SOCIOLOGY 8490
ECONOMIC SOCIOLOGY

Fall 2005, Thurs 12:45-3:15, Blegen 225
http://www.soc.umn.edu/~knoke/pages/SOC8490ECONSOC.htm

Professor: David Knolke
knoke@atlas.socsci.umn.edu; 939 Social Sciences; (612) 624-4300
Office Hours: TU & TH 11:15-12:15; other times by appointment

Seminar Objectives

This graduate seminar introduces students to sociological perspectives on the economy, an
subfield reinvigorated in the past decade by sociologists who increasingly probed the
relationships among markets, organizations, networks, institutions, culture, and politics. We
begin with an overview of the neoclassical and related economic explanations of pricing and
production decisions by rational, utility-maximizing actors in competitive markets. We then
turn sociological of explanations of economic phenomena that take into consideration the
sociopolitical contexts within which those actions occur. Core theories include
neoinstitutional, network, evolutionary, power, and embeddedness accounts of how
economic action is socially and politically constructed and constrained by specific cultural
and historical circumstances. We will examine a range of theoretical and substantive issues,
including: institutional and cultural theories of markets and organizations; social capital and
social embeddedness; networks in the economy and workplace; evolutionary and
environmental economics; legal and governance institutions; economics and politics of the
welfare state; post-communist and transitional economies; multi- and transnational
corporations in the global economy; and globalization and developing nations in the world
system.

Format and Expectations

The course is conducted as a seminar. Weekly class meetings typically consist of several
activities: an overview of the main aspects of a topic by the instructor; a constructively
critical evaluation of the required readings, led by a student; open discussion among all
participants of key issues, applications to empirical research, and potential directions for
future developments. For any seminar to succeed, all students must aid one another’s
learning by thorough preparation and active participation. Preparation includes careful
reading of all required articles in advance, while class participation includes informed
listening and frequent oral contributions to the discussions.

Class Discussions: Each week, a different student serves as the discussion leader for the
required readings. The leader should also include additional insights on that week’s topic
from the supplementary readings. The main responsibility is to raise critical questions about
the articles/chapters. The leader must also prepare a brief discussion guide that
systematically outlines and assesses that perspective (see an example outline below). As
much as possible, discussions should be devoted to interpreting and evaluating the merits
and shortcomings of the perspective, going beyond just recapping the details of individual papers.

**Course Paper:** Each student will write a paper on some aspect of economic sociology. Some possibilities include, but are not limited to: (1) a critical evaluation of an existing theoretical perspective, identifying logical holes in its proponents’ arguments and suggesting possible remedies; (2) an application of alternative approaches to some substantive application of economic sociology, suggesting how an empirical study or a theoretical synthesis might extend knowledge about this topic; (3) a theory-construction exercise, which attempts to build an original economic sociology explanation of some social behavior; (4) a secondary analysis of a previously collected dataset; (5) a case study in economic sociology, using such qualitative methods as participant-observation, archival records, and/or in-depth interviews to explain some important aspect of behavior; (6) a proposal for a thesis or grant funds, consisting of a detailed research design to test economic sociology ideas.

The choice of paper topic is up to each student, but should be discussed with the instructor before devoting time and effort, preferably by the beginning of October. Papers should not exceed 20 pages, excluding title page and references (doubled-spaced, one-inch margins, 12-point Times Roman font), and are due at the end of the last week of classes (Wednesday December 14, 2005).

**Course grades** are based on the following criteria: participation in class discussion (10%), leading a class discussion (20%), the discussion guide (30%), and the course paper (40%).

**Course Website**

The Website contains course materials and hyperlinks to other potentially useful sites. New information may be added during the semester. Find the course Webpage at this URL: <http://www.soc.umn.edu/~knoke/pages/SOC8490ECONSOC.htm>

**Required & Supplementary Readings**

The required (★) and supplementary readings below include original statements, review articles summarizing the situation, and some empirical research applications. I minimized the number of required readings to give us adequate time to ponder the issues they raise, and so that everyone will likely read these materials in advance of each weekly meeting. I encourage you to read many other articles and books that you may find on your own, or in the longer Extended Bibliography of references available on the course Webpage, to develop greater depth in topics of particular personal interest. Students may obtain copies of the required and supplementary readings, as described during our initial class meeting.

August 26, 2005
IMPORTANT INFORMATION

Incompletes: No course incompletes or deadline extensions will be made without a written explanation from a medical authority.

