

SOC6012H: Work, Stratification, and Markets I - Economic Sociology

University of Toronto

Term: Winter 2021 - Lecture Date/Time: Monday, 1 to 3 pm. - Location: Online (Synchronous)

Instructor: Kim Pernell

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Office hours: By appointment

Mode of Delivery: Zoom (link on Quercus site)

Course Description

What does sociology bring to the study of economic behavior? How do sociologists approach the study of economic institutions and economic practices - and how does our approach differ from other approaches within the social sciences?

This course introduces students to the subfield of economic sociology. In the early 1980s, sociologists returned to the study of the economy, offering a fresh perspective that emphasized the social and institutional roots of economic behavior. From this perspective, economic behavior is shaped by the same roles, conventions, and social structures that shape human behavior in other social domains.

The course is divided into three parts. In the first part of the course, we cover central theoretical issues in economic sociology and introduce the major theoretical camps that define the subfield. The second part takes a deeper dive into recent research on major economic transformations, focusing on the rise of financialization, changing models of corporate governance, and globalization. In the third part of the course, we examine factors that drive the production and reproduction of social inequality in modern organizations—and consider the role of policy in attenuating or exacerbating these effects.

This course is also designed to prepare students to take the comprehensive exam in Work, Stratification, and Markets. There is considerable overlap with the readings on the “Markets” portion of this list.

Course Goals and Learning Objectives

By the end of this course, you will be able to:

- Describe and employ the theoretical toolkit of economic sociology, explain the historical origins of the field, and explain the ways that the sociological approach to economic behavior is both different from (and similar to) approaches taken elsewhere in the social sciences
- Explain the antecedents and consequences of major recent economic transformations, including financialization, the rise of shareholder value management, and the turn towards economic globalization and transnational economic policy
- Critically evaluate the degree to which scholarship in economic sociology is informed by, and informs, scholarship on social and economic inequality

- Propose and develop an original research project that engages with scholarship and theoretical issues in economic sociology

Class Format, Requirements, and Grading

1. Active participation in course discussions: 10%
2. Lead course discussion (rotating, on assigned dates): 25%
3. Weekly “Reading Key” worksheets (due at noon on the Friday before class): 25%
4. Research proposal, due April 5: 40%

Leading and Participating in Course Discussions (25% and 10%)

This course is a participatory seminar, and attendance and participation are mandatory. Each week, we will develop understandings of the readings and critically evaluate their arguments in conversation with one another. It is important to attend every class. If you need to miss class for a valid reason (illness, personal or family crisis), please send me an email explaining the situation prior to the start of class.

Responsibility for leading course discussions rotates each week. Depending on enrollment, the discussion will be led by 1-3 students each week. Discussion leaders should expect to guide discussion of the assigned articles for about 60-90 minutes. Note that the purpose of a discussion leader is to spark conversation about the readings, not to lecture about the readings. Assume that all of your classmates have read the readings and are prepared to discuss them.

What to do as discussion leader:

- Effective conversations begin by ensuring that everyone is on the same page regarding the key points and major arguments of the readings. As discussion leader, start by taking a moment to check in with your classmates’ understanding of the readings. To help you assess this understanding (and identify points of confusion), I will share the weekly reading key worksheets (see below) with discussion leader(s) prior to class.
- However, note that course discussions must go beyond summarizing the readings — please develop questions that will help us analytic conversation flowing. Here are some big-picture themes to consider as you develop your plan for class:
 - What is the key theme this week (hint: look at the heading listed on the syllabus)? How does each reading connect to this general theme?
 - What are points of similarity between the readings? What about points of difference?
 - What kinds of tensions do these readings raise and how should we go about thinking through (and maybe resolving) these tensions?
 - How do these readings relate to other readings (for this class or for other classes) or other streams of research? Do these ideas build upon and extend earlier work—if so, how?
 - What do you see as the weaknesses or flaws in the research? What about key strengths? What is worth emulating here (especially in our own work), and what should give us pause?
 - What puzzles or questions are left unanswered by the reading?
 - What is the major contribution of each reading? How do the themes raised this week connect back to themes discussed earlier in the course?

