitalism – What is capitalism? What does capitalism do? Can it work in only one form?

30 – Wednesday, April 13 – Capitalism

Swedberg, Richard. 2003. *Principles of Economic Sociology*. Princeton University Press. Chapter III Economic Organization, pp. 53 – 65 (Course pack).

Schumpeter, Joseph. 1942. *Capitalism, Socialism and Democracy*. Transaction. Chapter 8 “Monopolistic Practices” (Course pack).

31 – Friday, April 15 – Finance Capitalism

Davis, Gerald F. 2008. “A new finance capitalism? Mutual funds and ownership re - concentration in the United States.” *European Management Review* 5 (1): 11-21 (Online).

32 – Monday, April 18 – Varieties of Capitalism

Boltanski, Luc and Eve Chiapello. 2005. "The New Spirit of Capitalism." *International Journal of Politics, Culture, and Society* 18 (3-4): 161-188 (Online).

Dore, Ronald. "Goodwill and the Spirit of Market Capitalism" (Granovetter and Swedberg).

Economic development – What social contexts affect economic development? What is the role of markets and states in economic development?

33 – Wednesday, April 20 – Economic development

Carruthers, Bruce and Sarah Babb. 2013. *Economy/Society: Markets, Meaning, and Social Structure*. Sage. Chapter 7 "Economic Development," pp. 160 – 166; 177 – 185 (Course pack).

Stark, David. 1996. "Recombinant Property in East European Capitalism." *American Journal of Sociology*: 993-1027 (Online).

34 – Friday, April 22

READING QUIZ 4

Burawoy, Michael. 2004. "Public Sociology: South African Dilemmas in a Global Context." *Society in Transition* 35 (1): 11-26 (Online).

35 – Monday, April 25 – Economic development

Gilpin, Robert. 2001. *Global Political Economy*. Princeton University Press. CHAPTER 12 "The State and Economic Development" (Course pack).

Evans, Peter. 1992. "The State as Problem and Solution: Predation, Embedded Autonomy, and Structural Change." Pp. 139 – 181 in Stephen Haggard and Robert Kaufman (Eds.) *The Politics of Economic Adjustment*. Princeton University Press (Course pack).

Global economy – What makes the economy global? What are the benefits and consequences of a global economy?

36 – Wednesday, April 27

Gereffi, Gary. 2005. "The Global Economy: Organization, Governance, Development," in *The Handbook of Economic Sociology*, (Eds.) Neil Smelser and Richard Swedberg. Princeton University Press and the Russell Sage Foundation (Course pack).

Portes, Alejandro. 2000. "Globalization from Below: the Rise of Transnational Communities." In *The Ends of Globalization: Bringing Society Back In*: 253-70 (Course pack).

37 – Friday, April 29

Hochschild, Arlie Russell. 2000. "The Nanny Chain." *American Prospect* 11 (4): 32-36 (Online).

38 – Monday, May 2

Obstfeld, Maurice. 1998. "The Global Capital Market: Benefactor or Menace?" *The Journal of Economic Perspectives* 12(4): 9 (Online).

Inequality – What accounts for inequality? Is inequality efficient? Can technology be used to avoid the perpetuation of inequality?

39 – Wednesday, May 4 – Theoretical traditions on inequality

Galbraith, John K. 1958. *The Affluent Society*. Houghton Mifflin. Chapters 3 – 5 (Course pack).

Davis, Kingsley and Wilbert Moore. 1945. "Some Principles of Stratification." *American Sociological Review* 10 (2): 242 – 249 (Online).

40 – Friday, May 6

READING QUIZ 5

Bertrand, Marianne, and Sendhil Mullainathan. 2004. "Are Emily and Greg More Employable than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination," *The American Economic Review* 94 (4): 991 (Blackboard).

Miller, Claire Cain. 2015. "Can an Algorithm Hire Better than a Human?" *New York Times*, June 25: http://www.nytimes.com/2015/06/26/upshot/can-an-algorithm-hire-better-than-a-human.html?smid=fb-share&_r=0 (Online).

Simonite, Tom. 2015. "Probing the Dark Side of Google's Ad-Targeting System." *Technology Review*, July 6: <http://www.technologyreview.com/news/539021/probing-the-dark-side-of-googles-ad-targeting-system/> (Online).

41 – Monday, May 9 – Causes of inequality

Carruthers, Bruce and Sarah Babb. 2013. *Economy/Society: Markets, Meaning, and Social Structure*. Sage. Chapter 6 "Economic Inequality," pp. 132 – 159 (Course pack).

42 – *Wednesday, May 11*– Cultural processes and causes of inequality

FINAL PAPERS DUE

Lamont, Michèle, Stefan Beljean, and Matthew Clair. 2014. “What is Missing? Cultural Processes and Causal Pathways to Inequality.” *Socio-Economic Review* 12 (3): 573-608 (Online).