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# **The Role of Sociology in Shaping Fair Economic Solutions**

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**Abstract:** Economic sociology has a theoretical approach which puts particular stress on markets as socially instituted mechanisms of coordination, and on the interaction taking place within the market and across the boundary between markets. The structural or network approach to the new economic sociology maintains that markets are productive fields of relations between many actors, who establish stable relations over time and with some selectivity of partners. There is a long interpretative tradition within sociology having roots in Weber's concepts of action types and social relationship where the actions of the actor should be interpreted in terms of the subjective world of meanings. Economic sociology shares with neo-institutionalism the sociological critique of conventional, rational choice economics. From the sociological standpoint, the market is embedded in pre-existing social structures that shape and channel market transactions.

**Keywords:** economic solutions, sociology

## **1. Introduction**

Any social relationship is characterized by a several number of innate features, such as the frequency of transactions, the intensity of interaction, the symmetry of roles reciprocal trust, and a detailed knowledge of the partners (Trigilia, 2005). With the exception of consumption, particular attention has been paid in the sociological literature to the market of factors, that is the set of procedures of buying and selling productive resources such as land, physical capital, human capital, and much more. Economic sociology and sociological neoinstitutionalism are like two parallel lines that have difficulty in intersecting. However, the common aim of both sociological theories is that of putting into evidence the mechanisms leading economic actors to act in social terms. There is another area of common theoretical ground where economic theories and propositions are challenged on bottom-up sociological grounds. This is the case when sociology can provide alternative explanations for the same economic phenomena, still relying on the same economic assumptions. For instance, embeddedness theory has pointed out in various ways that problems to contract due to the existence of a web of stable social relations between traders, which in turn implies both a lack of perfect information about the market surroundings and a difficulty in coordinating economic strategies (Rogowski, 2017).

### **1.1. Background and Significance**

Economic life can be understood as social life in which people are engaged in exchanges of goods, services, and money, and in which they participate in transactions. Most elementarily, this is a process of giving and taking that takes place in each social interaction. All participants in this transaction satisfying current needs expect to receive a

counter service tailored to current goals, and they commit to act in a way that satisfies the expectations of their exchange partners (Rogowski, 2017). Participating in the economic actions of individuals establishes ties of a motivational, cognitive, and emotional character. As these ties accumulate, the network of relations becomes denser and will go beyond the scope of a single transaction. Over time, relations with trade commissioners become the basis for defining social situations and the roles of worker, patient, customer, or contractor connect individuals through exchange relationships. Economic action is, therefore, an ordered set of interdependent acts that takes the form of maintaining social relations. There is also a view of economic action as a sphere of rational transactions with a defined scope, consisting of market transactions, devoid of social ties, consistent with the model of perfect competition, conducted by independent, free, and well-informed people. This approach neglects the social dimensions of economic activity, emphasizes individualism, and, perhaps foremost, introduces a sharp distinction between the economic and the social.

## **1.2. Purpose and Scope of the Study**

In the 1980's economic sociology became recognized as an important field within the social sciences. Yet, readers of the JELS might wonder why since it is barely on the screen: less than 1% of JELS content is economic and that fraction has diminished in recent times. There is a wide spectrum of economic sociology. A seminal strand, which triggered the whole revival, was based on Polanyi's Great Transformation and centered on the criticism of the new liberal monetary vision ( (Trigilia, 2005) ). More recent, and much prominent, currents refer to the approach of the new economic sociology, whose core lies in the analysis of economic behavior through the lenses of networks and mechanisms of control. This sort of economic sociology has been on the forefront of recent theoretical advances in economic sociology. In empirical research, this approach has stimulated numerous contributions, especially in sectors such as non-profit and cultural organizations, as well as financial institutions and large accounting firms. Yet, this sort of economic sociology only partially corresponds to the consistent and self-sufficient depiction of economic phenomena as ongoing in a structured, social arena ( (Rogowski, 2017) ). Currently, there are different versions of the new economic sociology. On the one hand, a structural approach is concerned with the impact of corporate and financial structures on resource allocation. On the other hand, there is a cultural-economic version which poses economic action in markets as embedded in networks and conventions. Despite these differences, both the structural approach (use of resources and status in the market is mediated by structures of embeddedness) and sociological neo-institutionalism (the analysis of economic script as a set of shared cognitive schemes) provide a view of the market as embedded in social structures, and try to explain the real action of economic actors in concrete markets. The more recent stance within the new approach to economic sociology goes beyond the actor-network perspective to give a systemic account.