You don't have to cover every question in your discussion, of course—these are just here as a guide. You are also welcome (and encouraged) to focus on any issues and questions that interest you personally, and to discuss points raised by your classmates in their reading key worksheets.

Reading Key Worksheets (25%) – Due on *Friday before class* at Noon

In lieu of analytic memos on the readings, students are asked to complete a separate “reading key worksheet” for EVERY article assigned each week (adapted from an assignment developed by Clayton Childress).

This assignment has multiple purposes. The first is to prepare students for a high-quality discussion by ensuring that everyone has done the readings each week. The second is to give me (and the weekly discussion leaders) a sense of where you are more or less confident in your understanding of key arguments. The third is to give you practice reading academic books and journal articles with a professional eye—the kinds of questions listed on the worksheet are also the kinds of questions you might keep in mind as you approach new research in the future. But the final (and most important) purpose of this assignment is to have you leave this course with a useful resource. Whether you continue to work in this research area or not, you'll be surprised by how often a comprehensive set of notes on central readings in a subfield will come in handy.

The reading key template will be posted to our course Quercus page. The completed reading key worksheet will be due to our course Quercus page at **noon** on the **Friday before class** (e.g. Friday, January 15 in preparation for class on Monday, January 18...). With a Monday class, it's hard to avoid doing some work on the weekend. But my hope is that requiring students to submit by Friday will give the discussion leaders ample time to read the worksheets and design an effective discussion plan.

Since the point of this assignment is to prepare you and your classmates for class, **no late summaries will be accepted for any reason**. To allow for life circumstances, all students are free to miss one week of submitting worksheets without penalty (no need to tell me that you won't be submitting in advance).

Research Proposal Assignment (40%) – Due April 5

A research proposal is the final requirement of the course. This paper should be approximately fifteen pages in length. I am intentionally leaving the instructions for the research proposal assignment vague because many different kinds of projects are appropriate here. I want this assignment to be as useful as possible for the development of your own scholarship. Feel free to integrate insights from economic sociology into a research proposal you already have, or tailor your proposal towards a project you already plan to pursue. In other words, you don't need to come up with something wholly new just for this course.

However, there are two major requirements for the paper that all students are expected to follow:

- First, the paper must be structured as a research proposal. In other words, it must feature a clear and testable research question. It must describe what we already know about this question and explain where your project fits within the exiting literature on the topic (e.g. you must present a literature review). It must explain how you plan to test this question (e.g. briefly describe the data and method).

- Second, the proposal must integrate insights and literature from economic sociology. Your research proposal should demonstrate your understanding of the field of economic sociology by effectively applying insights from this field to a new case/research domain. This necessarily involves drawing from course readings or other, related scholarship from economic sociologists.

The primary basis for assessment of the paper will be your demonstrated understanding of course themes, evaluated via the integration of (relevant) themes and literature from economic sociology into your original research proposal. Other issues, including the clarity of your research question, how effectively you make a case for investigating this particular question, the clarity and persuasiveness of your arguments, and the fit between your research question and analytic method will also factor into assessment. Don't hesitate to ask if you have more questions about how your work will be evaluated.

Late Penalty

Please note that no late reading key worksheets will be accepted. Late research proposal papers will incur an initial 5-point penalty (e.g. the highest possible grade a student can receive on a paper submitted after 1:10 p.m. on the due date will be 95 points). Five additional points will be deducted at 1:10 p.m. for each additional day that the paper is late (e.g. the highest possible grade drops to 90 after two days, 85 after three days, etc.)

Academic Integrity

Copying, plagiarizing, falsifying medical certificates, or other forms of academic misconduct will not be tolerated. Any student caught engaging in such activities will be referred to the Dean's office for adjudication. Any student abetting or otherwise assisting in such misconduct will also be subject to academic penalties. Students are expected to cite sources in all written work and presentations. See this link for tips for how to use sources well:

(<http://www.writing.utoronto.ca/advice/using-sources/how-not-to-plagiarize>).

