

## **Economic Sociology II (ECON 895 – 002; ECON 496-)**

Wednesday, 4:30 pm – 7:10 pm  
D100 Buchanan Hall

### **Professor Virgil Henry Storr**

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### **Course Description & Objectives**

This seminar will explore key writings within the “new economic sociology” and survey recent developments within the field. Special emphasis will be placed on how culture, norms, ideologies and values shape economic action and interaction. The first half of the course will focus on the core writings in the economics and sociology of the market. The second half of the course will introduce students to interesting writings in important areas in the current economic sociology literature. The goal of the class is to prepare students to write academic papers in the field of economic sociology suitable for peer review journals. In addition to being graded on class participation, students will be graded on a research paper exploring some topic related to economic sociology.

### **Course Learning Outcomes**

Upon completion of this course you will,

- Understand the scholarly literature in economic sociology.
- Be able to synthesize existing ideas and contribute to discussions about the relationship between economy and society.
- *Graduate Students:* Be able to reference and recount multiple perspectives on how culture, norms, ideologies and values shape economic action and interaction. Also, be able to engage those perspectives in research papers.
- *Undergraduate Students:* Be able to apply their understanding of the relationship between economy and society in conversations about how culture, norms, ideologies and values shape economic action and interaction.

### **Course Readings & Required Books**

You are expected to do all of the required readings (indicted below with an \*) prior to the class where they will be discussed. All of the required readings can be obtained through GMU’s e-library or e-reserves (<http://library.gmu.edu/>) or via the links that are provided below.

## Course Grading

*Undergraduate Students:* Grades for this class will be based on reaction memos (40%) and class participation (60%).

*Graduate Students:* Grades for this class will be based on reaction memos (15%), class participation (60%), and a research paper (25%).

The reaction memos should be no less than one page and no more than two pages and contain your thoughts on any aspect of that week's readings. These can focus on something as broad as the central themes advanced in that week's readings, or something as narrow as a particular sentence or footnote. The memos are due at 11:59 pm on the day before the class meets and should be emailed to vstorr@gmu.edu. Obviously, no memos are expected on the week's that there are no readings assigned.

Class participation involves frequently contributing to our weekly in-class discussions. There will be no lectures in this class. The success of the class depends entirely on class participation, which constitutes the majority of your grade. As such, it will be impossible to receive a high mark in this class without actively participating in class discussions.

*Graduate Students:* The research paper should explore the morality or immorality of markets. You will be expected to turn in the abstract and outline for the research paper on or before February 27<sup>th</sup>, 2019. The final draft, which should be 15 to 20 pages, is due December 18<sup>th</sup>, 2018.

## Course Outline

**Class #1.**        *Introductions*

**Class #2.**        *The economics of the market: the market process and the market order*

\* Hayek, F.A. 1945. "The Use of Knowledge in Society," *The American Economic Review*, Vol. 35, No. 4, pp. 519-530.

\* Hayek, F.A. 1976. *Law, Legislation and Liberty, Vol. 2: The Mirage of Social Justice*, chapters 10 (pp. 107-132).

\* Marx, Karl 1844. "Estranged Labour," *Economic & Philosophical Manuscripts of 1844* (pp. 69-84).

\* Smith, Adam [1776] 1976. *An Inquiry into the Nature and Causes of the Wealth of Nations*, chapters 1-3 (pp. 1-36).

\* Schumpeter, Joseph A. 1942. *Capitalism, Socialism and Democracy*, chapters 6 and 7 (pp. 72-87).

**Class #3.        *The sociology of the market: embeddedness and the social construction of the market***

\* Boettke, Peter J. and Virgil Henry Storr 2002. "Post Classical Political Economy: Polity, Society and Economy in Weber, Mises and Hayek," *American Journal of Economics and Sociology*, Vol. 61, No. 1, pp. 161-191.

\* Lie, John 1997. "Sociology of Markets," *Annual Review of Sociology*, Vol. 23, pp. 341-360.

\* Granovetter, Mark 1985. "Economic Action and Social Structure: The Problem of Embeddedness," *American Journal of Sociology*, Vol. 91, pp. 481-510.