## **2. Theoretical Foundations of Sociology and Economics**

James Coleman wrote that "social science is not only a search for knowledge for the aesthetic pleasure of discovery or for the sake of knowing, but a search for knowledge for the reconstruction of society." This was precisely the spirit of the so called classics, the founding fathers of economic sociology, who viewed their approach in terms that left no doubt: it was clearly oriented towards finding solutions for the reconstruction of a society increasingly destabilized by liberal capitalism (Trigilia, 2005). After the Second World War, however, a process of disciplinary specialization took place. The revival of economic sociology since the 1980s has led to important theoretical achievements. It is now very clearly understood how economic activities are embedded in social relations and culture and how this social and cultural embedding shapes economic performance. The role of social relations in the contemporary economy, however, goes well beyond the small world of the local, mutually embedded exchange relations studied by the residents of these niches. Drawing from work on the industrial district, the systemic embedding of firms into complex inter-firm networks with the organization of the district as a whole and with local non commercial bodies has been analyzed. The globalization of some of these districts and the re-definition of the related policy scenario in terms of cooperation among district firms rather than merely competition.

### **2.1. Key Concepts in Sociology**

As governments scramble to find economic solutions to the challenges posed by the pandemic, sociologists are called upon to step up. What does sociology have to offer? Several key concepts and theories in sociology give a great starting point for shaping a fairer economic recovery and a more sustainable future (Harley Dickinson, 2011). Drawing on sociological insights and arguments one can come up with a way forward which pays much more than mere lip-service to "Build Back Better" so that the economy becomes more resilient and socially inclusive and takes the threat of planetary collapse seriously.

On 8 July at the Westminster Hall, there was a debate concerning protecting private sector jobs and livelihoods, commissioned by 10 Conservative MPs. Highlighted was the plight of the private sector in comparison to the public sector. The importance of the private sector in providing the resources for the public sector has been recognized but the pandemic has resulted in major job losses in the private sector (Scambler, 2022). A spate of consultations between the Chancellor and a range of sectoral businesses has resulted in emergency support packages for business. These included grants for closed businesses, local authority non-grant payments to protect businesses, extensions to the business rates holiday, the Coronavirus Job Retention Scheme (CJRS), loan schemes such as the Bounce Back Loan Scheme (BBLs), and Indebtedness work out solutions (IWOS). Taken together, these measures cost the Treasury billions. By December, close to £200 billion in Covid support had been spent by the Treasury, with much of it being directed at the private sector. But how fair has it been? There was concern that even with the private sector umbrella, some

who fall between the cracks might miss out. James Timpson of Timpson's Retail was quoted as saying there are huge disparities in help offered by the government between the public and private sector. Social justice should therefore be pivotal when it comes to shaping economic solutions to the pandemic.

## **2.2. Interdisciplinary Approaches**

This rule is illustrated through the study of interdisciplinary visibility and citation flows of economic-cum-sociology wealth inequality articles. Wealth inequality between, rather than within, countries emerged on the global scene as a major political and economic issue at the turn of the millennium. Emerging research incorporates both traditional economic and sociological findings, but the global crisis served to sharpen the disconnect between nations. Using bibliometric analysis and visualizations, the article delves into the visibility and citation flows of this unique kind of interdisciplinary economic research from a global perspective. Peering into the intellectual organization charts of the global economy and sociology shows that neither the former discipline has a central entrance nor do they share source journals through which economic-cum-sociology articles get published, revealing a world apart between the two disciplines. On the basis of these results, the article submits that the future of economics-cum-sociology approaches cannot build on the past and argues that an interdisciplinary future on wealth inequality requires the intensified interdisciplinary encounters and graduate programs that prioritize interactions across disciplines. The results of newly calculated z-tests confirm these claims.

In the wake of global criticism, identification seems to be converging on the same dimensions: the top earners are pulling away from the rest of the population. The lion's share of the earlier work on wealth inequality took place within sociology, accompanied by a sparser but sizeable body of literature within economics. The underlying processes behind rising wealth inequalities have also been examined with dissimilar methodologies, prominently from economic or sociological standpoints, depending on whether they used economic variables or sociological variables as an analytical instrument to explore the problem. Forced by the limitations of their datasets and disciplinary knowledge, relatively few researchers have opted to use both traditional economic and sociological variables in their wealth inequality analysis. At the same time, such an approach typically remained between the traditional disciplinary lines. On the global stage, the 2008 financial crisis served to reiterate the significance of public wealth inequality, however, the traditional economic data used failed to dally with most of the politically charged distributional questions.

## **3. Historical Perspectives on Economic Inequality**

Great social transformations altering people's lives and their ways of living together are a historically new kind of event. When one speaks of history, one speaks mostly of events that happened a few hundred years ago, sometimes a few thousand or million, but certainly not of events that have taken place during the last forty years. These recent social

transformations are more momentous than their consequences. In many parts of the world, unemployment is growing into a mass epidemic. High inflation rates and more general social insecurities are driving people into the wall. Typically in these circumstances, a mighty voice is raised to complain that it is not the business of government to interfere in the workings of the economy and of society. On the social side, this implies a reduction of the growth of public services and of the welfare rolls, and on the economic side, the retreat from state intervention in the market place known as neo-liberal policies.

