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NOTE FROM THE EDITOR

Today economic sociology has become an important and well-established branch of sociology, and it is clearly flourishing. As a result, it becomes harder to cover the field, and to know what is going on in today's economic sociology. Fortunately, Richard Swedberg has just finished an overview, and it is with great pleasure that it is published in this issue of the Newsletter.

In the paper, Swedberg provides an excellent overview of the development of economic sociology, as well as its contemporary trends, both in the US and in Europe. The text is essential for everyone who wants to be updated on this field.

Clearly, money is one of the issues that have attracted the interest of economic sociologists in the past, such as those studies made by Nigel Dodd and Viviana Zelizer. This issue of the Electronic Newsletter also includes an essay on Money. The text is a prelude to a forthcoming work by Geoffrey Ingham, *The Nature of Money*.

As is known, networks are a central theme in Economic Sociology, but it is also important in our everyday life as scholars. Some departments have enough people to launch courses, seminars, collaborative research projects and so on. Sociologists working at departments populated by economic sociologists are fortunate in this respect. Other sociologists have to work more independently and rely on contacts through the Internet and conferences. Today the field of New Economic Sociology also attracts, for example, economists and social anthropologists. Hence, one should also consider the possibility to have, for example, interdisciplinary seminars and other form of collaborative work with people outside one's own department. Such undertakings, it is my experience, can be fruitful in many ways. A yet other way to bring people together is to organize mini-conferences where a few people come together, and take it from there.

This issue include several calls, for theme issues as well as courses. Please keep sending this type of information to the editor.

ON THE PRESENT STATE OF ECONOMIC SOCIOLOGY (1990S)

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Since the early or mid-1990s important changes have taken place in economic sociology.[1] This goes for its institutional status around the world as well as for its theoretical approach. New topics have also been added to its agenda, and interesting advances have been made in analyzing some of the topics that were discussed already during its initial phase in the 1980s. All of these developments will be touched on in this article.

Let me start out by saying something about the place of economic sociology in the contemporary academic world. In the United States economic sociology is today represented at many of the major universities in the United States, such as Harvard, Stanford, Cornell and so on. In numerical terms, one can speak of a steady increase since the 1980s, even if exact figures are not available.

While in the 1980s one person often represented economic sociology at a department, this is less the case today. There may, for example, be one or two faculty members who teach the core courses, while other members are active in neighboring fields or focus on more specialized topics. For the reader who is interested in knowing exactly what is taught in courses in economic sociology in the United States, there exist a collection of syllabi and other teaching resources, made available through the American Sociological Association (ASA). The fact that ASA recently published a second and expanded edition of these course descriptions is itself a sign that the field is growing and becoming more institutionalized (Green and Myhre 2002). Pointing in the same direction of increased institutionalization is also the fact that there now exist two readers in economic sociology, namely *The Sociology of Economic Life* (eds. Mark Granovetter and Richard Swedberg) and *Readings in Economic Sociology* (ed. Nicole Woolsey-Biggart). The former is the most popular reader in the field, and it was recently reissued in a second, expanded edition (Granovetter and Swedberg 1991, 2002; cf. Biggart 2002).

In the United States a sure sign that a subfield in sociology is being taken seriously in the profession is that it gets its own section at ASA, and this is also what has happened with economic sociology. After some lobbying by Wayne Baker and other people, the section for economic sociology came into being in 2001; and it has today various prizes, a newsletter ("*Accounts*"), and so on. At the annual meeting of ASA in August 2003 in Atlanta, it was

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[1] This article is based on a paper presented at a conference on the economics of convention in Paris, December 11-13, 2003 (see Jagd's report from this conference in this issue).

reported that the economic sociology section has currently the largest number of student members (in percentage). This fact indicates that the field is very popular among graduate students.

Most of the people who helped to introduce economic sociology in the mid- to late1980s are still active in the field and also keep advancing it intellectually. This is true, for example, for Mark Granovetter, who by many is seen as *the* quintessential economic sociologist because of his influential 1985 article "Economic Action and Social Structure", in addition to other important works (Granovetter 1985; see also especially Granovetter 1995). It was in this article that Granovetter launched the term "embeddedness" and forcefully advocated the use of networks analysis in economic sociology, an agenda that he has continued to advocate ever since. Similarly Harrison C. White, Granovetter's teacher at Harvard University and a very influential figure in economic sociology, has continued to deepen his analysis of production markets. His recent *Markets from Networks* represents his most important contribution in this respect (White 2001).

A few more examples of "pioneers" who have continued to contribute to the field are Viviana Zelizer and Bruce Carruthers. Viviana Zelizer has done further work on different types of moneys and currencies, and her studies have become increasingly influential, inside as well as outside economic sociology. But she has also branched out in new directions, such as consumption and the way that economic factors and intimacy are often interrelated (e.g. Zelizer 2002, forthcoming). Bruce Carruthers, who began his career with a splendid study of the financial market in 18th century London (Carruthers 1996), has not only recently co-authored the first undergraduate textbook in economic sociology, but also done important work on credit and credit-rating systems (Carruthers and Babb 2000, Carruthers forthcoming).

