SOCIOLOGY OF MARKETS (SOC 250)

Wesleyan University

Fall 2012

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Office: Public Affairs Center 318

The world is currently facing what seems to be one of the most severe economic crises since the great depression. One might argue that never before has a systematic study and understanding of the market as a sociological phenomenon been more important than today. In this course we will discuss where markets come from, how they work, why they fail, what kinds of political and social structures they depend on, and how they impact on social and political life. We will learn about the varying institutional arrangements that shape the ways in which market economies work in different nations. We will explore how the global rise of neoliberal ideas and the process of international economic integration have reshaped the state-market relations across the world. We will conclude the semester with what I hope will be stimulating discussions on market failures, economic crises, and the role of the state as a regulator.

This course is organized as a seminar. As is the case with all seminars, the quality of this one will highly depend on the commitment of its participants. I expect everyone to come to class having closely read the assigned material and ready to discuss it. My role is to catalyze the discussion, and help you see the links between what we’re reading and your own academic and professional interests.

Office Hours
My office hours are on Mondays and Wednesdays between 2:30 and 3:30. There will be a sign-up sheet on my door with four slots, each fifteen minutes.

Evaluation
Your final grade has four components:

1) Attendance and class participation 10%
2) Daily journal 10%
3) Analytical summary 35%
4) Final paper 45%
Grading scale
A  93-100
A-  90-92.99
B+  87-89.99
B   83-86.99
B-  80-82.99
C+  77-79.99
C   73-76.99
etc.

Attendance and class participation

The first two absences are freebees; unexcused absences beyond two will affect your grade. Missing four to five classes will cost you half a letter grade. Missing more than five days will cost you an entire letter grade, regardless of your performance on other activities and assignments.

Please come to class on time having done the readings. Bring your reading notes, offer your views, ask questions, and volunteer answers to others’ questions. No phones, laptops, tablets etc.

Daily journal

To facilitate discussion, students will submit discussion entries to Moodle prior to our meetings. This can be in the form of a short paragraph (no more than 200 words) or bullet points. In addition, I would like all of you to pose two or three questions at the end of your entry. The entries should convey that the student has carefully read and thought about the assigned material. Entries are due by midnight the day before the class period for which the readings were due. Because one goal of this is to encourage active student involvement, late submissions will not be accepted. If you miss more than 3 entries, you will lose credit.

Analytical summary
You will submit five two-page analytical summaries (no more than 600 words). Summaries must be on separate themes. What is important in this exercise is not that you recapitulate all the details of a book or other text, but rather that you identify the main argument and sub-arguments, and discuss how and why the author makes that argument. These are some of the questions that may help you to develop your essay: What is the question being asked and answered? What is the author’s main argument or thesis? What evidence does the author use to support the argument? What are the author's conclusions? How might you critique the author's argument? Is the argument persuasive? Is it important? What is missing? If you are discussing a few works at the same time, say something as to how themes are similar across readings, or how they diverge. Make sure that your writing is clear, and grammatically clean. Make sure to cite readings and direct quotes. Submit your summary electronically by midnight before the class period for which the readings were due. No late submissions, and no extensions.

Final paper
For your final paper you will choose one of the six themes that we discussed in class, and write a comprehensive essay on this theme. You are expected to engage with all the texts assigned on that theme, as well as one or two additional ones. Final papers should be 8-10 double-spaced pages/2000-2500 words. Before you turn in your papers, please see the general checklist that I have circulated.
Themes:
- What are markets? How do they work?
- Rival views of market society: Are markets civilizing, self-destructive, or feeble?
- Varieties of market economies
- What is neoliberalism?
- What is financialization?
- Market failure and government regulation

Late assignments
Students who, because of unforeseen events, are absent from class and are unable to complete graded work should discuss with me their circumstances. You must convince your instructor that you have a good reason for not doing the work, such as proof from a physician or dean that you have been ill, or had to attend a scheduled university event etc. I will not make allowance for any incomplete work that is not satisfactorily accounted for.