Historical experiences that went into the framing of this content of economic expert belief. Something that is true of a good deal of expert beliefs. Expert belief is not only the product of objective readings and their evaluation by adhering to stringent scientific standards. It is also a political opinion molded by the role of the expert in the larger society and the kinds of social interests of that society to which experts are. Broadly speaking, the rise of economics as a discipline was primarily about the struggle against regulation, the abolition of the life jobs and of the vestiges of feudal institutions. This intrinsic link sustained itself through the subsequent centuries and became, from the 18th century, a battle for intellectual hegemony of the emergent bourgeoisie against the aristocracy of the establishment, the church and tradition, the guardians of expert belief at the time. The counter-revolution brought a definitive victory along two important dimensions. Investment in industrial capitalism was liberated from traditional social and political restrictions and second, new intellectual infrastructure was put in place sanctioning the legitimacy and necessity of the abovementioned.

### **3.1. Industrial Revolution and Capitalism**

Following the Industrial Revolution in the 19th century, capitalism increasingly became the global economic system. Capitalist modernity was a “runaway world” characterized by increasingly abstract systems of communication, expansionist logics of externalization and long ‘inter-state’ competition. Contemporary capitalism is likely to follow the train of that runaway world on a global not merely supranational plane. Appropriate analytical tools are offered for “bringing the intuitions of political economy into the realm of theoretical formulation of economic sociology”. (Beckert, 2013) Capitalisms are historically situated and nationally bound systems, sharing a core but varying by regional shaping in socio-political cultural emphasis. In recent years, the ontological systems have increasingly taken the form of capitalistic economic systems, with diverging relative weight especially between the USA, Europe, Japan and the Rising Economies. For all that they have been subject to the influences of a series of World Crisis – monies, long waves and sovereign debts - capitalisms have uniformly possessed remarkable powers of timely recovery. In the aftermath of the fall of the Second Reich, capitalism managed an anticipatory partial revival of an emergent totalitarian regime, portraying US Marxists as Bolshevik menaces: the Cold War against the USSR was prepared long before the 1917 revolution in Russia. For all that, Wall Street capitalisms enjoyed remarkable growth and profitability in the ten

years following the Great Depression. It was a set of trade blocks that unexpectedly decided the phasing out of the American Empire.

Capitalist expectations are implicated in every exchange in every contract, hence also in every system of exchange and every legal/economic institution regulating monetary economization. “Capitalism is about a systematic ordering of bargaining power” and “order” here is etymologically synonymous to the Latin “expectation” meaning that capitalism is best understood as a systematic ordering of expectations not as a systematic ordering of abstract economic actors like Firms, Banks, States or Nation-States. At the same time, however, capitalism is a coherently organized social anticipation of the economic “runaway world” creating what W. Greener calls “a firm strategic anticipation” of other capitalists’ expectations. The system stability of capitalism paradoxically depends on the stability of its spatially enclosed economy, which has a contingent nature, that is historically governed by “a set of socially anchored expectation(s) about the future” also concerning technological and mercantile innovation. There are both efficient, formal expectations, politically indexed by economic power, hegemonizing exemplary standards, and formative, informal expectations, bound by class and political keystones which both rely on culturally shared social meanings and values.

### **3.2. Marxist and Socialist Critiques**

As Mann has tartly asked, ‘when is the true crisis of the system due’? For all the dire predictions about what the seventies had in store, capitalism and democracy seem today largely unchallenged. For better or worse, as Giddens suggests, contemporary Western societies seem to have reached a ‘moment of stasis’ (Manza & A. McCarthy, 2011). There will be problems for sure, “‘political earthquakes” may occur’, and it would be rash to predict that the current relatively benign scenario will survive unchanged for the second Marx Millennium, but nothing seems likely to shake the foundations of liberal society. Of course capitalism is still capable of creating great inequalities, but, as Offe contends, ‘the agenda of political democracy has been shifted by the welfare state to an emphasis on distributive justice, to the point where it is capable of containing and restructuring market forces’. At the same time, one should be profoundly aware of Durkheim’s warnings that ‘the remedy that has been so successful in the past can no longer master the evil, because the latter has taken on an altogether different form’. There is no doubt that “‘new” social facts’ are being grafted daily onto the social, and any reasonable expectation must leave room for what as yet remains unthought. Nonetheless business cycles, inflation and unemployment, however dislocatory, are all strictly within the ‘normal’ systemic unpredictabilities that capitalism is designed to accommodate. Obviously, the system is vulnerable to the vagaries of speculation, Third World default, and so on, but there is no apparent material basis for supposing that the international economy is about to implode. On the contrary, given the fragility of the world financial system, there are strong reasons to suppose that ‘the current unfair rules of the economic game’ will be indefinitely

sustained. What is more, after a decade of 'global economic decline', cyclical recovery now appears evident throughout the Western World, and for all the doomsday counter-vaticinations, the 1980s boom does look as if it will last for the duration of the decade. In short, capitalism seems more likely to hit the wall of 'still water' than Marx's promised revolutionary train.

### **3.3. Globalization and Neoliberalism**

Sensible alternative economic theories suggest that global Neoliberalism is moving the world towards a disappointing and perhaps disastrous economic future. They also imply that markets must be socially embedded and the broad outlines of economic development socially determined if the economic interests of working people and the majority of citizens are to be served and protected. All successful post-1945 economic success stories of catch-up countries have relied heavily on the existence of a powerful developmental state that successfully guided market processes. This experience strongly suggests that at least during periods of relatively rapid catching up with industrial leaders, the state must play an important role at both the macro and micro levels of economic activity (Crotty, 2000).