According to Section B.I.1.(e) of the Code of Behaviour on Academic Matters it is an offence "*to submit, without the knowledge and approval of the instructor to whom it is submitted, any academic work for which credit has previously been obtained or is being sought in another course or program of study in the University or elsewhere.*"

By enrolling in this course, you agree to abide by the university's rules regarding academic conduct, as outlined in the Calendar. You are expected to be familiar with the *Code of Behaviour on Academic Matters* (<http://www.artsci.utoronto.ca/osai/The-rules/code/the-code-of-behaviour-on-academic-matters>) and *Code of Student Conduct* (<http://www.viceprovoststudents.utoronto.ca/publicationsandpolicies/codeofstudentconduct.htm>) which spell out your rights, your duties and provide all the details on grading regulations and academic offences at the University of Toronto.

Normally, students will be required to submit their course essays to Turnitin.com for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they

will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin.com service are described on the Turnitin.com web site.

Accessibility

It is the University of Toronto's goal to create a community that is inclusive of all persons and treats all members of the community in an equitable manner. In creating such a community, the University aims to foster a climate of understanding and mutual respect for the dignity and worth of all persons. Please see the University of Toronto Governing Council “Statement of Commitment Regarding Persons with Disabilities” at <http://www.governingcouncil.utoronto.ca/Assets/Governing+Council+Digital+Assets/Policies/PDF/ppnov012004.pdf>.

In working toward this goal, the University will strive to provide support for, and facilitate the accommodation of individuals with disabilities so that all may share the same level of access to opportunities, participate in the full range of activities that the University offers, and achieve their full potential as members of the University community. We take seriously our obligation to make this course as welcoming and accessible as feasible for students with diverse needs. We also understand that disabilities can change over time and will do our best to accommodate you. Students seeking support must have an intake interview with a disability advisor to discuss their individual needs. In many instances it is easier to arrange certain accommodations with advance notice, so we strongly encourage you to act as quickly as possible. To schedule a registration appointment with a disability advisor, please visit Accessibility Services at <http://www.studentlife.utoronto.ca/as>, call at 416-978-8060, or email at: accessibility.services@utoronto.ca. The office is located at 455 Spadina Avenue, 4th Floor, Suite 400. Additional student resources for distressed or emergency situations can be located at distressedstudent.utoronto.ca; Health & Wellness Centre, 416-978-8030, <http://www.studentlife.utoronto.ca/hwc>, or Student Crisis Response, 416-946-7111.

Equity and Diversity

The University of Toronto is committed to equity and respect for diversity. All members of the learning environment in this course should strive to create an atmosphere of mutual respect. As a course instructor, I will neither condone nor tolerate behaviour that undermines the dignity of any individual in this course and wish to be alerted to any attempt to create an intimidating or hostile environment. It is our collective responsibility to create a space that is inclusive and welcomes discussion. Discrimination, harassment and hate speech will not be tolerated. Additional information and reports on Equity and Diversity at the University of Toronto is available at <http://equity.hrandequity.utoronto.ca>.

PART 1: Theoretical Issues

WEEK 1: January 11 Sociologists and Economists

Frank Dobbin. 2004. “The Sociological View of the Economy.” Pp. 1-7 in *The New Economic Sociology: A Reader*, edited by Frank Dobbin. Princeton University Press: Princeton.

Gary Becker. 1993. "Nobel Lecture: The Economic Way of Looking at Behavior." *Journal of Political Economy* 101: 385-409.

Fourcade, Marion. 2009. *Economists and Societies: Discipline and Profession in the United States, Britain, and France, 1890s to 1990s*. Princeton, NJ: Princeton University Press. Pp. 1-30.

Zuckerman, Ezra. 2004. "Towards the Social Reconstruction of an Interdisciplinary Turf War." *American Sociological Review* 69(3): 458-465. (focus on intro and conclusion, skim the rest)

No Reading Key Worksheet Due – But Please Arrive Having Done the Readings!

