



# Foundations of Economic Sociology

**First Term Seminar 2017-2018**

**Organised by Klarita Gërxhani, with N. Kulic (MWF) & A. Trantidis (MWF)**

Please register [online](#)

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## Course Description and Objectives

This course introduces the field of economic sociology. It does so by focusing on modern classics and contemporary literature studying the intersection of economy and society. Its main goal is two-fold. First, to provide an understanding of the ways in which various kinds of institutions and social structure and processes play a fundamental role in explaining economic outcomes. Second, to stimulate an integration of the major theories, approaches and topics covered into students' research interests. At the end of the course, students will be able to:

- have an understanding of the most important thematic literature and the critical analytical capacity to evaluate its scholarly validity from different methodological angles and within both a disciplinary and interdisciplinary context;
- have the capacity to fully participate and adopt a clear position in academic discussions on substantive theories and methodological design;
- have the ability to independently present social science research findings both orally and in writing in English to the required scholarly standard, making use of theoretical insights relevant to the particular research problem under study;
- have the ability to contribute theoretical knowledge and insight to the formulation and resolution of scientifically and socially relevant research problems.

Each week, for seven meetings, students will read and discuss the selected readings. During the last three meetings, students will present an application of the theories and approaches covered into their own research topic. By collectively reading a list of studies, students get to know the different traditions of theory and research in economic sociology, how the theory is connected to empirical research, how particular research designs and methods may be chosen for different research questions, and how new research projects can build on existing studies.

## Teaching Methods/Learning Formats

Weekly two-hour class meetings, weekly active participation, and discussion.

## Schedule

This seminar takes place on **Mondays at 15.00-17.00** in Seminar Room 2 at the Badia Fiesolana, with the exception of the sessions on the 6<sup>th</sup> of November and on the 20<sup>th</sup> of November, which will take place in Seminar Room 3.

The full list of seminar sessions is the following:

Monday	2 <sup>nd</sup> October:	Seminar Room 2
Monday	9 <sup>th</sup> October:	Seminar Room 2
Monday	16 <sup>th</sup> October:	Seminar Room 2
Monday	23 <sup>th</sup> October:	Seminar Room 2
Monday	30 <sup>th</sup> October	Seminar Room 2
Monday	6 <sup>th</sup> November:	Seminar Room 3
Monday	13 <sup>st</sup> November:	Seminar Room 2
Monday	20 <sup>th</sup> November:	Seminar Room 3
Monday	27 <sup>th</sup> November	Seminar Room 2
Monday	4 <sup>th</sup> December	Seminar Room 2

## Teaching Criteria

This seminar is worth 20 credits.

Students who choose to take this seminar for credit are required to meet Departmental attendance, *participate actively*, and complete the *discussion memo* tasks.

Students also have the option of writing a term paper for this course as part of their general term paper requirements. Should they wish to do so, they must discuss their proposed topic with Professor Gërxhani well before the Department's deadline for Term Papers.

### In detail:

- Students are required to *participate actively*. This implies that they are required to read the designated literature before each meeting and participate actively in class discussions.
- *Discussion memos*: It is important to carefully study each week's readings prior to the meetings. This improves the quality of the discussion since students come to the meeting well prepared. For this reason, students are requested to prepare a brief discussion memo on the readings programmed for each week. Discussion memos should consist of max 250 words and must include: (1) a reflection of what you find most engaging, exciting, and/or puzzling from the weekly literature; and (2) what you would like the class discussion to focus on (in the form of one or two questions).

The Discussion memos are not meant to be mere summaries of the readings. Instead, they are meant to be food for thought, by reflecting your own intellectual engagement with the material; specifying what is obscure or confusing in the readings; taking issue with some core idea or argument; or, exploring some interesting consequences of an idea. The Discussion memos will be the basis for the meetings' discussions. Each student submits them to the course website at the latest every Sunday prior to the meeting at 23:00, and takes them to class for the discussion.

- *Term paper*: Students who chose to submit a term paper are required to make significant use of the selected literature and provide an application to their research topic. The term paper must be submitted via email to Professor Gërxhani with the administrative assistant in copy

([Jennifer.Dari@eui.eu](mailto:Jennifer.Dari@eui.eu)). Please see the 2017-18 Researchers' Guide for more information regarding the term paper and the deadlines for submission.

Credit is only given to students who meet the tasks outlined here above. Moreover, students are required to take part in the meetings. Taking part in a meeting implies timely presence, good preparation, and active participation in-group discussions.

Should a student decide to submit a term paper for this course, it must be handed in by the deadline indicated in the 2017-18 Researchers' Guide. A term paper which is handed in late will not be considered.

## Feedback

Discussion memos and active participation: students can expect to receive brief individual feedback at the end of each meeting. Group feedback will also be provided, as part of the learning process in class discussions.

## Core Texts

Researchers wishing to further their knowledge of Economic Sociology can consult these core texts. These books can be found on the reserved shelf of the EUI library.