Currently, and for some time to come, political forces tied to the state apparatus in most of the world have been captured by multinational corporations, global banks, and financial market speculators. The economic ideas that are 'respectable' have been largely determined by the political power of these capitalist class forces. Also, the prices of major tradable goods largely determine the distribution of macroeconomic wealth-creating activity among competing nation-states, and these 'world prices' are functionally determined by the most powerful global level capitalists. Thus, for reasons beyond an individual country's borders, it is difficult for any progressive, labor-oriented domestic policy to be implemented. Social structure for the current variety of economic policy is at important variance with the structured policy environment that obtained in the now ancient post-war golden era of worldwide Keynesian planning and interventionist capitalism.

### **4. Sociological Theories of Economic Inequality**

Economic issues are always present in social life, past and present, remembered or forgotten, but are always attached to social life. The sociological approach can reveal various forms of economic problems and different ways of handling them. It is best understood by looking at them from the past to the present, from South America, Europe, Asia, and other parts of the world and taking lessons from them. Opening the mind to the vastness of the world is the essence of the sociological approach. Is it possible that economic actions have a relationship with the development of human life and civilization? The application of this sociological approach opens the mind to see the extraordinary aspects of economic problems and actions. By moving transversally in various existing branches of science, economic problems with all their realities must be understood. In the early stages, sociological thought focused on the economic problems of society. The influence of classical and modern thought in sociological theory can be seen on the



understanding of economic problems and actions related to economic problems as part of understanding social phenomena. Diverse sociological paradigms always have a special perspective on economic problems and actions related to the economy issues studied. Behind the gap shows that there are different ways of theorizing the sociological approach in understanding economic problems and their actions. From stratification approach to the approach of social systems and their actions. The development of knowledge from sociology studies and a discipline or branch of knowledge plays an important role in the understanding of economic problems and their actions (Mugi Nugroho, 2024).

#### **4.1. Functionalism and Structural Functionalism**

Functionalism is a prominent sociological domain of knowledge that offers a variety of explanations and mythologies in people's lives. It raises the question of what purpose or function the elements of the social system have. How are elements in balanced relationships? This theory dates back to the works of Auguste Comte, Emile Durkheim, Talcott Parsons, and Robert K. Merton, and is still significant in modern sociology and in the sphere of studying the economy. Functionalist theorists were among the first to apply wide conceptual frameworks to the study of economic systems as a part of society. At the same time, in the course of interdisciplinary interactions, controversial issues have arisen and continue to develop. A peculiar view of the economy in the functional-sociological paradigm prevailed in economic sociology. The division of the views of Bronisław Malinowski plays a big role in this.

The terms "function" and "functionalism" were developed in the anthropological studies of Bronisław Malinowski. J.A. Jackson identifies two basic ideas. According to the first, the research of institutions does not provide significant and verifiable knowledge of a culture. According to the second, all parts of such knowledge have the same meaning because there is a vital connection between them. The most familiar formulation of Malinowski's ideas about a functional view is in his book. Still, the reader can discover some essential points in his earlier works, especially in the printed versions of the lectures.

#### **4.2. Conflict Theory and Critical Sociology**

Conflict theory and critical sociology attribute crime and delinquency to economic domination. Anomie and resource deprivation theories are but *l'esprit d'escalier* and apologies relative to the clarity of Marx and Engels. Anomie lacks measurable definitions, and competitive individualism is the dominating U.S. culture. The most recent invalidation was, in fact, co-authored by Robert K. Merton himself. Anomie as a sub-cultural explanation of crime and delinquency doesn't serve as homology, but as contradiction to Merton's own definition of anomie. Cloward and Ohlin and a variably lower-class criminal opportunity structure as well as retreat and conflict models respectively, have additional internal flaw, abstracting away from nothing determinate or falsifiable theories. Underclass theory, assumed to be a disjunctive function of race, geographic area, and culture, is

empirically confounding, as culture is enumerable only through differential access to economic resources, and independent of race.

Only the ex-poor can describe correctly the experience of economic domination, deprivation, exploitation, and marginality. It is further noted that, like conflict theory, critical sociology recognizes that norms and ideologies are formulated and acted upon by members of the dominant class. The corruption and insularity of the U.S. criminal (in)justice system are reviewed. Identification and definition of white-collar crime and acknowledgment that criminal interpretation is limited to the behavior of the lower-class are pointed out. The definition of white-collar crime as socially harmful but technical laws is recognized, but disparity between professional and street crime is added. It is deduced that crimes of economic domination are rarely prosecuted, and it is noted that trial and appellate precedents fail to establish the corporate conscience, regulation, or ethic required for criminal trial. Finally, policy is recommended based on a sub-class of sociological theory rather than scientific fact. Reflections are presented on the limited power of the theoretical social sciences in the broader political and socio-economic context.