While the average age of the "key people" in Table 1 is probably somewhere in the 50s, a younger generation of economic sociologists is also emerging. The people who are part of this new generation (but who are invisible in Table 1) have already shown what they can do. Important work has, for example, been carried out by Sarah Babb and Marion Fourcade-Gourinchas. The former has studied the role of economists in 20th century Mexico (Babb 2001), and the latter has produced a comparative study of the emergence of modern economics (Fourcade-Gourinchas 2001). The two have also more recently carried out a study together of the way that neo-liberalism has been received in France, England, Chile and Mexico (Babb and Fourcade-Gourinchas 2003). Other young scholars who belong in the category of new and coming people include Brook Harrington (2000), Laurel Smith-Doerr (forthcoming), Valery Yakubovich (2002), Ezra Zuckerman (1999) and Milan Zafirovski (2001).

Before discussing what the new developments in economic sociology consist of, something also needs to be said about the situation outside of the United States. While it is true that the current revival in economic sociology started in the United States and has come to its strongest expression in this country, many important contributions have also been made elsewhere. As a result of these developments, economic sociology, while still not as universally accepted as one may wish, is nonetheless rapidly spreading outside of the United States.

This is particularly true for Europe, and in Europe, for France. French economic sociology is, in my opinion, very original and also very different from U.S. economic sociology. This is, for example, the case with the outstanding work of Pierre Bourdieu and Luc Boltanski. Bourdieu's early work on Algeria contains a very suggestive analysis of various economic phenomena that differs on many points from mainstream American economic sociology (see especially Bourdieu 1979; cf. also Bourdieu's last contribution to economic sociology in Bourdieu 2000). While mainstream (American) economic sociology focuses on embeddedness, networks and the social construction of the economy, Bourdieu has a much more structural and perhaps also a more realistic approach. Drawing on the four key concepts of habitus, field, interest and capital (social, cultural and so on), Bourdieu is less interested in how the official economy works than in how people live their lives as part of the economy, struggling with – and against – existing economic conditions. One reason why Bourdieu's analysis is considerably more realistic than that of mainstream economic sociology, has to do with its emphasis of *interest* in its analyses. In contrast, much of mainstream economic sociology simply traces the impact of social relations, and leaves interest to the economists.

Luc Boltanski draws much less on a structuralist approach than what Bourdieu does, emphasizing instead the ways in which economic actors view reality and justify their actions (Boltanski and Thévenot 1991). Boltanski's basic idea is that economic actors develop so-called conventions, as part of their efforts to coordinate economic actions; and that these conventions consist of a few standard ways of thinking about reality and justify why certain actions should be taken (cf. Storper and Salais 1997). Together with Eve Chiapello, Boltanski has also recently published a major study entitled *The New Spirit of Capitalism*, in which it is argued that we are currently witnessing the emergence of a new type of capitalism, *network capitalism* (Boltanski and Chiapello 1999). Social scientists, the two authors argue, have added to the ideology of this project through their naïve advocacy of networks, decentralization and flexible production – all of which according to Boltanski and Chiapello are part of "the new spirit of capitalism".

While the works of Bourdieu (who died in 2002) and Boltanski currently dominate economic sociology in France, it would be incorrect to leave the reader with the impression that little else has been produced in this country than the studies by these two authors. Important work on the role of economists in French life has, for example, been produced by Frédéric Lebaron (e.g. Lebaron 2000). Philippe Steiner has helped to develop a sociology of knowledge approach to economic thought in France, and also written more generally on economic sociology. His foremost contribution, however, is his attempt to look at the knowledge that people have of economics ("economic knowledge"; cf. Steiner 2001). There is also the important work of Michel Callon, who has spearheaded the application of actor-networks-theory (ANT) to the economy, questioning in particular the conventional theory of markets. Callon is also an advocate of what is known as performativity, namely the idea that economic theory creates the reality that it then realizes (e.g. Callon 1998, *Economy and Society* 2002). Finally, Emanuelle Lazega is currently working on an important study of a commercial court in Paris (for a sample, see Lazega 2003; as to the economy and law, see also the work by Yves Dezalay on international economic arbitration; e.g. Dezalay and Garth 1996).

While Germany in the days of Max Weber and Werner Sombart dominated economic sociology, this is by no means the case today, even if such major figures as Jurgen Habermas and Niklas Luhman have done some interesting sociological work on the economy (e.g. Luhman 1992; for Habermas, see Sitton 1998). Nonetheless, there is one particular area where German economic sociologists have currently taken the lead, and this is in the sociology of finance. Led by Karin Knorr Cetina, a number of interesting and imaginative studies of finance have been carried out, often with an ethnographic dimension (e.g. Knorr Cetina and Bruggers 2002; Knorr Cetina and Preda forthcoming). Modern electronic markets, it has been shown, are far more social than one might think. It should also be noted that Knorr Cetina draws heavily on the sociology of science and on phenomenology in her research. And by doing so, she has considerably broadened the theoretical repertoire of contemporary economic sociology.