\* Uzzi, Brian 1996. "The Sources and Consequences of Embeddedness for the Economic Performance of Organizations," *American Sociological Review*, Vol. 61, pp. 674-698.

**Class #4.        *The sociology of the market: social capital***

\* Coleman, James S. 1988. "Social Capital in the Creation of Human Capital," *American Journal of Sociology*, Vol. 94, pp. S95-S120.

\* Portes, Alejandro 1998. "Social Capital: Its Origins and Applications in Modern Sociology," *Annual Review of Sociology*, Vol. 24, pp. 1-24.

\* Portes, Alejandro and Julia Sensenbrenner 1993. "Embeddedness and Immigration: Notes on the Social Determinants of Economic Action," *American Journal of Sociology*, Vol. 98, No.6, pp. 1320-1360.

\* Portes, Alejandro 2000. "The Two Meanings of Social Capital," *Sociological Forum*, Vol. 15, No. 1, pp. 1-12.

\* Putnam, Robert D. 1995. "Bowling Alone: America's Declining Social Capital," *Journal of Democracy*, Vol. 6, No. 1, pp. 65-78.

**Class #5.        *The sociology of the market: structural holes and the strength of weak ties (120 pages)***

\* Burt, Ronald S. 2004. "Structural Holes and Good Ideas," *American Journal of Sociology*, Vol. 110, No. 2, pp. 349-399.

\* Granovetter, Mark 1973. "Strength of Weak Ties," *American Journal of Sociology*, Vol. 78, pp. 1360-1380.

\* Granovetter, Mark 1983. "The Strength of Weak Ties: A Network Theory Revisited," *Sociological Theory*, Vol. 1, pp. 201-233.

\* Granovetter, Mark 2005. "The Impact of Social Structure on Economic Outcomes," *Journal of Economic Perspectives*, Vol. 19, No. 1, pp. 33-50.

**Class #6.        *The economic sociology of economic culture: “the spirit of capitalism”***

\* Grief, Avner 1994. “Cultural Beliefs and the Organization of Society: A Historical and Theoretical Reflection on Collectivist and Individualist Societies,” *Journal of Political Economy*, Vol. 102, pp. 912-950.

\* Storr, Virgil Henry 2013. *Understanding the culture of markets*, chapters 1, 2 and 4.

\* Swedberg, Richard 2002. “The Economic Sociology of Capitalism: Weber and Schumpeter,” *Journal of Classical Sociology*, Vol. 2, No. 3, pp. 227-255.

\* Swidler, Ann 1986. “Culture in Action: Symbols and Strategies,” *American Sociological Review*, Vol. 51, pp. 273-86.

\* Weber, Max 1930. *The Protestant Ethic and the Spirit of Capitalism*, chapters 2 (pp. 47-78).

**Class #7.        *The economic sociology of work and workplaces***

\* Cobb, Adam 2016. “How Firms Shape Income Inequality: Stakeholder Power, Executive Decision Making, and the Structuring of Employment Relationships,” *Academy of Management Review* 41(2):324-348.

\* Lin, Nan, and Mary Dumin 1986. “Access to Occupations through Social Ties,” *Social Networks*, Vol. 8, pp. 365-385.

\* Nee, Victor, Hakan Holm and Sonja Opper. Forthcoming. “Learning to Trust: from Relational Exchange to Generalized Trust,” *Organization Science*.

\* Rivera, Lauren A. 2012. “Hiring as Cultural Matching: The Case of Elite Professional Service Firms.” *American Sociological Review* 77(6):999-1022.

\* Storr, Virgil Henry 2008. “The Market as a Social Space: On the Meaningful Extra-economic Conversations that Occur in Markets,” *The Review of Austrian Economics*, Vol. 21, No. 2/3, pp. 135-150.

**Class #8.        *The economic sociology of norms and institutions***

\* DiMaggio and Powell. 1983. “The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields,” *American Sociological Review*. 48: 147-60.

\* Nee, Victor 1998. “Norms and Networks in Economic and Organizational Performance,” *American Economic Review*, Vol. 87, No. 4, pp. 85-89.

\* Nee, Victor 2000. “The Role of the State in Making a Market Economy,” *Journal of Institutional and Theoretical Economics*, Vol. 156, pp. 64-88.