### **4.3. Symbolic Interactionism**

Sociology has one of the most abstract and philosophical bases of any of the social sciences, and allows a particularly broad view of what situations are relevant to consider, as well as who may be considered to participate in the relevant activities. A particular type of participation of value in developing symbolic interactionism or in most any social scientific undertaking involves discussion in small groups which ideally include individuals from both the contrasting theoretical/philosophical backgrounds and examples of the phenomena to be examined. So that the interested reader can explore various aspects of interest, a section of the discussion section of this paper will be devoted to each of the two following issues: the critical importance of who may participate in what activity (a question often begged in other contexts but itself of critical concern on the issues of self-esteem and pleasure in life); and the levels and methods of disaggregation (often not fully resolved, at least in part because different people press for different types of solutions). There are many who press, for example, for fair income distribution, while many theories of individual behavior assume or claim that there is or would be some "natural" or "just" income distribution (Goodwin, 1991). There are many people pressing for more equal and ready access to job opportunities and for more equal or affordable educational opportunities, while most formal economic models either totally ignore the treatment of or contribute poorly to efforts in this area. Still others press for a living wage, that is, some minimum standard of consumption (individually or in families), while most areas of mainstream economics ignore substandard income levels entirely, merely treating them as the zero point for indicators relating to consumer sovereignty. Further, one may be concerned for something additional to (and usually recognized as a precondition for) any of the more standard issues just mentioned. For many individuals there may be a consumption level

below which death would result due to inadequate food, rest, shelter, or other needs. Needed issues of omnivores, heterodox himself, meaning and an "and" logic will be explored in the discussion of group economic behavior.

## **5. Empirical Studies on Economic Inequality**

The extensive literature on empirical studies that have scrutinized the levels and the change of economic inequality employing the currently prevailing quantitative techniques reveals that no single occupation seems more suitable or inclined to develop or empathize alternative appropriate methods. This, however, clashes with societal needs. A more just and fair economic system would call for broader sharing of the knowledge on economic inequality to reach better-informed democratic decisions impacting all members of society. With this reality in mind, the sociological perspective and the conditions to support its recent spurt in the quest for fairer and more egalitarian economic solutions are detailed. Sociologists have long been concerned with different forms of social differentiation and stratification. This has motivated them to develop numerous critical epistemological appraisals of the analytical methods en vogue in economics and other social sciences to scrutinize inequality. Lately, this line of critical reflection within sociology found new resonances, and even a broader response, due to the severe waves of economic and financial crises shaking Southern Europe. Some of the latter elicited innovative responses and solutions based on intrinsically interdisciplinary research and the use of complementary methodologies.

### **5.1. Quantitative and Qualitative Research Methods**

Sociologists have two different sets of tools: quantitative and qualitative methods. Using both can make research more robust and potential solutions more workable. Quantitative methods produce results that can be generalized and have been seen as legitimating a political discourse of evidence-based decision-making (Harley Dickinson, 2011). Those armed with such results can call for the formation of policies on that basis, argue for the prioritization of one social good over another, and back specific kinds of taxation and spending. Policy is shaped by empirical research, so it makes sense for advocacy in the public interest to be rooted in equally robust research. Economic sociology is a subfield capable of competing with other social sciences in academic policy debates over fair taxation and spending on welfare programs, and so can shape fair economic solutions for society.

However, there is a body of theoretical and qualitative work in the discipline that is less useful in the discernment of such advocacy. Because qualitative methodologies make up a part of sociology, there is the further implication that, absent the use of quantification, a vocal group of Canadians, and sometimes a rally involving a bus trip, is capable of shaping their minds about Rock, and/or fair wages, and/or racism, and/or third world immigration, and/or the Concorde, and/or fear of street crime, and/or not raising personal taxes, and/or shadowy migrants invading daily from Nigeria. This is all troubling. The discipline has so

much more on its library shelves that can contribute to a critical imagination of contemporary problems. Policy welds together interests, electoral strategies, and available knowledge. Some of this is publicly defended, but much is recondite. To this undemocratic mix can be added material from the private sector, that the public last sees masquerading as *fait accompli*. Broadening that spectrum of knowledge narrows the possibilities for improper influence.

## **5.2. Case Studies and Comparative Analyses**

Sociology makes lasting contributions to fair management styles. It shows how ‘green management’ reduces profit-hunger and simplifies hierarchies. That was not widely noticed. But as for sustainability, an inter- and transdisciplinary academic research laboratory is as redundant or absurd as plastic-surgery for the gratification of self-lovers. A timid ‘science of music’ for the deaf, and indeed disciplinary departments with a parochial third-class commitment to book try and papers clearly fall into this category. Sociologists and their intellectual entourage would finally honor their founding fathers by conducting themselves as public intellectuals. Availing themselves of all critical and empirical scientific gear forged laboriously over two centuries, they would shed light on what is happening in the world and how it could be fruitfully understood. How much more effectively they would be able to flourish their ideas and how much more venerable a mark they would leave in the sand of time.