Before leaving Germany, the work of Jens Beckert and Christoph Deutschmann should be mentioned. The former has produced interesting theoretical work in economic sociology, especially on the role of uncertainty (Beckert 1996). He is also currently completing a comparative study of inheritance in the 19th century (Beckert forthcoming). Christoph Deutschmann, in contrast, looks at macrophenomena, especially how capitalism has become a kind of religion in modern times (Deutschmann 2001).

While work in economic sociology in the other European countries is not as highly developed as in France or Germany, some interesting individual contributions have nonetheless been produced. Geoffrey Ingham, Nigel Dodd and some other people in England have, for example, looked at money from a sociological perspective (e.g. Dodd 1994, Ingham 1998, forthcoming). Patrik Aspers has carried out an exciting study of the market for fashion photography in Sweden, and Olav Velthuis has done the same for the art market in the Netherlands (Aspers 2001, forthcoming; Olav Velthuis forthcoming).

What is happening in economic sociology outside of Europe and North America is less known. It seems clear, however, that the interest for economic sociology in Russia is on the rise, and that the work of Vadim Radaev has been very important here (e.g. Radaev 1997). From various sources it also appears that occasional courses on economic sociology are being taught in countries in Latin America and in Asia – but details are missing, and there is little knowledge about what type of research is being carried out.

New Developments Since around 1990

The last ten to fifteen years in economic sociology have been characterized by dynamic growth and many new developments have taken place. Some new topics have been broached, such as wealth, entrepreneurship and the role of law in the economy. Earlier insights have also been elaborated upon and developed in new directions. The latter is, for example, true for Mark Granovetter's ideas about embeddedness and Harrison White's theory of production markets. There is also the ongoing attempt to consolidate economic sociology by going back to the classics and learn from these.

What struck economic sociologists as important in the mid-1980s differs to some extent from what they see as important today. The same can be said for the relationship of economic sociologists to economic theory: what they saw as important two decades ago is not necessarily what they find suggestive and interesting today. The concern with transaction costs, for example, seems to have run its course; while the interest for work by economists on institutions has grown steadily in importance. There is also a growing feeling that economic sociology and behavioral economics has much in common.

Theory and Theory Related Advances

When economic sociology was revived in the mid-1980s sociologists were basically at a loss when it came to theory. There was a strong sense that sociologists should develop their own approach, and that this approach should differ from that of mainstream economics – but that was about all. The heritage of economic sociology, especially the powerful ideas of Max Weber on *Wirtschaftssoziologie*, were not an option since they were little known (cf. Swedberg 1994). To draw on Marx's work did not seem as much of an option either, since the days of radical sociology were over.

It was in this situation that Mark Granovetter came up with the suggestion that one could unite the ideas of Karl Polanyi on embeddedness with networks analysis (Granovetter 1985). Following this suggestion, the task of economic sociology would be to trace the way that economic actions are structured via networks. Economic actions, in brief, do not follow the short and direct paths of maximization, as the economists claim; they rather follow the considerably more complex paths of existing networks.

This embeddedness project has been quite successful; and during the recent decade it has been tested and added to by Granovetter, his students and various followers (e.g. Uzzi 1996, 1997; Portes and Sensenbrenner 1993). During the last ten years this perspective has also been challenged, and one may speak of a general attempt to go beyond embeddedness and replace it with some totally different approach (e,g, Nee and Ingram 1998). One of these challenges has come from Pierre Bourdieu, who has criticized the embeddedness approach for its failure to deal with structural factors (e.g. Bourdieu 2000). In Bourdieu's own theory there is especially the concept of field that takes care of the structural dimension and which allows him to handle macro issues.

Some economic sociologists have also been less critical of mainstram economics than what Granovetter is, and these often draw on the work by various members of New Institutional Economics. They also argue that Granovetter has difficulty in dealing with the role of institutions in economic life (as opposed to networks), and that sociologists have much to learn on this score by new institutionalism economists, such as Douglass North and Oliver Williamson (e.g. Nee and Ingram 1998).

How much economic sociologists should draw on game theory represents another issue that has recently been raised, and for which the embeddedness approach provides little guidance (e.g. Swedberg 2001). Since a few years back the major American journals in sociology regularly contain analyses that draw on game theory. Economic sociologists, on the other hand, have basically remained suspicious of game theory. At the most they have shown sympathy for the attempt to mix empirical analysis with game theory that can be found in the well-known work of Avner Greif on business organizations in the Middle Ages (e.g. Greif

1998). All in all, we may conclude that economic sociology is currently characterized by several theoretical approaches, and that a firm theoretical core is missing.

While many economic sociologists were hostile to economics in the 1980s, it has gradually come to be understood that economics is a multifaceted science and that it also contains some ideas that are of relevance to economic sociology. Some economists have also come to think that they can improve their own analyses by opening these up to sociological concepts and ways of thinking. The work of Herbert Simon has, for example, continued to be close in spirit to economic sociology (e.g. Simon 1997). This is also true for the work of George Akerlof and Jeffrey Sachs (e.g. Akerlof and Kranston 2000, Sachs 2000). Some economic sociologists have also been attracted to the attempts of Douglass North and Avner Greif to resurrect the concept of institution and improve upon it (e.g. Greif forthcoming, North 1990). Many economic sociologists, as already mentioned, also follow the developments in behavioral economics with much interest.

