

Economic Sociology (2025-2026)

Instructor: Juan Díez Medrano

Schedule: Wednesdays, from 14 pm to 17 pm.

Course Description

This seminar focuses on the contributions of the “New Economic Sociology”. The past thirty years have witnessed an almost revolutionary transformation in the field of sociology’s approach to the economy. This renewal process challenges many of economics’ premises. Among them the claims that economic behavior is rational and conducted by isolated individuals. Against these premises, the “New Economic Sociology” stresses the limitations of rationality and the social character of all economic behavior. The seminar deals sequentially with some of the most significant contributions to the “New Economic Sociology” field. It prioritizes conceptual and analytical aspects. The course is divided in three parts: The first part examines areas of the economy that constitute the focus of economic sociology: Markets, Firms, the State, and Value/Prices. The second one presents basic concepts in the New Economic Sociology: Cognition, Institutions, Power, Networks. Finally, the third part concentrates on two markets where economic sociology’s approach has been applied: The housing and the popular music markets.

Evaluation

Based on participation, preparedness, and a final paper.

Class presentations:

Students will be assigned readings to present at each session. These presentations must be twenty-minutes long. The presenter will outline the argument in schematic form (main ideas and their articulation) instead of in sequential form (as it appears in the text). When presenting empirical papers where the author is testing causal hypotheses, the presenter must be able to represent the causal argument as a diagram with variables and arrows, ordered in path-analytical form.

1. What is the article’s general point (What does it say about the economy)?
2. What are the article’s two or three main points or guiding hypotheses?
3. Does the article challenge a particular perspective or theory?
4. Does the article fill a particular gap in the literature, a question that has not been addressed so far or that has not been addressed properly?
3. What are the article’s main conclusions?

I WILL VALUE VERY MUCH THAT THE STUDENT USES HIS/HER OWN WORDS IN THE PRESENTATION, AVOIDING JARGON, AND MOVING AWAY FROM THE WAY THE TEXT IS STRUCTURED.

In addition to the synthesis, the presenter will address the following questions:

1. Are there arguments or concepts he or she had trouble understanding? (to be clarified by the rest of the group)
2. Is there anything in the text that he or she finds counter-intuitive? Unconvincing? Justify (participation by the rest of the class required)
3. Is there an analytical question that he or she could pursue in a research project, based on the text?

The presenter will have to turn-in a one-page summary of notes related to the text.

The instructor will also collect two sets of notes from randomly chosen students in class and regarding a specific reading for the particular session.

Final Paper: 4000 words.

In this paper you will have to outline what you think are economic sociology's main contributions and limitations, based on what we have covered in the course. I welcome critical comments as to what you think are the economic sociology literature's shortcomings and under-investigated areas. You should also state what topic/text you have liked the most and why.

Course schedule (In parenthesis: Theoretical pieces, not to be presented in class)

I- Origins:

Marx, Karl. 1844. "Estranged Labor", "The Meaning of Human Requirements", y "The Power of Money in Bourgeois Society" Pp. 70- 81 and 93-105 in *Economic and Philosophical Manuscripts*. Third Manuscript (In Robert Tucker (Ed.) 1978. *The Marx-Engels Reader*. New York: Norton

Weber, Max. [1919-1920. 1968]. "Modern Capitalism" Chapter 12 in *On Charisma and Institution Building*. S. N. Eisenstadt (Ed.). Chicago: The University of Chicago Press (Pp. 140-165)

Mauss, Marcel. [1925. 2000] "The Exchange of Gifts and the Obligation to Reciprocate", Chapter 1 in *The Gift*. Routledge.

Polanyi, K.. 1971. "The Economy as Institutionalized Process". In C.M. Arensberg y H.W. Pearson (Ed.) *Trade and Market in Early Empires*.

Part I: Areas of Study

I-Markets as Fields:

Fligstein, Neil. 2001. Pp. 15-20 (on fields) and Chapter 2 (until page 36). *The Architecture of Markets*. Princeton: Princeton University Press.

Fligstein, Neil and Alec Stone Sweet. "Constructing Politics and Markets: An Institutional Account of European Integration." *American Journal of Sociology* 107, 5: 1206-1243.