Academic Dishonesty: By becoming a student at the University of Minnesota, you have agreed to abide by the University’s code of conduct, including its provisions on scholastic dishonesty. I take this obligation very seriously. Depending on the severity of a scholastic dishonesty, I will award a grade of F for the entire assignment or the entire course, as well as pursuing disciplinary action with University authorities. Here is the relevant University policy:

From UNIVERSITY OF MINNESOTA
BOARD OF REGENTS POLICY
STUDENT CONDUCT

Section IV. CONDUCT CODE
The following are defined as disciplinary offenses actionable by the University:

Subd. 1. Scholastic Dishonesty. Submission of false records of academic achievement; cheating on assignments or examinations; plagiarizing; altering, forging, or misusing a University academic record; taking, acquiring, or using test materials without faculty permission; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement.

http://www1.umn.edu/regents/policies/academic/StudentConduct.html

Plagiarism is the most relevant issue for this intensive writing class. Webster’s Ninth Collegiate Dictionary (1987:898) defines the verb plagiarize as “to steal or pass off (the ideas or words of another) as one’s own: use (a created production) without crediting the source.” Students must learn proper procedures for quoting, citing, and referencing another author’s ideas and published writing (including Web pages). You are encouraged to discuss your ideas for course papers with classmates, friends, teaching assistants, and me, but ultimately you must do the actual writing and attribute any ideas and words that are not your own to their original sources. If you are ever uncertain about correct acknowledgement, quotation, paraphrase, or citation & reference procedures in using others’ works, please check with the instructor.

College and Department Policies Attached: This material is available in alternative formats upon request. Please contact Carol Rachac, Department of Sociology, 909 Social Sciences (612) 624-4300.

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DISCUSSION GUIDE

Prepare a short discussion guide, about two or three pages, with 18 copies to hand out to the class at the beginning of your discussion session. You may also create any visual aids (Powerpoint slides, transparencies) that could help to stimulate discussion.

The guide’s main emphasis should be the network ideas in that week’s required and supplementary readings. However, a guide should not summarize each article/chapter. Rather, it should extract and emphasize core themes, principles, issues, controversies. Your goal is to stimulate the class’ critical interpretation and evaluation of the theories, methods, and substantive applications of network concepts and principles.

Structurally, a guide might consist of several bullet points and/or questions that highlight the topics and problems that you expect the class to discuss. Try to be balanced, noting strengths as well as weaknesses. Look for opportunities to integrate ideas from other sources, including preceding weeks, and suggest potential ways to advance inquiry through novel approaches to the topic.

Here are some questions to ponder when preparing your guide:

- What are the key network theories, concepts, and propositions in this field?
- What alternative theoretical perspectives compete to explain important behaviors?
- How could network ideas improve our knowledge and understanding of the topic?
- What structural patterns or relational processes are crucial for better understanding?
- What are the origins of network relationships and what are their consequences?
- How close is the fit between theoretical concepts and network measures or data collection procedures?
- What improvements in network research designs to study this topic are feasible?
- Have researchers used (in)appropriate network methods to test their hypotheses?
- Given inevitable empirical limitations, are analysts’ conclusions warranted or suspect?
# TOPICAL CALENDAR FALL 2005

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<th>Week 1</th>
<th>Sept. 8</th>
<th>Introduction to Economic Sociology; Neoclassical Economics Theory</th>
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<td>Week 2</td>
<td>Sept. 15</td>
<td>Rational Actors, Transaction Costs, Principals &amp; Agents</td>
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<td>Week 4</td>
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<td>Institutionalist Theories of Markets &amp; Organizations</td>
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<td>Week 5</td>
<td>Oct. 6</td>
<td>Cultural Institutionalism and the Economy</td>
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<td>Week 6</td>
<td>Oct. 13</td>
<td>Social Capital, Trust, and Social Embeddedness</td>
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<td>Week 7</td>
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<td>Markets, Hierarchies, and Networks</td>
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<td>Evolutionary Economics and Environmental Sociology</td>
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<td>Legal &amp; Governance Institutions of the Economy</td>
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<td>Week 10</td>
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<td>Economics and Politics of Welfare States</td>
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<td>Multinational &amp; Transnational Corporations in the Global Economy</td>
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<td>Globalization and Developing Nations in the World System</td>
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<td>Week 15</td>
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WEEK 1 SEPT 8:
INTRODUCTION TO ECONOMIC SOCIOLOGY; NEOCLASSICAL ECONOMICS THEORY


WEEK 2 SEPT 15:
RATIONAL ACTORS, TRANSACTION COSTS, PRINCIPALS & AGENTS


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WEEK 3 SEPT 22:
CLASSICAL ECONOMIC SOCIOLOGY: WEBER, SCHUMPETER, et al.


WEEK 4 SEPT 29:
INSTITUTIONALIST THEORIES OF MARKETS & ORGANIZATIONS


WEEK 5 OCT 6:
CULTURAL INSTITUTIONALISM AND THE ECONOMY


WEEK 6 OCT 13:
SOCIAL CAPITAL, TRUST, and SOCIAL EMBEDDEDNESS


WEEK 7 OCT 13:
MARKETS, HIERARCHIES, AND NETWORKS


WEEK 8 OCT 27:
EVOLUTIONARY ECONOMICS AND ENVIRONMENTAL SOCIOLOGY


WEEK 9 NOV 3:
LEGAL & GOVERNANCE INSTITUTIONS OF THE ECONOMY


WEEK 10 NOV 10:
ECONOMICS AND POLITICS OF WELFARE STATES


WEEK 11 NOV 17:
POST-COMMUNIST & TRANSITIONAL ECONOMIES


WEEK 13 DEC 1:
MULTINATIONAL & TRANSACTIONAL CORPORATIONS IN THE GLOBAL ECONOMY


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WEEK 14 DEC 8:
GLOBALIZATION and DEVELOPING NATIONS in the WORLD SYSTEM