New Developments in Analyzing Old Topics (Networks, Markets and Firms)

In Granovetter's article on embeddedness it was argued that economic activities were not simply embedded in social relations, but that they were embedded in *networks.* Many of Granovetter's students at New York University at Stony Brook in the 1980s would also use network analysis in their studies of the economy. Some of them focused on the kind of networks that develop around firms, while others analyzed the networks that are formed by directors sitting on several boards, so-called interlocks. While big hopes were initially attached to the latter type of study, it was eventually realized that research on interlocks had a limited – but still important – function (e.g. Mizruchi 1996).

One of the great strengths of networks analysis is that it represents a flexible tool with which a number of social phenomena can be approached, and recent developments in economic sociology tend to confirm this (e.g. Rouch and Casella 2001, Zuckerman 2003). Networks analysis has, for example, been used to explore various types of economic interactions which cannot be categorized either as customs or as some kinds of economic organization. These intermediary social forms are sometimes referred to as "network forms of organization" (e.g. Podolny and Page 1998). In a very influential and much cited work from the early 1990s Ronald Burt also suggested that entrepreneurship can be understood with the help of network analysis (Burt 1993). His basic idea is that an entrepreneur connects two groups of people who otherwise would be socially disconnected, say buyers and sellers. The entrepreneur, in his or her capacity as a middleman, straddles according to this argument a so-called "structural hole".

In another fine example of network analysis – co-authored by Paul DiMaggio and Hugh Louch – a specific kind of consumer purchases are analyzed, namely those for which people use their networks of friends and acquaintances; and these are then contrasted to purchases of the type where the buyer does not need to use a referral or network (DiMaggio and Louch 1998). Padgett and Ansell have also carried out a very suggestive historical study with the help of networks analysis (Padgett and Ansell 1993). The famous Medici family, it is argued, held its power partly because of its tremendous skill in building and activating various types of economic and political networks.

Together with networks, markets have been one of the central topics in economic sociology from the very beginning. To repeat, one of the very first articles that helped to launch economic sociology in the early 1980s was devoted to precisely this topic. Its author was Harrison C. White, a brilliant physicist turned sociologist, and a major figure in 20th century sociology. After leaving the topic of markets for a period in the early 1990s, White then resumed work on this topic, adding various features to his earlier model (e.g. White 2001). One of White's followers, it may also be mentioned, has followed up on his ideas on how the identity of market actors is related to their position in the market (Aspers 2001).

According to White's theory, the typical (industrial) market has a small number of actors who, by signaling to one another through price and volume, may form a coherent group with a stable social structure – in brief, a market. An alternative theory to that of White, however, has been suggested by Neil Fligstein, according to which the characteristic feature of modern markets is their emphasis on *stability* (Fligstein 1996, 2001). Market actors, according to this perspective, do not want volatility in price or cutthroat competition, but stable markets without any surprises.

Before leaving the topic of markets, a special mention should be made of the elegant study by Joel Podolny on the role of status in markets (Podolny 1992). The argument here is that buyers are willing to pay a premium for status, something which is obviously profitable for the seller. Having status, however, also restricts the seller to a small market since he or she would otherwise lose status (and the earlier market).

Just like networks and markets have been on the agenda of economic sociology for two decades by now, so have firms. One major reason for this is that sociologists since long time back have done work in organization theory and, as part of this, studied firms. There is also the fact that many American sociologists are employed in business schools, where organization theory is often seen as helpful. One important contribution that sociologists have made to the analysis of firms, and which has grown considerably in importance during the last decade, is that of population ecology (e.g. Hannan and Carroll 1995). The main focus here is on whole populations of firms in some area of the economy (say railroads, newspapers or breweries), instead of on a single firm or on a few firms. The task is then to study how these populations of firms at some point in time come into being, expand and gradually decline. Another contribution, which has developed forcefully during the last decade, has to do with the diffusion in a population of firms of various ideas, ways of doing things and the like (e.g. Davis 1991). The way that the social relations between the firms are structured, will clearly influence the speed and range of the diffusion.

The main novelty, when it comes to recent sociological research on firms, however, has to do with entrepreneurship. While this topic was occasionally touched on in the 1980s, one could not really speak of a sociology of entrepreneurship – something which, however, is possible today. Mark Granovetter, for example, has helped to theorize why people who are not particularly entrepreneurial in their home countries may become successful entrepreneurs once they are in a foreign environment (Granovetter 1995). The secret, Granovetter suggests, is that extended family ties may prevent entrepreneurship in the home country, but will be absent in the new country – with forceful entrepreneurship as a result. AnnaLee Saxenian has added to Alfred Marshall's ideas about industrial districts through her study of Silicon Valley (Saxenian 1996). By contrasting the decentralized and informal social structure of Silicon Valley in California to the centralized and formal social structure of Route 128 in Massachusetts, Saxenian has tried to get a handle on the factors that are conducive to entrepreneurship.