While the surge towards a knowledge-on-society society-on-knowledge seems to escape any tentative prediction, classic or homely advice loses nothing of its pertinence. The learned trade should shun over-specialization and take stock of classical endeavors. At the same time however, sociology should rise above the parochial and the merely topical. Offering a general frame for local changes and a comparability across specific developments, sociology is best equipped to shed a wide and enlightening beam on today’s turbulence, though only modest guarantees can be held for the final beneficial fallout of applying this accumulated wisdom. Promoting educated guesses, a spate of case studies contrasting the brittleness of the shining sector and the resilience of implementation in the industry allow at least to chart the map of complex, if possible fair, reciprocal influences between techno-economic location and political power-plays that are clenchingly structure today’s locomotion of work, space, wage and industrial politics in different European contexts.

## **6. Policy Implications and Recommendations**

The provision of a coherent outline on how economic sociology is affecting the current generation of economists and the development of a more synthetic approach to the social and cultural embeddedness of economic organization (including a discussion on current trends in global restructuring and the concern about the fairness of the current development course) would help to open the way to discussion among CT participants and between them and ERs. Summaries of the main interventions in the attached documents should encourage

a more active participation in this session. Such a session could foster the attempt to open a second track of debate on economic sociology, able to overcome a number of criticisms often moved from economists (and from some branches of economic sociology as well) to the present more theoretical research program, and suggest the need and the opportunity to shift to a more policy-oriented research (Trigilia, 2005).

### **6.1. Sociological Insights for Policy Design**

Sociologists are interested not in what things are in themselves but in how social actions create them. According to sociologists, the economy is thus only one of the possible concepts to designate different practices and institutions which are the object of a sub-field of the discipline. The notion economic practices is broader than that of economy, and it refers to a wider arena than that of economic life. Since not all economic practices are necessarily bound to the economy, a broader attention to non-economic practices would be gratifying. Furthermore, the notion of economic life, despite its frequent use in sociology, determines a more strict arena. It refers to the sum of the individual and collective actions aiming to produce, exchange and consume goods (Trigilia, 2005). On the other hand, the French socio-economics pays attention not to the economy but to the economic, that is to say to a certain kind of practices and institutions. The broader attention to all the economic practices involves by contrast forthcoming the econometer in very High Tech or virtuous territories. By including the study of technologies and industries from the economics of science and association also the study of industrial districts, the attention to the different elements of the economy is however maintained.

### **6.2. Examples of Successful Policy Interventions**

There is excess talk about possible connections between economic sociology and policies, but this is mostly at a general and rhetorical level, far away from real policy practices in different institutional and cultural contexts. Indeed, a recent paper on the need of policy implications for the new economic sociology does not provide any – not even of a general nature. What is called for in the debate on the relation between sociology and economic policies is more down-to-earth analysis – comparing different types of economic policies from the side of both economic sciences and economic sociology (Trigilia, 2005). What is lacking in the new economic sociology is backward analysis of successful policy interventions in order to identify the sociological features of the micro fabrics they shaped for economic success. Such successful policy cases are likely to be found at a local level, given the territorialized nature of real markets and of innovation processes. They might be far removed from the conceptual realms of the new economic sociology. But nevertheless, their analysis would be illuminating in that they would unveil the relational bases of those economic strategies that emerged only under well-designed bridges between state and market actors. Some examples of this kind of successful policy would include local productive agreements for restructuring mature industries, projects for the innovation of urban commercial districts, support programs for the design intensification of traditional

sectors, and networks for the increase in relational goods trade. These examples illustrate that there might be an important role for economic sociology in the analysis of local development and innovation. This, in turn, might strengthen the contribution of this approach to more effective policies. But it also requires that economic sociologists start to pay more attention to political processes and to the role of public policies than the new economic sociology has so far. This would be important because it would not only contribute to a more integrated sociology of markets, but because it would also help to link micro-economic sociology with macro-comparative political economy. A wider conception of economic sociology, one that includes comparative political economy, would be actually consistent with the classical tradition of economic sociology, which paid particular attention to the influence of the state on economic activities. It also would be helpful in developing real policy implications of the theoretical and empirical achievements so far.

## **7. Challenges and Future Directions**

“Be careful about assimilating pandemics analytically or conceptually to well-known plagues or plagues that manifest in well-known ways, such as pestilence or atomic attack.” “Much writing...rings a formulaic tone; much regurgitates familiar tropes; much elides real issues; much is comfortably abstract; much is philosophically dull: much, frankly, is predictable” (Scambler, 2022). It is in this spirit that I engage with ‘the sociology of the COVID pandemic’ as set out recently. This raises the issue of how sociology can turn to, engage with and see through crisis. In successfully doing so it can make a case for trust in the discipline in civil society while fostering a more grounded social science. Pandemics, it is argued, should be taken as a meta-object of sociology. As such they confirm the discipline’s purchase on social order and social change. At the same time they call for vigilance in counteracting pop sociology’s distraction of both civil society and sociological policy communities alike. Thus pandemics can at once nurture and exploit sociology as currently envisioned in the UK. Efforts to address the 2019 SDGs and to strategically navigate the underlying division of sociological labor will thus be compromised. This points to the need to revisit the agenda evoked in this excerpt and to suggest, in conclusion, how sociologists might address such a momentous event more productively (Harley Dickinson, 2011). How to conceive a society in 2040 coming out of such change, how sociologists might contribute there through advocacy for and cultivation of the good society.