WEEK 2: January 18

Embeddedness I: Setting the Scene

Granovetter, Mark. 1985. "Economic Action and Social Structure: The Problem of Embeddedness." *American Journal of Sociology* 91: 485-510.

Krippner, Greta R. and Anthony S. Alvarez. 2007. "Embeddedness and the Intellectual Projects of Economic Sociology," *Annual Review of Sociology* 33: 219-240.

Polanyi, Karl. 1944. *The Great Transformation: The Political and Economic Origins of our Time*. New York: Rinehart. Pp. 56-76 and 135-162.

WEEK 3: January 25

Embeddedness II: What's Missing?

Donald MacKenzie and Yuval Millo. 2003. "Constructing a Market, Performing Theory: The Historical Sociology of a Financial Derivatives Exchange." *American Journal of Sociology* 109(1): 107-45.

Hirschman, Daniel, and Laura Garbes. 2019. "Toward an Economic Sociology of Race." *Socio-Economic Review*.

Bandelj, Nina. 2020. "Relational Work in the Economy." *Annual Review of Sociology* 46(15): 1-22.

Fourcade, Marion. 2007. "Theories of Markets and Theories of Society." *American Behavioral Scientist* 50(8): 1015-1034.

WEEK 4: February 1

Networks (and Group Processes)

Uzzi, Brian. 1996. "The Sources and Consequences of Embeddedness for the Economic Performance of Organizations: The Network Effect." *Administrative Science Quarterly* 42(1):35-67.

Burt, Ronald S. 1992. *Structural Holes*. Cambridge MA: Harvard University Press. Pp. 8-30.

Pedulla, David S. and Devah Pager. 2019. "Race and Networks in the Job Search Process." *American Sociological Review* 84(6): 983–1012.

Doering, Laura and Kristen McNeill. 2020. "Elaborating on the Abstract: Group Meaning-Making in a Colombian Microsavings Program." *American Sociological Review*. 1-34.

WEEK 5: February 8

Institutions

DiMaggio, Paul J., and Walter W. Powell. 1983. "The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields." *American Sociological Review* 147-160.

Dobbin, Frank. 1994. *Forging Industrial Policy: The United States, Britain, and France in the Railway Age*. New York: Cambridge University Press. Chapter 1. Pp. 1-27.

Quinn, Sarah L. 2019. *American Bonds: How Credit Markets Shaped a Nation*. Princeton University Press. Chapter 1: Pp. 1-21.

Guseva, Alya and Akos Rona-Tas. 2001. "Uncertainty, Risk, and Trust: Russian and American Credit Card Markets Compared." *American Sociological Review* 66(5): 623-646.

WEEK 6: February 15

Family Day (No Class)

WEEK 7: February 22

Power

Fligstein, Neil. 1990. *The Transformation of Corporate Control*. Cambridge: Harvard University Press. Chapter 1 and Chapter 9 (just skim Chapter 9).

Robinson, John. 2020. "Making Markets on the Margins: Housing Finance Agencies and the Racial Politics of Credit Expansion." *American Journal of Sociology* 125(4): 974-1029.

Mun, Eunmi and Jiwook Jung. 2018. "Change above the Glass Ceiling: Corporate Social Responsibility and Gender Diversity in Japanese Firms." *Administrative Science Quarterly*, 63(2), 409-440.

Fligstein, Neil and Doug McAdam. 2012. *A Theory of Fields*. New York: Oxford University Press. Pp. 3-33.

WEEK 8: March 1

Culture

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

Zelizer, Viviana. 2017. "The Marking of Money" Pp. 1-35 in *The Social Meaning of Money: Pin Money, Paychecks, Poor Relief and Other Currencies*. Princeton University Press.

Kiviat, Barbara. 2019. "The Moral Limits of Predictive Practices: The Case of Credit-Based Insurance Scores." *American Sociological Review*. 84(6): 1134–1158.