Some New Topics (Finance, Law, Stratification, Comparative-Historical Studies)

While one may speak of a certain continuity in the study of networks, markets and firms, even if new and interesting contributions have been made during the last decade, this is much less the case with the topics that will now be discussed. In finance, for example, a number of important developments have taken place during the last decade. Sophisticated analyses of the social mechanisms that operate in this type of markets have begun to appear, as exemplified by the studies of Donald McKenzie and Ezra Zuckerman (McKenzie 2003, McKenzie and Millo 2003, Zuckerman 1999). In a study conducted with Yuval Millo, Donald McKenzie argues that option markets may have been partly created with the help of economic theory – which is then used to explain the workings of this very market (so-called performativity). Ezra Zuckerman analyzes the penalty that firms have to pay that are not tracked by security analysts.

First and foremost, however, economic sociology has brought ethnography and culture to the study of finance, and thereby altered the kind of questions that can be asked and also what kind of material to look for. This way, for example, Viviana Zelizer has discovered that people in their everyday lives do not see money as some unitary substance, but rather divide it up into different monies or currencies (e.g. Zelizer 1989). Karin Knorr Cetina and Urs Brugger (2002) have also drawn on phenomenology to analyze what it means for people such as brokers, to interact with each other with the help of computers.

Law and economics emerged as a distinct field of inquiry many years before economic sociology came alive, and at first attracted little attention among economic sociologists. Slowly, however, it has been realized that law constitutes a central part of the modern economy, and a broad program for how to analyze its role from a sociological perspective has recently been formulated (Swedberg 2003a, 2003b). This program outlines the task that an "economic sociology of law" may want to undertake; it also points to a small number of already existing studies which are highly relevant in this context.

One of the most important of these already existing studies has been authored by Lauren Edelman, who is the modern pioneer in introducing a sociological approach to law and economics. She has especially suggested that one should bring together the study of organizations with that of law; and one of her earliest studies that does this, deals with due process in the workplace (Edelman 1990). The same approach can also be found in another study, which analyzes a related subject matter, namely the legalization of the workplace (Sutton et al 1994).

But there is more to the current attempt to develop a sociological approach to law and economics. There exists, for example, an attempt to show how networks analysis may be of help in analyzing the social structure of illegal cartels (Baker and Faulkner 1993). There is also a study that suggests that the privatization process in eastern Europe may have created a new type of property (Stark 2001).

To claim that the study of stratification and wealth, represents a new development for economic sociology may seem strange to everybody, except perhaps sociologists. Is it not precisely these two topics that economic sociology is all about, from Marx to C. Wright Mills and beyond? Questions of inequality, however, are today exclusively handled in sociology in a special subfield called stratification, and not in economic sociology. And wealth, as it turns out, is rarely studied at all in contemporary sociology. Recently, however, stratification experts and economic sociologists have begun to study wealth and also to relate it to the workings of the economy (e.g. Keister and Moller 2000, Spilerman 2000). Some examples of a similar impulse, when it comes to the study of stratification, can also be found.

Another illustration of the attempt to bring together the study of stratification with the workings of the economy, can be found in the work of Victor Nee (1989). Using recent changes in China as his empirical example, Nee argues that when a society goes from redistribution to exchange via the market, this tends to be reflected in its stratification system. This so-called market transition theory has led to a very lively debate among sociologists (e.g. Cao and Nee 2000).

Before concluding this brief introduction to new developments in economic sociology, something needs to be said about the recent attempt by practitioners in this field of study to develop a historical and comparative economic sociology. Sociologists have a long and successful tradition of analyzing historical and comparative topics, and it is sometimes argued that these two topics represent areas where economic sociologists have comparative advantages in relation to economists. However that may be, to exemplify this trend a few studies of this type should be mentioned.

Some of these are historical in nature and try, among other things, to trace the social construction of an industry, and to trace the historical evolution of accounting (e.g. Carruthers and Espeland 1991). Others cover different countries and periods, basically making the argument that economic activities can be organized in many different ways, and that there consequently is little support for the argument that there only exists one optimal way of doing so. Marion Fourcade-Gourinchas, for example, makes this point for economic theory itself, by showing how economic theory reflects the social environment of the countries in which they have emerged (Fourcade-Gourinchas 2001). Akos Rona-Tas and Alya Guseva investigate and compare the conditions under which a market in credit cards can operate (Rona-Tas and Guseva 2001). Frank Dobbin, finally, may well be the most ambitious of all since he not only suggests that the industrial policy of various countries differ from each other, but also that they reflect the way that political power is organized (Dobbin 2001).

Concluding Remarks

It is clear that the 1990s and the last few years have been characterized by a steadily growing number of studies in economic sociology. New topics have been broached and old theories have been developed further. We have today, for example, several different theories of how markets operate; there is a growing field of in the sociology of finance; and so on.