Baker, Wayne. 1984. "The Social Structure of a National Securities Market." *American Sociological Review*

Recommended:

Swedberg, Richard. 1994. "Markets as Social Structures", Chapter 11 de Neil Smelser y Richard Swedberg (comp.) *The Handbook of Economic Sociology*. Princeton: Princeton University Press [Pp. 255-274].

II-The Firm:

Williamson, Oliver. 1988. "The Logic of Economic Organization".

Di Maggio, Paul J. y Walter W. Powell. 1983. "The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields." *American Sociological Review* 48: 147-160. [from JSTOR]

Sanders, Gerard, and Anja Tuschke. 2007. "The Adoption of Institutionally Contested Organizational Practices: The Emergence of Stock Option Pay in Germany." *Academy of Management Journal* 50,1: 33-56

III-State and the Economy:

Fligstein, Neil. "States, Markets, and Economic Growth" pp. 120-131 in Victor Nee and Richard Swedberg (Eds.). *The Economic Sociology of Capitalism*. Princeton: Princeton University Press

Zambrano-Gutiérrez, Julio, Sean Nicholson-Crotty, Sanya Carley, and Saba Siddiki. 2018. "The Role of Public Policy in Technology Diffusion: The Case of Plug-In Electric Vehicles." *Environmental Science & Technology*.

Münzel, Christiane, Patrick Plötz, Frances Sprei, and Till Gnann. 2019. "How large is the effect of financial incentives on electric vehicle sales? A Global review and European Analysis." *Energy Economics*.

Recommended:

Fred Block. "The Roles of the State in the Economy", pp. 692-706 in Neil Smelser and Richard Swedberg (Eds.), *Handbook of Economic Sociology*.

IV- Value and the Economy:

Viviana Zelizer. 1978. "Human Values and the Market: The Case of Life Insurance and Death in 19th Century America." *American Journal of Sociology* 84, 3: 591-610

Fourcade, Marion. 2011. "Cents and Sensibility: Economic Valuation and the 'Value' of Nature." *American Journal of Sociology* 116, 6: 1721-1777

Doganova, Liliana and Vololona Rabeharisoa (2024) "The temporalities of prices: 'Value-based pricing' in pharmaceutical markets", *Economy and Society*, 53:2, 183-204,

Part II: Analytical Tools

V-Cognition and Uncertainty:

March, James. 1978. "Bounded Rationality, Ambiguity, and the Engineering of Choice. *The Bell Journal of Economics* 9, 2: 587-608.

Kahneman, Daniel. 2014. Chapter on Framing from *Think Fast, Slow*.

Beckert, Jens. 2013. "Imagined Futures: Fictional Expectations in the Economy." *Theory and Society* 42, 3: 219-240.

Braun, Benjamin. 2015. "Governing the Future: The European Central Bank's Expectation Management during the Great Moderation." *Economy and Society* 44, 3: 367-391.

Quan, Mai. 2022 "Unclear Signals, Uncertain Prospects: The Labor Market Consequences of Freelancing in the New Economy." *Social Forces* 99, 3: 895-920

VI-Institutions and Culture

Fligstein, Neil. 2001. Pp. 36-42 in Chapter 2 and Chapter 3 from *The Architecture of Markets*. Princeton: Princeton University Press.

Meyer, John W and Brian Rowan. 1977. "Institutionalized Organizations: Formal Structures as Myth and Ceremony". *American Journal of Sociology* 83: 340-363.

Swidler, Ann. 1986. "Culture in Action: Symbols and Strategies." *American Sociological Review* 51, 2: 273-286.

Angeles, Renira and Achim Kemmerling. 2020. "How Redistributive Institutions affect Pay Inequality and Heterogeneity among Top Managers." *Socio-Economic Review* 18, 1: 3-30

Childress, Clayton and Jean-François Nault. 2019. "Encultured Biases: The Role of Products in Pathways to Inequality." *American Sociological Review* 84, 1: 115-141

Recommended:

Berger, Peter L. y Thomas Luckmann. "From The Social Construction of Reality." Pp. 496-515 in Frank Dobbin (Ed.) *The New Economic Sociology*. Princeton: Princeton University Press.

