

Economic Sociology and Political Economy I
Fall 2019

It may be that today the greatest danger is from the other side. The mathematicians themselves set up standards of generality and elegance in their expositions which are a serious bar to understanding. Conventions of generality and mathematical elegance may be just as much barriers to the attainment and diffusion of knowledge as may contentment with particularity and literary vagueness. ... It may well be that the slovenly literary borderland between economics and sociology will be the most fruitful building ground during the years to come and that mathematical economics will remain too flawless in its perfection to be very fruitful.

Kenneth Boulding, "The Role of Mathematics in Economics," *JPE*, 56 (3) 1948: 199

Paul Samuelson was selected as the first John Bates Clark Medal winner in 1947, Kenneth Boulding was awarded the second medal in 1949. The AEA website describes this award as follows: "One of the most prestigious and eagerly anticipated AEA awards, the John Bates Clark Medal is awarded annually each April (formerly biennially from 1947-2009) to that American economist under the age of forty who is judged to have made the most significant contribution to economic thought and knowledge. If there is a significant body of joint work, the Clark Medal may be awarded jointly to two recipients. Established as an American prize, it is sufficient that the candidate works in the US at the time of the award and US citizenship is not required." While Boulding would be justly recognized at this time to rival Samuelson in scientific potential and accomplishment, his research path went in a radical departure from Samuelson's -- and the other early Clark Medal winners, Milton Friedman 1951, James Tobin 1955, Kenneth Arrow 1957, Lawrence Klein 1959, and Robert Solow 1961 (all of whom would later also win the Nobel Prize except Boulding).

Economics during the 1940s-1960s became dominated by three methodological trends that cut against Boulding -- aggregation, formalism, and empiricism. As a result, the "literary borderland between economics and sociology" was abandoned by the vast majority of economists. There was a counter-revolution in scientific economic thought during the 1950-1980 period that would challenge these methodological trends in some variety or another and produced such work as property rights economics, law-and-economics, public choice, and market process economics. In short, many of the ideas and concepts that have been stressed in your education at George Mason University emerged in this counter-revolution. But the discourse in this counter-revolution tended to be one sided -- economists talking to other economists (with perhaps some political scientists, lawyers and even less so historians) about the superiority of the economic approach to human behavior over alternative modes of thought.

The purpose of this class is not to reiterate these claims -- most clearly identified with Gary Becker and Gordon Tullock and the idea of "economic imperialism" -- but to explore a bit more in depth the claim of Boulding's about the progressive research program to be found in the borderland

between economics and sociology and to access the lost opportunity in economic science that the Samuelsonian hegemony represents. This requires that we listen in on the discourse that has transpired among those writers -- classical as well as contemporary -- who have occupied this intellectual territory.

Let me be clear, this class is designed for advanced PhD students, and the intent is to prepare students to become active contributors to what Boulding suggests is "a fruitful building ground" for a progressive research program in the fields of political economy and social philosophy. As a result, you are expected to read and discuss, to think hard, and to write clearly both short essays, and a research paper with the intent to submit for review to a peer reviewed scientific outlet.

Prior to our first meeting, it is my expectation that students will besides reading the Boulding piece from the *JPE* familiarize themselves with Richard Swedberg's edited set of interviews, *Economics & Sociology* (Princeton University Press, 1990) and N. Smelser and R. Swedberg's edited *The Handbook of Economic Sociology* (Princeton University Press, 2005).

The class will be divided into 5 reading groups roughly 3 weeks each focusing on particular authors who occupied the Boulding's borderland between economics and sociology. The class format will be in the Socratic seminar mode grounded in the assigned reading of that week. Please come to class each week with 5 questions that you will be expected to circulate to our group every Sunday.

Section I: The Very Idea of Economic Sociology

*Richard Swedberg, Max Weber and the Idea of Economic Sociology. Princeton, 1998. 978-0691070131

_____, The Art of Social Theory. Princeton, 2014. 978-0691168135

_____. The Principles of Economic Sociology. Princeton, 2003. 978-0691130590

Section II: Worldly Philosophy in the Age of Economic Scientism

*Albert O. Hirschman. The Passions and the Interests. Princeton. 1977. 978-0691160252

_____. Exit Voice and Loyalty. Harvard. 1970. 978-0674276604

_____. The Rhetoric of Reaction. Harvard. 1991. 978-0674768680

Section III: Paradoxes and Puzzles and the Search for Mechanisms

*Jon Elster. Ulysses and the Sirens. Cambridge, 1984. 978-0521269841

_____. Cement of Society. Cambridge, 1989. 978-0521376075

_____. Alchemies of the Mind. Cambridge, 1999. 978-0521644877

Section IV: Political Economy and Public Reason

*Amartya Sen. Development as Freedom. Knopf, 1999. 978-0385720274
_____. The Idea of Justice. Harvard, 2009. 978-0674060470
_____. Identity and Violence. Norton, 2006. 978-0393329292

Section V: Cultural and Political Economy

*Emily Chamlee Wright. The Cultural and Political Economy of Recovery. Routledge, 2010.
Virgil Storr. Understanding the Culture of Markets. Routledge, 2012.
Virgil Storr and Ginny Choi. Do Markets Corrupt Our Morals. Palgrave/Macmillan, 2019.

Course Objectives & Grading

Upon completion of this course, you will:

- Understand the foundations of Economic Sociology
- Understand the major strands of academic literature in Economic Sociology
- Be able to synthesize existing ideas in the field of Economic Sociology and build on these ideas to generate novel contributions to this literature
- For MA students – be able to apply the core concepts in the field of Economic Sociology to current events
- For PhD students - be able to write academic papers in the field of Economic Sociology suitable for peer review.

Professor Peter Boettke
Econ 895.002
Tuesday 1:30-4:10pm
James Buchanan Hall D100

Grades for this class will be based on 3 components. First, each week you are expected to submit your questions from the readings and participate in the discussion so your attendance and active participation will be graded. Second, you will be expected to submit a FOUR double-spaced typed review of the * book selected from each of the five sections listed above. Follow the example in terms of formatting, style and substance to be found in the *JEL*. Do not go over the 1000 word limit. These will be due on September 17th; October 15th; November 12th; December 3rd; and December 17th -- you can turn these in earlier, but no late reviews will be accepted. And, third, you will be expected to submit by the end of the term a research paper reflecting your interests in the borderland between economics and sociology. For this paper, there is no page limit, but follow the conventional norm to be found in journals such as *AJS* and be very clear as to who your audience is and what the argumentative standards are that are established in that community of scholars. Research papers are due December 10th.

Semester Schedule we will meet on Tuesdays from 1:30 to 4:30pm beginning August 27th and ending December 10th. There will be no class meeting on **November 26th** due to a professional conflict, also, no meeting on **October 15th** because of Monday classes being held on Tuesday. However, use this time wisely for reading and writing.

When submitting your assignments please email them to pboettke@gmu.edu and cc my assistant, Karla Moran (kmoran@chims.net). Files sent should have the following name format: Lastname_review# (or paper)