1. Neil J. Smelser and Richard Swedberg (Eds.). 2005. *The Handbook of Economic Sociology*, second edition. New York and Princeton: Russell Sage Foundation and Princeton University Press.
2. Mark Granovetter and Richard Swedberg (Eds.). 2001. *The Sociology of Economic Life*, second edition. Boulder, CO: Westview.
3. Mauro F. Guillén, Randall Collins, Paula England and Marshall Meyer (Eds.). 2002. *The New Economic Sociology: Developments in an Emerging Field at the Millennium*. New York: Russell Sage Foundation.
4. Frank Dobbin (Ed.). 2004. *The New Economic Sociology: A Reader*. Princeton University Press: Princeton.

## Readings

### WEEK 1: Introduction, basic background readings

1. Swedberg, R. (2003). Ch. 1 "The Classics in Economic Sociology" (p. 1-32), in *Principles of Economic Sociology*. Princeton University Press.
2. Swedberg, R. (2003). Ch. 3 "Economic Organization" (p. 53-74), in *Principles of Economic Sociology*. Princeton University Press.
3. Dobbin, F. (2004). Ch. 1 "The Sociological View of the Economy." (p. 1-46), in *The New Economic Sociology: A Reader*. Princeton, NJ: Princeton University Press. [pdf](#)
4. Smelser, N.J. and R. Swedberg (2005). Ch. 5 "Behavioral Economics" (p. 90-109) in *The Handbook of Economic Sociology* (2<sup>nd</sup> edition). Princeton University Press.

*Optional:*

1. Swedberg, R. (2003). Ch. 2 “Contemporary Economic Sociology” (p. 32-53) in *Principles of Economic Sociology*. Princeton University Press.
2. Coleman, J.S. (1990). Ch. 1 “Metatheory: Explanation in Social Science” (p. 1-27) & Ch. 2. “Actors and Resources, Interest and Control” (p. 27-45) in *Foundations of Social Theory*. Harvard University Press.

**WEEK 2: Institutions**

1. Hodgson, G. M. (2006). What are Institutions. *Journal of Economic Issues* 40(1): 1-25.
2. Ingram, P. and K. Clay (2000). The Choice-Within-Constraints New Institutionalism and Implications for Sociology. *Annual Review of Sociology* 26: 525–46.
3. North, D. (1977). Markets and Other Allocation Systems in History: The Challenge of Karl Polanyi. *Journal of European Economic History* 6(3): 703-716.
4. Olson, M. (1999). *Power and Prosperity*, Chapters 1 and 2, pp. 1-43.

*Optional:*

1. Hall P. and D. Soskice, eds (2001). *Varieties of Capitalism*, Chapter 1. pp. 1-68.
2. Olson, M. (1993). Dictatorship, Democracy, and Development. *American Political Science Review*, 87(3): 567-576.
3. Aligica, P. D. and P. Boettke (2011). The Two Social Philosophies of Ostroms’ Institutionalism. *Policy Studies Journal* 39(1): 29-49
4. Gërkhani, K. and J. Bruggeman (2015). Time Lag and Communication in Changing Unpopular Norms. *PLoS ONE*, Vol. 10, e0124715.
5. Ginsburg, T. (2009). Public Choice and Constitutional Design. *Coase-Sandor Working Paper Series in Law and Economics*, University of Chicago Law School.

**WEEK 3: Economic crisis**

1. Stiglitz, J. (2009). The Anatomy of a Murder: Who Killed America’s Economy. *Critical Review* 21 (2-3): 329-339.
2. Gjerstad, S. and V. Smith (2009). Monetary Policy, Credit Extension, and Housing Bubbles: 2008 and 1929. *Critical Review* 21 (2-3): 269-300.
3. Swedberg, R. (2010). The Structure of Confidence and the Collapse of Lehman Brothers. *Research in the Sociology of Organizations* 30A: 71-114.

4. Dobbin, F. and J. Jung (2010). The Misapplication of Mr Michael Jensen: How Agency Theory Brought Down the Economy and Why It Might Again. *Research in the Sociology of Organizations* 30B: 29-64.

*Optional:*

1. Jones, B. (1999). Bounded Rationality. *Annual Review of Political Science* 2:297-321.
2. Friedman, J. (2009). A Crisis of Politics, Not Economics: Complexity, Ignorance, and Policy Failure. *Critical Review* 21(2-3): 127-183.
3. Caldwell, B. (2015). F. A. Hayek and the Economic Calculus. *CHOPE Working Paper No. 2015-08*, Center for the History of Political Economy at Duke University, August 2015.
4. Cooper, M. (2011) Complexity Theory after the Financial Crisis. *Journal of Cultural Economy* 4/4: 371- 385.