But there also exist a number of areas which are central to economic sociology, but where little progress has been made. A few of these have been discussed in this article, such as law and economics, and the attempt to bring stratification theory and economic sociology closer together. But there also exist others, and in these concluding lines I especially want to emphasize that economic sociologists have done very little to understand the role that technology plays in the economy. Modern economic well-being depends to a large extent on gains made possible by technology, something which means that economic sociology needs to understand technology in general as well as technological innovations, the concept of productivity and so on.

It also seems to me that even if economic sociology is indeed alive today and progressing very fast, it is still somewhat short of good ideas. The 1980s saw, for example, the birth of the idea of embeddedness (Granovetter), the idea of production markets (White), and the notion that one can use networks theory to analyze the economy (White and his students). Few theoretical innovations of a similar stature have, however, been made since then. To some extent, in other words, today's economic sociology lives on old ideas, something which is always dangerous. What we need are first and foremost new and interesting ideas so that economic sociology can continue to be an exciting and important intellectual enterprise.

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THE NATURE OF MONEY

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In a series of papers over the past five years or so and now in a forthcoming book (*The Nature of Money*, 2004), I contend that the methodology of orthodox economics is quite unable to explain the existence of money. Furthermore, sociology has failed properly to build on the superior alternative explanations - for example, seventeenth and eighteenth century 'credit theory' and the nineteenth century Historical School's 'state theory' which influenced Weber and Simmel. As Randall Collins perceptively remarked, it is as if modern sociology has neglected money because it was not thought to be 'sociological enough' (Collins 1979). Since this observation, there has been a revival of interest (Dodd 1994; Zelizer 1994; Carruthers and Babb 1996; Leyshon and Thrift 1997; Hart 2000). But there is a considerable way to go. In the first place, money is still given scant treatment in representative economic sociology texts; for example, Carlo Triglia's *Economic Sociology* (2002) devotes only three pages to it. In contrast to the other economic institutions covered in this important textbook, the author had very little in the way of sociological material on which to draw. Neil Fligstein's *The Architecture of Markets: An Economic Sociology of the Twenty-First Century Capitalist Societies* (Fligstein 2001) – another exemplary work – does not contain any discussion of what is, arguably, the pivotal institution of modern capitalism. There is not even an entry for 'money' in the index. Apart from a ritual reiteration of the obvious importance of 'trust', sociology has not been concerned with the social and political production of money. With a few notable exceptions (for example, Carruthers and Babb 1996), modern sociology is almost entirely concerned with very general descriptions of the consequences of money for 'modern' society (Giddens, 1990), its 'social meanings' (Zelizer 1994), and, more indirectly, with the Marxist problem of 'finance capital'. Money's existence has been taken for granted.

As I have implied, this state of affairs is the result of the division of intellectual labour that occurred in the social sciences after the *Methodenstreit*. Economics abandoned any theoretical interest in the ontology of money and sociology appeared to shun those very sociological and historical questions about money that were an essential part of the methodological battles. Outside the Marxist schools, sociology began to redefine its interest in the economic realm in terms of the 'social' and 'cultural'.[1] It is significant that most interpretations of *The Philosophy of Money* have taken Simmel at his misleading word that *The Philosophy of*

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[1] A recent article in the *Journal of Classical Sociology* entitled 'The Sociology of the Sociology of Money' makes no reference to the intellectual relationships between economics and sociology and argues that the 'sociological study of money can … be appropriated by the new cultural studies' (Deflem 2003: 67).

Money is not really about money, but rather about how money expresses the essence of modern life (Dodd 1994: 175). This one-sided emphasis on the cultural and the narrowly social would not matter if economics, during its long twentieth century hegemony, had provided an adequate explanation of money's existence and functions; but, as I have already pointed out, it did not. Counterintuitively, orthodox mainstream economic theory, as this developed from the late nineteenth century, concluded that money itself was not analytically significant. The fundamental meta-theory is expressed in the model of a 'real' economy comprising myriad bilateral exchanges between rational maximizing agents. Money is seen as a 'neutral veil' over these essentially barter exchanges (for a concise account of the economic orthodox mainstream, see Smithin 2003). That is to say, the 'real' economy model does not acknowledge that there is a structural difference between barter and money exchange. As a Nobel Prize winner explained: 'Even in the most advanced industrial economies, if we strip exchange down to its barest essentials and peel off the obscuring layer of money, we find that trade between individuals or nations largely boils down to barter' (Samuelson 1973: 55).

In short, the fundamentally important question of the nature of money somehow got lost in the post-*Methodenstreit* fragmentation of the social and historical sciences.

