ECONOMY AND ORGANIZATION

This is a graduate-level course in economic sociology. It also doubles as a core course for the sociology of organization. At first glance, it would seem that economic sociology and the sociology of organizations should constitute separate subfields, but until this year, economic sociology was included in the organization section of the American Sociological Association. This overlap between economic sociology and organization is no accident, but rather results from the significant restructuring of one of the theoretical cores of social science, namely the development of "institutionalism" and "institutional analysis." This inter-disciplinary movement has a number of variants, but one of the most significant is found in the "new institutionalism in organizational analysis." Economic sociology is the main site where variants of the new institutionalism confront one another. Indeed, the growing importance of economic sociology in the past decade has helped to revitalize organization theory. Starting next year, the ASA will recognize economic sociology as one of its authorized subfields, but I know for a fact that the linkages between economic sociology and organizational analysis will be stronger than ever.

This seminar is designed primarily as a reading course. The main purpose of the course will be for you to understand the assigned readings and to be able to discuss their main themes with some proficiency. All class members will be responsible for reading and discussing these assignments. I will lead the class discussion and will call each week on people in the class for summaries of the readings and for their evaluations. Therefore, it is important to do the readings and to concentrate on understanding the main topics for each week's discussion.

In addition to classroom participation, I will ask each of you to write a short paper, about 10 to 15 pages long on a topic of your choice. Please clear the topic with me though.

WEEK ONE (OCTOBER 5). WHERE DOES SOCIAL AND ECONOMIC ORGANIZATION COME FROM?: SOME CLASSIC FORMULATIONS

Topics for the week:
A discussion of the foundational perspectives with particular reference to the distinction between social and formal organization and between social and economic organization. Thinking about “the great transformation” and the birth of sociology.

Required reading:
- Richard Swedberg and Mark Granovetter, “Introduction” in The Sociology of Economic Life (Reader)
- Karl Marx, The Preface to the First Edition of Capital
- Adam Smith, Selection from The Wealth of Nations

Questions to ponder:
Do economic actions differ from any other form of action? Do economic organizations differ from any other form of organization? How do the different theoretical perspectives account for the emergence of social and economic organization?

**WEEK TWO. (OCTOBER 12) THE NEW INSTITUTIONALISM IN ECONOMICS**

**Topics for the week.**
What is the economic nature of economic activity and economic organization? Should sociologists consider economic rationality as an important topic?

**Required reading:**
Oliver Williamson, *Handbook of Economic Sociology*, Chapter 4

Optional:

**Questions to ponder:**
What does economic rationality mean? Are economic models and economic perspectives inherently anti-sociological?

**PLEASE NOTE: THERE WILL BE NO CLASS ON OCTOBER 19TH**

**WEEK THREE. (OCTOBER 26) THE CONCEPTUALIZATION OF DOMINATION IN MODERN SOCIETY**

**Topics for the week:**
What is the nature of social control in modern Western society? A reconsideration of Weber’s concept of legal-rational domination and bureaucratic organization. The organizational paradigm. The role of politics and the state. All this in relation to the economy.

**Required Reading:**
Max Weber, “Politics as a Vocation” (Reader)
Max Weber, *Economy and Society*, pp. 941-955 (Reader)
Questions to ponder:
How are justifications and institutions of power and control (i.e., domination) related to patterns of social organization? What is the distinction between economic domination and authority? What is the role of the state in social and economic organization? Is there a distinction between the state (political authority) and domination?

WEEK FOUR. (NOVEMBER 2) EMBEDDEDNESS

Topics of the week:
The concept of embeddedness. The influence of social organization on both economic and authoritative organizations.

Required reading:
Optional:
Karl Polanyi, “The Economy as Instituted Process “(Reader)

Questions to ponder:
What do these authors mean by embeddedness? Is it the same meaning? What is embedded in what and with what consequence? How general is the concept of embeddedness?

WEEK FIVE. (NOVEMBER 9) DEEP STRUCTURE AND SOCIAL REPRODUCTION

Topics of the week:
Understanding social continuity and social change. A discussion of organizational logics and the meaning of culture.

Required readings:
Clifford Geertz, Peddlers and Princes: Social Development and Economic Change in Two Indonesian Towns.

Questions to ponder:
What do we mean by social change? How should we conceptualize “tradition” and continuity? What do we mean by “deep structure”? Is culture a fruitful concept for sociological analysis?
WEEK SIX. (NOVEMBER 16) NETWORKS: CONSEQUENCES OF WORK PROCESS OR EMBEDDEDNESS?

Topics of the week:

Required readings:
Walter Powell and Laurel Smith-Doerr. “Networks and Economic Life.” The Handbook of Economic Sociology
Ronald Burt. “The Social Structure of Competition” (Reader)

Questions to ponder:
Is the concept of networks a useful way to conceptualize embeddedness? What is a network? Do networks differ from place to place and time to time? Does it make sense to view social organization as a form of relational network?

WEEK SEVEN (NOVEMBER 23) THE NEW INSTITUTIONALISM IN ORGANIZATIONAL ANALYSIS

Topics of the week:
The institutional environment. What is an institution? What is an environment? The vision of a society of organizations and the sociology of an organizational society. Weber and the institutionalists.

Required reading:

Questions to ponder:
How does an institutional approach alter an embedded or a work process interpretation of economic and social organization? How are “the individual” and “self-control” conceptualized in institutional theory? How is power and domination conceptualized? Does institutional theory mark an unwitting return to theories of social organization?
WEEK EIGHT. (NOVEMBER 30) ECONOMIC PROCESSES AND THE ORGANIZATION OF SOCIETY

Topics of the week:
The organization of work and the organization of the economy. The relationship between economic processes and economic organization.

Required Reading:
Gary Gereffi and Gary Hamilton, “Commodity Chains and Embedded Networks. The Organization of Global Capitalism” Unpublished manuscript.

Questions to ponder:
What are networks? How do economic processes create organization? How does social organization shape economic processes?

WEEK NINE. (DECEMBER 7) WORK WORLDS, PRODUCT WORLDS, AND THE ORGANIZATION OF DEMAND

Topics of the week:
The conceptualization of social life in which both economic and authoritative organizations are included. Social worlds. The social construction of work processes.

Required reading:
An additional reading to be announced.

(Not required but you might want to take a look at one of the best examples of this kind of analysis.) Howard Becker. 1982. Art Worlds. Berkeley: University of California Press.

Questions to ponder:
How do we set boundaries for our analysis? Does conceptualizing organizations in terms of work worlds helps or hinders the way we analyze organizational settings.

WEEK TEN. (TO BE SCHEDULED) THE SOCIAL CONSTRUCTION OF ECONOMIC ACTIVITY

Topics of the week:
Bringing the pieces together: Institutions, social worlds, networks, embeddedness, work process, authority and norms, and economic exchange.

**Required readings:**
The class will divide these readings. One half of the class will read one book and one half the other.

**Questions to ponder:**
What is the difference between economic sociology and the sociology of organizations? What is the distinction between economic sociology and general sociology?