**ECONOMIC SOCIOLOGY**

**Course Description**

This is an introductory course to Economic Sociology, devoted to the theoretical foundation of economic sociology. We will carefully go through what an economy is, how the perspectives of economics and sociology differ, and the type of analysis that can be found in the classics as well in modern economic sociology. We will then see how these different theoretical tools have been used, and can be used, in analyzing a number of substantive topics, from the firm to markets to institutions and institutional change, and to entrepreneurship.

**Course Objectives**

Throughout the course, students are expected to get a firm understanding of basic concepts, theories, and stylized facts in economic sociology. They are expected to understand what an economy is, how the perspectives of economics and sociology differ, and the type of analysis that can be found in the classics as well in modern economic sociology. Beyond this basic requirement, students are expected to apply the concepts, theories, and stylized facts to analyze real data and to use real data to “test” the theories and the stylized opinions with rudimentary scientific methods.

**Grade breakup:**

 Class participation and attendance 10%

 Quizzes 20%

Mid-term exam 30%

Final Exam 40%

**Required Readings:**

Mark Granovetter and Richard Swedberg 2011 (eds.),The Sociology of Economic Life. Westview Press. Max Weber, The Protestant Ethic and the Spirit of Capitalism: Chapter 5

George Homans. 1958. “Social behavior as exchange” American Journal of Sociology 63; 597-606.

Gary G. Hamilton and Nicole Woolsey Biggart, "Market, Culture, and Authority: A Comparative Analysis of Management and Organization in the Far East"

Douglas North, “Institutions”, Journal of Economic Perspectives 5: 97-112

Hannan, Michael T. and John Freeman. 1977. "The Population Ecology of Organizations." American Journal of Sociology, 82: 929-964.

William Baumol, “entrepreneurship: productive, unproductive, and destructive.”

**READING SCHEDULE**

**Week 1 Introduction**

Readings: Swedberg and Granovetter, “introduction.”

**Week 2 – Max Weber’s Economic Sociology**

Required Readings: Max Weber,The Protestant Ethic and the Spirit of Capitalism: Chapter 5

**Week 3 – Polanyi, Granovetter, and Network Embeddedness Perspective**

Required Readings:, Mark Granovetter “economic action and social structure.”

Suggested readings:, Karl Polanyi, “the economy as instituted process.”

**Week 4 – George Homans’ Exchange Theory**

Required Readings: George Homans. 1958. “Social behavior as exchange” American Journal of Sociology 63; 597-606.

Robert Ellickson, “of Coase and Cattle”

**Week 5 – Social Capital Theories**

Required Readings: Ronald Burt, “the social structure of competition.”

Suggested readings: Pierre Bourdieu, “the forms of capital”

**Week 6 – Cultural Capital Theory and Cultural Perspective**

Required readings: Gary G. Hamilton and Nicole Woolsey Biggart, "Market, Culture, and Authority: A Comparative Analysis of Management and Organization in the Far East"

Suggested Readings: Pierre Bourdieu, “making the economic habitus.”

**Week 7 – The Firm**

Required Readings: Melville Dalton, “Men Who Manage.”

Suggested Readings: R.H. Coase, “the nature of the firm”

**Week 8**

Progress Review; Mid-Term Exam

**Week 9 – Market Institutions: Where are they from?**

Required Readings: Avner Greif, “cultural beliefs and the organization of society”

Suggested Readings: Clifford Geertz, “the bazaar economy”

**Week 10 – Institutions and Economic Life**

Required Readings: Douglas North, “Institutions”, Journal of Economic Perspectives 5: 97-112

Suggested Readings: Douglas North, “economic performance through time”

**Week 11 – Institutional Change**

Required Readings: Hannan, Michael T. and John Freeman. 1977. "The Population Ecology of Organizations." American Journal of Sociology, 82: 929-964.

Suggested Readings: Paul J. DiMaggio and Walter W. Powell. 1983. “The Iron Cage Revisited.” American Sociological Review, Vol. 48, No. 2.

**Week 12 – Entrepreneurship**

Required Readings: William Baumol, “Entrepreneurship: productive, unproductive, and destructive.”

Suggested Readings: Scott Shane. 2003. A General Theory of Entrepreneurship Edward Elgar.