**WEEK 4: Culture and Values**

1. Di Maggio P (1994) "Culture and economy" (pp. 27–57) in Smelser N and Swedberg R (eds) *The Handbook of Economic Sociology*. Princeton, NJ: Princeton University Press and New York: Russell Sage Foundation.
2. Manz, C.C., Sapienza, P. and Zingales, L. (2006). Does Culture Affect Economic Outcomes?. *The Journal of Economic Perspectives* 20/2: 23-48.
3. Ridgeway, C.L., and Kricheli-Katz, T. (2013). Intersecting Cultural Beliefs in Social Relations: Gender, Race, and Class Binds and Freedoms. *Gender & Society* 27/3: 294-318.
4. Zelizer, V. A. (2010) "Human Values and the Market: The Case of Life Insurance and Death in Nineteenth-Century America" (pp. 19-39) in *Economic lives: How culture shapes the economy*. Princeton, NJ: Oxford: Princeton University Press.

*Optional:*

1. Levin, Peter. "Culture and markets: How economic sociology conceptualizes culture." *The ANNALS of the American Academy of Political and Social Science* 619.1 (2008): 114-129.
2. Zelizer, Viviana. *The Social Meaning of Money: "Special Monies"* in *Economic lives: How culture shapes the economy*. Princeton University Press, 2010.

## **WEEK 5: Social capital**

1. Portes, A. (1998). Social Capital: Its Origins and Applications in Modern Sociology. *Annual Review of Sociology* 24: 1-24.
2. Coleman, J.S. (1988). Social Capital in the Creation of Human Capital. *American Journal of Sociology* 94: s95-s120.
3. Ostrom, E. (2000). Social Capital: A Fad or a Fundamental Concept?, in Dasgupta, Partha and Ismail Serageldin, eds., *Social Capital: A Multifaceted Perspective*, pp. 172-215, The World Bank, Washington.
4. Lin, N. (2001). *Social Capital: A Theory of Social Structure and Action*. Chapter 2: "Social Capital: Capital Captured through Social Relations", in pp. 19-29, Cambridge: Cambridge University Press.

### *Optional:*

1. Bourdieu, P. 1986. "The Forms of Capital." Pp. 241 –58 in *Handbook of Theory and Research for the Sociology of Education*, edited by J.G. Richardson. New York: Greenwood Press.
2. Fidrmuc, J. and K. Gërzhani (2008). Mind the Gap: Social capital, East and West! *Journal of Comparative Economics* 36: 264-286.
3. Lyon, F. (2000). Trust, networks and norms: The creation of social capital in agricultural economies in Ghana, *World Development* 28(4): 663-681.

## **WEEK 6: Gender**

1. England, P. and N. Folbre (2005). Gender and Economic Sociology. Ch. 27 (p. 627-650), in Neil J. Smelser and Richard Swedberg (2005). *The Handbook of Economic Sociology* (2nd edition). Princeton University Press.
2. Vogler, C., and Pahl, J. (1994). Money, Power and Inequality within Marriage. *The Sociological Review* 42/2: 263-288.
3. Goldin, C., Kerr, S.P., Olivetti, C. and Barth, E. (2017). The Expanding Gender Earnings Gap: Evidence from the LEHD-2000 Census. *American Economic Review* 107/5: 110-14.
4. Elliott, J.R., and Smith, R.A. (2004). Race, Gender, and Workplace Power. *American Sociological Review* 69/3: 365-386.

### *Optional:*

1. Sorensen, A. and McLanahan, S. (1987). Married women's economic dependency, 1940-1980. *American Journal of Sociology* 93/3: 659-687.
2. Charles, M. (2003). Deciphering sex segregation: Vertical and horizontal inequalities in ten national labor markets. *Acta Sociologica* 46/4: 267-287.

3. Schram, A., J. Brandts and K. Gërxhani (2014). Status Ranking: A Hidden Channel to Gender Inequality. *Barcelona GSE Working Paper No. 817*.

### **WEEK 7: Labor market and Networks**

1. Granovetter, M. (2005). The Impact of Social Structure on Economic Outcomes. *Journal of Economic Perspectives* 19(1): 33-55.
2. Castilla, E. J., Lan, G.J. and Rissing, B.A. (2013). Social Networks and Employment. Part 1 and Part 2, *Sociology Compass* 7/12: 999–1012 & 1013–1026.
3. Gërxhani, K., J. Brandts, and A. Schram (2013). The Emergence of Employer Information Networks in an Experimental Labor Market. *Social Networks* 35: 541-560.
4. Reskin, B.F. (2002). Rethinking Employment Discrimination and Its Remedies. Ch. 9 (pp. 218-245), in Guillen et al. (Eds.) *The New Economic Sociology: Developments in an Emerging Field*. New York: Russell Sage Foundation.

#### *Optional:*

1. Bridges, W.P. and W. J. Villemez (1986). Informal hiring and income in the labor market. *American Sociological Review* 51: 574-82.
2. Wegener, B. (1991). Job mobility and social ties: Social resources, prior job, and status attainment. *American Sociological Review* 56: 60-71.
3. Di Stasio, V. and K. Gërxhani (2015). Employers' Social Contacts and Their Hiring Behavior in a Factorial Survey. *Social Science Research* 51: 93-107.
4. Kalleberg, A. L. and A.B. Sorensen (1979). The Sociology of Labor Markets. *Annual Review of Sociology* 5: 351-379.

### **WEEK 8-10**

Presentations of students (approximately 20 minutes per presentation).