Honor code
Examinations and assignments will be conducted in accord with the principles of academic honor detailed in the university regulations. Sign each assignment. For papers and similar written work:

“In accordance with the Honor Code, I affirm that this work is my own and all content taken from other sources has been properly acknowledged.” For tests and other academic exercises: “In accordance with the Honor Code, I affirm that this work has been completed without improper assistance.” For more information see:

http://www.wesleyan.edu/studentaffairs/studenthandbook/standardsregulations/studentconduct.html

Class etiquette
You may have disagreements with the author, your colleagues, or your instructor. It may at times become tense in class over certain topics that may appear to be of a personal nature. While I encourage you to openly express your thoughts, ideas, and experiences, I expect you to be respectful of others’ thoughts and opinions.

Students with disabilities
Students with disabilities enrolled in this course and who may need disability related classroom accommodations are encouraged to make an appointment to see me as soon as possible. All discussions will remain confidential, although the relevant university office may be consulted to discuss appropriate implementation of any accommodation requested.
COURSE OUTLINE

SEPTEMBER 3: Introduction to the course and overview of the syllabus.

Part 1: What are markets? How do they work?

SEPTEMBER 5: The economics/sociology divide

- E. Roy Weintraub "Neoclassical economics": http://www.econlib.org/library/Enc1/NeoclassicalEconomics.html

SEPTEMBER 10: Historical contexts of economic categories

- Marion Fourcade. Economists and Societies. Chapter 1.

SEPTEMBER 12: Sociological study of markets: Cultural perspectives


Also recommended:


SEPTEMBER 17: The worth of things: Sociological perspectives on valuation and pricing


• “A Model Professor” in New York Times.

SEPTEMBER 19: The performativity theory: Do economists make markets?

  Also recommended:


• Do economists make markets? On the performativity of economics (McKenzie, Muniesa, and Siu, Eds.) Chapter 1.

**Part 2: Rival views of market society**

SEPTEMBER 24: Are markets civilizing, self-destructive, or feeble?

• Albert Hirschman, Rival Views of Market Society, pages 105-141.


SEPTEMBER 26: The perils of self-regulation and commodification

• Karl Polanyi. The Great Transformation. Pages 45-80; 141-157.

OCTOBER 1: Markets as the road to freedom

• Hayek, F.A. The Road to Serfdom. Chapter 1: “The abandoned road”.

• Friedman, Milton. Capitalism and Freedom. Read chapters 1, 2.
OCTOBER 3: Marketization of non-market spheres: Emotional life on the market frontier


**Part-3: Varieties of market economies**

OCTOBER 8: Market, social risks and protection


OCTOBER 10: Market growth and equality: Is there a tradeoff?

- Lane Kenworthy. “Do Affluent Economies Face an Income-Jobs Tradeoff” in *Comparative Political Studies*.

OCTOBER 15- BREAK

OCTOBER 17: CLASS DEBATE

**Part-4: The Rebirth of Liberal Creed: Neoliberal politics, states and markets**

OCTOBER 22: What is neoliberalism?

- Stephanie Mudge, “What is neoliberalism” in *Socio-Economic Review*.

OCTOBER 24. NO CLASS. Professor Kus is out of town.
OCTOBER 29: Neoliberalism in different countries


OCTOBER 31: Market fundamentalism, poverty and welfare


**Part 5: Financialization**

NOVEMBER 5: The Political origins of the rise of finance


NOVEMBER 7: Financialization, corporations and citizens


- Kremp, Pierre. “From Main Street to Wall Street? The Determinants of Stock-Market Participation and their Evolution from 1995 to 2007”:

NOVEMBER 12: Expansion of credit markets and increasing household indebtedness

- Monica Prasad, “Credit/Welfare State Tradeoff”


NOVEMBER 14: The state, financial market, and mortgage securitization


Part 6: Market Failure and Government Regulation

NOVEMBER 19: Market failure vs. Government failure


- Stigler, George. “Theory of Economic Regulation”

NOVEMBER 21: NO CLASS.

NOVEMBER 26: Markets and regulatory policy in the US

- Mary O. Furner. “From “State Interference” to the “Return of the Market”: The Rhetoric of Economic Regulation from the Old Gilded Age to the New”.

NOVEMBER 28: Markets, Regulation and Consumers


- Elizabeth Warren. “Redesigning regulation: A Case study from the consumer credit market” in Governments and Market.

DECEMBER 3: CLASS DISCUSSION

DECEMBER 5: Final words.