Money's Puzzles and Paradoxes

Despite the non-essential and 'neutral' analytical status accorded to money, its 'functions' are none the less described by economics in terms of the familiar economics textbook list. Significantly, this evades any sustained consideration of the ontology of money – rather, 'money is what money does'.[2] It is a medium of exchange, store of value, means of unilateral payment (settlement), and measure of value (unit of account). The contradiction between these 'functions' and the conception of the 'neutral' monetary 'veil' in abstract economic theory is immediately apparent. Each function is fundamental for the continuance of routine activity in the modern capitalist world. In the first place, as Adam Smith and the classical economists made clear, a medium of exchange, makes for the efficient operation of the division of labour and exchange of products that creates the 'wealth of nations'. Secondly, and perhaps most remarkably, money is able to store abstract value, as pure purchasing power, for longer periods than is necessary for any particular exchanges. The consequences of this property define the freedom and flexibility of the modern world. A feudal lord could demand specifically a quantity of honey and poultry from his serfs and thereby directly determine their labour; '[b]ut the moment he imposes merely a money levy the peasant is free, insofar as he can decide whether to keep bees or cattle or anything else' (Simmel 1978 [1907]: 285-6). With money, decisions can be deferred, revised, reactivated, cancelled; it is 'frozen desire' (Buchan 1997). But, '[a]ll of these consequences are dependent on what is, in principle, the most important fact of all, the possibility of monetary calculation …' (Weber 1978: 80-81). This third attribute of money, as a measure of value (money of account),

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[2] In 1878 the American economist Francis Walker decided to put the 'metaphysics' of money aside and to be guided by this simple functionalist assumption, which subsequent generations of economists have followed (Schumpeter 1994 [1954]: 1086).

enables the calculation of actual and potential costs and benefits, profits and losses, debts, prices. In short, money is the basis for the progressive rationalization of social life.

However, money should not be seen simply as a useful instrument; it has a dual nature. Money does not merely have 'functions' – that is to say, beneficial consequences for individuals and the social and economic system. In Mann's terminology, money is not only 'infrastructural' power, it is also 'despotic' power (Mann 1986). Money expands human society's capacity to get things done, as Keynesian economics emphasizes; but this power can be appropriated by particular interests. This is not simply a question, as it is in much Marxist analysis, of the possession and/or control of quantities of money – the power of wealth. Rather, the actual process of the production of money in its different forms is inherently a source of power. For example, modern capitalist money is bank credit-money that is produced on the basis of credit ratings that reinforce and increase existing levels of inequality by imposing differential interest rates. In the most general terms, as Weber, contended, money is a weapon in the struggle for economic existence. Moreover, the dual elements in the nature of money can also be contradictory in that particular interest's advantages may undermine the public benefits. This is a familiar theme in the ultra-liberal economic critique of the government's debt-financed spending that gives it an interest in inducing inflation to reduce the real value of the debt.

As I have intimated, only a very little probing into these well-known observations reveals further longstanding puzzles and paradoxes. Perhaps the greatest paradox is that such a commonplace as money should give rise to so much bewilderment, controversy, and it must be said, error. It is not well understood. Arguably, one of the most brilliant thinkers in economics in the twentieth century struggled unsuccessfully for forty years to finish his 'money book'. I was dismayed to discover that Joseph Schumpeter, according to one of his close Harvard colleagues, was never able to get 'his ideas on money straightened out to his own satisfaction' (quoted in Earley 1994: 342).[3]

Some of the puzzles that lie behind our everyday familiarity with money are revealed by a closer look at the textbook list of 'functions'. Leaving aside economic analysis's misleading implication that the functions explain the existence and nature of money, the presence of multiple attributes in the list raises two questions. Do all the functions have to be performed before 'moneyness' is established? If not, which are the definitive 'functions'? In short, how is money to be uniquely specified? For two thousand years or so, money was identified by the integration of the four functions in the form of coin (and later in notes directly representing coin) – that is, 'money proper' in the late nineteenth century Cambridge economists' lexicon. The value of the coin (or note) was either the embodiment or direct representation of a valuable commodity. This common sense designation of money, as a tangible object, persists and has led to widespread confusions – for example, that electronic money heralds the 'end of

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[3] The puzzle of money is apparent in the frequent use in the literature of the passage from Charles Dickens's *Dombey and Son* in which Paul's ask his father 'What is money?'. Mr Dombey describes some coins to which Paul replies that he understands that, but wants to 'what's money after all'. See Jackson 1995 for this and a wide selection of expressions of similar bewilderment and the range of different conceptions of money.

money' (Cohen 2001). But a closer inspection of the coinage era reveals that matters are not quite so simple. For much of this long period, coins were not stamped with any numerical value – that is, they did not bear any unit of account. This meant that the coin's nominal monetary value and bullion value could and did vary considerably. The sovereign usually assigned the nominal values of coins in accordance with a declared money of account. In medieval Europe, for example, changes in the value of money were mainly the result of the alteration of the nominal unit of account by the king in relation to an 'imaginary' standard of value – 'crying' the coinage up or down, not the alteration of its precious metallic content. Furthermore, many units of money of account – such as the 'pound' of pounds, shillings and pence – were never minted as coin (Einaudi 1953 [1936]). Similarly, guineas continued as a money of account – that is, for pricing goods and debt contracts – for centuries after the coins had ceased to circulate.