### **7.1. Limitations of Sociological Approaches**

Economic Sociology focuses on the social organizations of economic activities. Unlike the homo oeconomicus, entrepreneurial activities are always bounded in the network of social relationships. This is also true for the formation of market institutions. It is this link between the economic and social systems that Economic Sociology seeks to explain. It is very unclear what economic sociology can do in case of the role conflicts between (1)

shaping a fairer economic order for the society and (2) promoting pedestrian benefits of a focal unit on the expense of the whole economy.

Economic Sociology has difficulty to propose satisfactory solutions from the policy point of view. This problem is mainly due to the following limitations. First and foremost, the empirical findings of Economic Sociology are inconclusive and even contradictory in terms of the pro and con position on the beneficial mix of the social divisions of labor and the integration of the national economy ( (Trigilia, 2005) ). Even in the mature areas of inquiry, such as the social capital or the varieties of the capitalism, Economic Sociology invariably finds the devil in the detail. Broadly speaking, the network model and the institutional model provide two rather differing views on the relationship between the social and economic systems. Economy should be (1) integrated and (2) policed by the nation-state. Hence, the puzzle ahead of the state officials is whether to fight against the tide by disciplining out the corporation and trade associations or to swim with them by embedding capital holders through the progressive taxation policy. The economic sociologists themselves can do very little to help here. Economic sociologists' thesis of what readings of fair competition are has no transformative power to generate better or worse solutions to the economic planners.

## **7.2. Emerging Trends and Opportunities**

Assuming the legitimacy of the need of the broad and growing public of different kinds of people in a more fair from the moral point of view income than it is now, the authors understand the task of economic sociology as contributing to the tackling of this problem. The achievement of the goal to a large extent relies on the potential of the science to analyse the global aspects of social phenomena. While there are certainly more fair kinds of distribution than the current one, there are kinds of inequality that are universally unjust (Petrov, 2015). The general approach to the justice of income enabled the discrimination of 5 criteria underpin of this dimension of the problem: the fixed division of the total amount of the wealth before production; the economic exploitation; the real wage not corresponding to the social form of labour; the domination by an employer; intentional and delegitimated obstacles impeding access to the means of production. Societal institutions that associate with these weighty examples of injustice enjoin either of these proofs contiguously or through the employment of complementary mechanisms. It is proposed they may be understood as a paradigm of the different kinds of inequality that are universal injustice. Statistically the most vibrant and, for this reason, inexpugnable kinds of such inequality are called the cores of injustice.

## **8. Conclusion**

For these reasons and more, sociology has a critical role to play not just in resisting the further embedding of escalating inequalities, but also in the struggle against the policy horizons and poles of political possibility within which neoliberalism represents the air we breathe. The task is both defensive and positive, a matter of critique, explanation and

opposition, but also of proposing and promoting alternative strategies, different policy frameworks and radical institutional change. It is now over forty years since Margaret Thatcher proclaimed “Economics are the method; the object is to change the heart and soul”. Among the heartlands immunised from further erosion might be counted the long history of neoliberalism’s disdain for the social, its wilful blindness towards equality, the supreme elevation of individual autonomy now so signally reflected in the privatised and marketised common sense of the way things need to be. The “soul” of the neoliberal economy has relentlessly pursued this project for much of the last thirty years. Over that time many social sciences that are sociologically relevant have felt the dry, baleful breath of a predatory neoliberal economism, but none so much as sociology itself. And yet, and yet...there have been circumstantial and momentary defeats for the monopoly of the economists, and there have been markers of dissent in both academic and civil society. In the aftermath of the Covid-19 were trenchant in their condemnation of the UK’s lack of preparedness and of the herd immunity idea. For these reasons and more, sociology has a critical role to play in addressing the failures of economic efficiency despite all the trillions spent on the Furlough Scheme and the good intentions of heroically over-stretched NHS staff. Social inequalities have been (are being?) embedded, the poor contracting the virus in greater numbers because they are less able to contract out social interaction. Shaming, too, was the all too soon forgotten privatised and outsourcing disaster of the Public Health England/NHS Test and Trace system that quickly out-sourced contracts to – to ward shepherds without understanding of running an effective testing and tracing system. And then there was the abject failure to coherently message – indeed, to be seen not to engage in excessive interactions with hand to face etc. A lockdown was necessary to slow the transfer of the virus and save the NHS from being overwhelmed by an estimated 500,000 something anticipated excess deaths: ‘Save the NHS’ daunting graphics run by and his politicised Chief . However, an adequate lockdown is far from costless – for many the virus’ own deadly effects are less fearsome/hoped for than the impossibility of “keeping on keeping on” financially, and the psychological consequences of enforced seclusion and an absence of social support. Discharging people who tested positive from back to care homes lacking PPE is a standout example of this eugenic, ageist blackmail .