\* Nee, Victor and Paul Ingram 1998. "Embeddedness and Beyond: Institutions, Exchange and Social Structure," pp. 19-45 in *The New Institutionalism in Sociology*, edited by M. Brinton and V. Nee (New York: Russell Sage Foundation).

**Class #9.        *The economic sociology of post-disaster community recovery***

\* Aldrich, Daniel 2012. "Social, Not Physical, Infrastructure: The Critical Role of Civil Society in Disaster Recovery," *Disasters: The Journal of Disaster Studies, Policy and Management* Vol. 36 (3), pp. 398-419.

\* Chamlee-Wright, Emily and Virgil Henry Storr 2009. "Club Goods and Post-Disaster Community Return," *Rationality and Society*, Vol. 21 (4), pp. 429-458.

\* Chamlee-Wright, Emily and Virgil Henry Storr 2011. "Social capital as collective narratives and post-disaster community recovery," *The Sociological Review*, Vol. 59 (2), pp. 266-282.

\* Chamlee-Wright, Emily and Virgil Henry Storr 2011. "Social capital, lobbying and community-based interest groups," *Public Choice*, Vol. 149 (1-2), pp. 167-185.

\* Shaw, Rajib and Katsuihgoro Goda 2004. "From Disaster to Sustainable Civil Society: The Kobe Experience," *Disasters*, Vol. 28(1), pp. 16-40.

**Class #10.      *The economic sociology of economic development***

\* Biggart, Nicole and Mauro Guillen 1999. "Developing Difference: Social Organization and the Rise of the Auto Industries of South Korea, Taiwan, Spain and Argentina," *American Sociological Review*, Vol. 64, No. 5, pp. 722-747.

\* Boettke, Peter, Christopher Coyne and Peter Leeson 2008. "Institutional Stickiness and the New Development Economics," *American Journal of Economics and Sociology*, Vol. 67, No. 2, pp. 331-358.

\* Chamlee-Wright, Emily 2005. "'Bottom Up' Development Strategies in Zimbabwe," *The Review of Austrian Economics*, Vol. 18, No.1, pp. 5-28.

\* Woolcock, Michael 1998. "Social capital and economic development: Toward a theoretical synthesis and policy framework," *Theory and Society*, Vol. 27, pp. 151-208.

\* Woolcock, Michael and Deepa Narayan 2000. "Social Capital: Implications for Development Theory, Research, and Policy," *World Bank Research Observer*, Vol. 15, No. 2, pp. 225-249.

**Class #11.      *The economic sociology of markets and morality***

\* Fourcade, Marion and Kieran Healy 2007. "Moral Views of Market Society," *Annual Review of Sociology*, Vol. 33L, pp. 285-311.

\* Mears, Ashley. 2015. "Working for Free in the VIP: Relational Work and the Production of Consent," *American Sociological Review*, Vol. 80, No. 6, pp. 1099-1122.

\* Storr and Choi, *Are Markets Moral?*, chapters 1, 4 and 6.

\* Zelizer, Viviana A. 1978. "Human Values and the Market: The Case of Life Insurance and Death in 19th-Century America," *The American Journal of Sociology*, Vol. 84, No. 3, pp. 591-610.

**Note that class will not meet February 27<sup>th</sup>, April 10<sup>th</sup>, or May 1<sup>st</sup>. I reserve the right to change the schedule with notification.**

**Honor Code:** All provisions of the GMU Honor Code will be followed in this class.

<https://oai.gmu.edu/mason-honor-code/>.

**Notice of mandatory reporting of sexual assault, interpersonal violence, and stalking:** As a faculty member, I am designated as a "Responsible Employee," and must report all disclosures of sexual assault, interpersonal violence, and stalking to Mason's Title IX Coordinator per University Policy 1412. If you wish to speak with someone confidentially, please contact one of Mason's confidential resources, such as Student Support and Advocacy Center (SSAC) at 703-380-1434 or Counseling and Psychological Services (CAPS) at 703-993-2380. You may also seek assistance from Mason's Title IX Coordinator by calling 703-993-8730, or emailing [titleix@gmu.edu](mailto:titleix@gmu.edu).