VII-Power:

Fligstein, Neil. 1987. "The Interorganizational Power Struggle: Rise of Financial Capital to Top Leadership in Large Corporations, 1919-1979." *American Sociological Review* 52, 1: 44-58. [From JSTOR]

Vasi, Ion Bogdan and Brayden King. 2019. "Technology Stigma and Secondary Stakeholder Activism: The Adoption and Growth of Clean Power Programs in the US Utility Sector. *Socio-Economic Review* 17, 1: 37-61

Recommended:

Roy, William. Excerpts from *Socializing Capital: The Rise of the Large Industrial Corporation in America* (1997, Princeton University Press).

VIII-Networks:

Granovetter, Mark. 1981. "Economic Action and Social Structure. The Problem of Embeddedness." *American Journal of Sociology* 91, 3: 481-510.

Burt, Ron. 1992. "From Structural Holes". Pp. 325-347 in Frank Dobbin (Ed.) *The New Economic Sociology*. Princeton: Princeton University Press.

Duxbury, Scott and Dana Haynie. 2021. "Network Embeddedness in Illegal Online Markets: Endogenous Sources of Prices and Profit in Anonymous Criminal Drug Trade. *Socio-Economic Review* 00: 1-26

Schilke, Oliver and Gabriel Rossman. 2024. "Honor among Crooks: The Role of Trust in Obfuscated Disreputable Exchange". *American Sociological Review* 89(2) 391–419

Part III-Applications

IX-The Housing Market 1: Institutions and Power

Background Reading: Bourdieu, Pierre. 2000. *The Social Structures of the Economy*. Part I.

Desmond, Matthew and Nathan Wilmers. 2019. "Do the Poor Pay more for Housing? Exploitation, Profit, and Risk in Rental Markets." *American Journal of Sociology* 124, 4: 1090-1124

Travis, Adam. 2019. "The Organization of Neglect: Limited Liability Companies and Housing Disinvestment." *American Sociological Review* 84,1: 142-170.

X-The Housing Market 2: Networks and Culture

Schmidt, Steven. 2025. "Finding a Home during the Affordable Housing Crisis: How Social Ties shape Renter's Housing Search Outcomes." *American Sociological Review* 90, 1: 142-169.

Röper, Andrea, Beate Völker, and Henk Flap. 2009. "Social Networks and Getting a Home: Do Contacts Matter?" *Social Networks* 31: 40-51.

Hayes, Adam and Max Besbris. 2023. "Earmarking Space: Relationality, Economic Judgments, and Housing Wealth." *Socio-Economic Review* 21,3: 1145-1172.

XI-The Music Market: Institutions and Networks

Salganik, Matthew, Peter Sheridan, and Duncan Watts. 2006. "Experimental Study of Inequality and Unpredictability in an Artificial Cultural Market." *Science* 311: 854-856 (plus Supplementary Materials).

Ternovski, John and Taha Yasseri. 2020. "Social Complex Contation in Music Listenership: A Natural Experiment with 1.3 Million Participants." *Social Networks* 61: 144-162.

Zhang, Laurina. 2018. "Intellectual Property Strategy and the Long Tail: Evidence from the Recorded Music Industry." *Management Science* 64, 1:24-42.

Batikas, Michail, Jörg Claussen , and Christian Peukert , 2019. Follow the money: Online piracy and self-regulation in the advertising industry. *International Journal of Industry Organization* 65: 121-151.

XII-The Music Market: Structures, Technology, and Culture

Theoretical Background: Bourdieu, Pierre. 1981. *Distinction. Part III.* Towse, Ruth. 2020. "Dealing with digital: the economic organisation of streamed music." *Media, Culture, and Society* 42 (7-8): 461-478.

Khwan, Kim and Noah Askin. 2024. "Feature-Based Structures of Opportunity: Genre Innovation in the American Popular Music Industry, 1958 to 2016" *American Sociological Review* 89, 3: 542-583.

Albinsson, Staffan. 2013. "Swings and roundabouts: Swedish music copyrights 1980–2009". *Journal of Cultural Economics* 37:175–184

Chan, Tak Wing and John H. Goldthorpe. 2007. "Social Stratification and Cultural Consumption: Music in England" *European Sociological Review* 23, 1: 1-19

Savage, Mike and Modesto Gayo. 2011. "Unravelling the omnivore: A field analysis of contemporary musical taste in the United Kingdom". *Poetics* 39: 337-357.