Shiller, Robert J. 2019. *Narrative Economics: How Stories Go Viral and Drive Major Economic Events*. Preface. Princeton University Press.

PART 2: Economic Transformations

WEEK 9: March 8 Financialization

Krippner, Greta. 2011. *Capitalizing on Crisis: The Political Origins of the Rise of Finance*. Cambridge: Harvard University Press. Pp. 27-57 and 138-150.

Prasad, Monica. 2012. *The Land of Too Much: American Abundance and the Paradox of Poverty*. Cambridge, MA: Harvard University Press. Pp. xi-24

Lin, Ken-Hou and Megan Tobias Neely. 2020. *Divested*. "Chapter 3: Finance Ascends" **AND** "Chapter 5: American Life in Debt." Oxford University Press.

WEEK 10: March 15 Corporate Governance and Shareholder Value

Dobbin, Frank and Jiwook Jung. 2010. "The Misapplication of Mr. Michael Jensen: How Agency Theory Brought Down the Economy and Why it Might Again." *Markets on Trial: The Economic Sociology of the U.S. Financial Crisis*, Pp. 29-64.

Lin, Ken-Hou and Megan Tobias Neely. 2020. *Divested*. "Chapter 4: The Financial Turn of Corporate America." Oxford University Press.

Eaton, Charlie. 2020. "Agile Predators: Private Equity and the Spread of Shareholder Value Strategies to US For-Profit Colleges." *Socio-Economic Review*

Davis, Gerald F. 2020. "Corporate Purpose Needs Democracy." *Journal of Management Studies*.

WEEK 11: March 22 Globalization

Polillo, Simone and Mauro F. Guillén. 2005. "Globalization Pressures and the State: The Worldwide Spread of Central Bank Independence." *American Journal of Sociology* 110(6): 1764-1802.

Halliday, Terence C. and Bruce G. Carruthers. 2009. *Bankrupt: Global Lawmaking and Systemic Financial Crisis*. Stanford, CA: Stanford University Press. Pp. 1-38.

Meyer, John W., John Boli, George M. Thomas, and Francisco O. Ramirez. 1997. "World Society and the Nation-State." *American Journal of Sociology* 103(1): 144-81.

Kentikelenis, Alexander E., and Sarah Babb. 2019. "The Making of Neoliberal Globalization: Norm Substitution and the Politics of Clandestine Institutional Change." *American Journal of Sociology* 124(6): 1720-1762.

PART 3: INEQUALITY IN THE ECONOMY

WEEK 12: March 29

Inequality Within Organizations

Ray, Victor. 2019. "A Theory of Racialized Organizations." *American Sociological Review* 84(1): 26–53.

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

Wingfield, Adia Harvey. 2010. "Are Some Emotions Marked Whites Only? Racialized Feeling Rules in Professional Workplaces." *Social Problems* 57.2: 251-268.

Stainback, Kevin, Sibyl Kleiner, and Sheryl Skaggs. 2016. "Women in Power: Undoing or Redoing the Gendered Organization?" *Gender & Society* 30(1):109–35.

WEEK 13: April 5

Policy Effects

Kalev, Alexandra, Frank Dobbin, and Erin Kelly. 2006. "Best Practices or Best Guesses? Assessing the Efficacy of Corporate Affirmative Action and Diversity Policies." *American Sociological Review* 71 (4):589-617.

Pedulla, David. 2020. "Diversity and Inclusion Efforts that Really Work." *Harvard Business Review*. May 2020.

Kelly, Erin L., Phyllis Moen, and Eric Tranby. 2011. "Changing Workplaces to Reduce Work–Family Conflict: Schedule Control in a White-Collar Organization." *American Sociological Review* 76(2): 265–90.

Rivera, Lauren A. and Andras Tilcsik. 2019. "Scaling Down Inequality: Rating Scales, Gender Bias, and the Architecture of Evaluation." *American Sociological Review*. 84(2): 248-274.