### **8.1. Economic transformations**

As acknowledged also by the market-driven economic transformations that took place in the past years in most advanced capitalist countries raised a new phase in the perennial debate about the relations between economy, state, and society. Despite an impressive development of theoretical contributions from sociologists and some inputs by sociologists into the economic and social policies, it is also widely recognized that there is a significant unbalance between the strength of economic sociology exhibited during these years at the theoretical level and its actual capabilities in shaping innovative, implementable, and fair policy solutions to some of the aforesaid issues. Empirically grounded and policy-oriented research by sociologists, however, seems to be needed to move the discipline at the frontier



of the debate, while questioning the existing paradigms and receiving new inputs for their further evolution. To this ambitious but challenging aim, the collaboration between a group of European research institutions with different approaches within economic sociology was stimulated. Continued research effort was put into both neo-classical and neo-institutional, or post-Wittgenstein and Giddensian, perspectives of economic sociology, in the belief that only an integrated and mutually insightful combination of the different theories and methodologies available could lead to some advancements along the policy implications of economic sociology frontier. Industrial and intellectual divisions of labour were duly adhered to, the former group carrying on a number of (overlapping) empirical and theoretical contributions that involved the research areas of . Such a relevant and still unresolved set of issues were where progress was expected in the discipline to have it at the frontier of the broader debate on economy and society. The new economic sociology focused on both the sociological analysis of the economy (i.e. on how relations are structured within economic systems) and the significance of non-market arrangements (State intervention, networks, and inter-firm cooperation, the role of culture, power, and hegemony) at the micro-level for their innovative content. These issues also provided the theoretical background for economic sociologists to engage in a critical appraisal of the dominance of neoclassical economics as the conceptual frame for many EC policies, warning that neglecting the institutional and social embeddedness of the markets could lead to unanticipated side effects. In empirical research, this approach has stimulated numerous contributions in sectors that are not affected by market competition, such as non-profit and cultural organizations . Concerns were risen about income distribution consequences and (de-)territorial welfare effects of the neo-liberal market-based policies for regions and social groups (the South, and new, and small firms), also questioning the oversimplifications and the epistemological weaknesses of how efficiency and competitiveness are conceptualized in need of refinement. Prioritized issues emerged from the discussion with as the priority for pan-European research in economic sociology. In contrast with the economic sociology of the market, another bridge with the new economic sociology was the re-consideration of economic policy as open and endogenous to the networks of actors involved in its making and implementation. A number of surprising similarities emerged from different research traditions on how policy is actually enacted and how to influence it, underlying the relevance in each country of the community, competences, and financial support of the lobbying organizations (such as regulatory agencies, big corporations, or think tanks) in framing the problem and establishing the possible paths out of it. The market-centered efficiency bound policy paradigm tended to cast a too narrow set of available policy choices, neglecting the interaction and superiority of other narratives or cultural frames (indeed, more coherent and articulate on the competing interests and on their consequences). Despite of these differences, the structural approach (by relating wealth and power inter-sectorally and at the national level) and the sociological neo-institutionalism (by addressing the issue of the cognitive base of IS Aim and compliance)

viewed the market as embedded in social structures and processes, obviously of the different lenses through which such a connection is made. They also shared an explanation of organizational diversity that cannot be reduced to the search for efficiency by atomistic actors as portrayed by the economics of imperfect information or principal-agent perspectives. In this view, actors are far from atomistic and they are imbedded in a structured social context. Different actors (States, supra-national institutions, firms) could rely to different degrees on the market, hierarchy, or relational contracting, thus providing variable organizational choices (more prone to some regulatory style than others). Their choice is influenced, and could be deliberately steered, by the pre-existing social relations and by cognitive and normative attitudes that are culturally widespread and persisting (also as a result of independent self-reinforcing processes).

## **8.2. Implications for Future Research and Practice**

Knowledge and expertise needs to be deployed patiently, because policy-makers must be slowly educated about the broader potential of fine-tuned solutions. That is a formidable challenge for rather new countries—and societies—whose centre-left and centre-right two-party systems suffer from ideology-driven sclerosis (Trigilia, 2005). In order to account for the persistence of a rich set of local forms of organization and action to cope with undecipherable situations and to fight against an alien central authority (which, in turn, tries to domesticate or eliminate local actors), a more polite way to address the related overall research question could consist of suggesting to employ a more structured approach to single out a few thoroughly researched elements that might bring us closer to the answer demanded by the very title of this plenary. The foundation of economic sociology shaded light on the ‘dark side of institutionalism’ by showing that the main efficiency reasons for economic organization, resource access, and conversion that inspired the orthodoxy of new industrial economics were not so solid as they had appeared. Quite the contrary, a consideration of the structural factors (relying on social ties and the presence of isomorphic organizational arrangements) advocated by the nascent field of economic sociology revealed that such organization might be more driven by political conditions than by efficiency reasons.

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