'Cash' – portable things that we take to be money – is still used in eighty five per cent of all transactions, but they now amount to only 1 per cent of the total value of monetary transactions. In other words, actual media of exchange are now a relatively insignificant element of most monetary systems; but consciousness of money is still formed to a significant extent by the small-scale transactions. The Euro's introduction in the form of notes and coins is dated from 2002, but the 'money' had existed as a means of setting prices, contracting debts and as a means of payment for over a year before it was embodied in these media of exchange. In short, the question is where is the quality of 'moneyness' located?

There are, in very general terms, two quite different answers to this question. As Schumpeter observed, there are 'only two theories of money which deserve the name … the commodity theory and the claim theory. From their very nature they are incompatible' (Schumpeter quoted in Ellis 1934: 3). Most orthodox economic theory focuses on the concept of money as, essentially, a medium of exchange. This has three meanings that are not always carefully distinguished. Money is either itself an exchangeable commodity (for example, gold coin), or it is a direct symbol of such a commodity (convertible note), or it may be the symbolic representation (*numeraire*) of a commodity standard – cow, barrel of oil, value of 'basket' of commodities.[4] In this view, money is seen as the universal commodity in that it is exchangeable for all others. It should be noted that in this conception 'moneyness' is somewhat tautologically 'exchangeability' – that is, the most 'liquid' commodity. It is at least strongly implied that all other qualities and functions in the conventional list – that is, money of account, means of payment, store of value – follow from, or can be subsumed under, medium of exchange. In sharp contrast, a heterodox 'nominalist' argument maintains that money 'in the full sense of the term can only exist in relation to Money of Account' (Keynes 1930: 3). (Nominalism is closely linked to the notion that money consists in 'claims' and 'credits', not merely tradable objects or their symbols.) In this conception, an abstract money of account is logically anterior to money's forms and functions; it provides all the most important advantages that are attributed to money in general and a medium of exchange in particular. Money of account makes possible prices and debt contracts, which are all that are

[4] In Walras's 'moneyless' model of the economy the *numeraire* symbolizes an already existing value of an arbitrarily chosen commodity as the benchmark standard of value by which the calculation of the exchange rates between commodities can be made. See the discussion in Ingham, 2004, Chapter 2.

required for extensive multilateral exchange to take place. Money accounting, with or without an actual 'money stuff', is the means by which modern market exchange is made possible – that is, of producing action at both spatial and temporal distance. In this conception money is abstract – but an abstraction from what?

The crux of the matter is whether a uniform value standard of a medium of exchange can be established without the prior existence of an abstract measure (money of account). In the orthodox economic account, a scale for the measurement of value (money of account) arises spontaneously from Adam Smith's primeval 'truck barter and exchange'. The most exchangeable commodity becomes money. These can then be counted to make a measure of value, or money of account. However, this raises a fundamentally important question. Could myriad barter exchanges based on individual subjective preferences produce an agreed scale of values? Can the 'idea' of money – that is, as a measure of value – be derived, as Jevons the late nineteenth century economist famously argued, from individually rational solutions to the 'inconveniences' of barter? How are inter-subjective hierarchies of value produced from subjective preferences? Posed in this way, the question of money becomes one of the fundamental questions of sociological and economic theory.[5]

The most startling paradox is, as I have already pointed out, the fact that the mainstream tradition of modern economics does not attach much theoretical importance to money. Two assumptions in orthodox economics account for this counterintuitive position; both are fundamentally mistaken. First, as we have noted, it is maintained that money is a 'commodity'. Obviously, since the demise of precious metal currencies and standards of value, it is no longer argued that money need consist of a material with an 'intrinsic' exchange value. But for modern economic theory, money is a commodity in the sense that it can be understood, like any other commodity, by means of the orthodox methodology of micro-economics – 'supply and demand', 'marginal utility' and so on.[6] In this conception, although 'cash' is now reduced to insignificance, there can, nevertheless, be a 'stock', or 'quantity' of 'things' that 'circulate' or 'flow' with varying 'velocity'. These metaphors are as misleading as the underlying theory on which they are based. As Schumpeter quipped, the velocity of money may be so great that it finds itself in two places at the same time (Schumpeter 1994 [1954]: 320). Even in this orthodox view, money has to be, at the very least, a rather special commodity. For example, apart from the many other considerations, the production of the supply of money is always subject to rigorous control and is not permitted to respond freely to 'demand'. (The severity of the punishments meted out to counterfeiters is testimony to the rigour.) The 'scarcity' of money is always the result of very carefully constructed social and political arrangements.

The 'neutrality' of money is the second paradoxical tenet held by orthodox economic theory. As we have noted, money is 'neutral' in the 'long run' because it is argued that variation in its 'quantity' can affect only the level of prices and not output and growth in the economy.

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[5] In essence, this is Parsons's problem in *The Structure of Social Action* (Parsons 1937).

[6] As explained in Ingham (2004), Chapter 2, the *analytical* structure of the modern orthodox economic analysis of money is derived fundamentally from the original Aristotelian commodity theory in which money is conceptualized as a 'thing' that acts as a medium of exchange because it possesses value.

Indeed, money is not even accorded an analytical place in some of the most prestigious mathematically sophisticated models of the economy – such as Arrow-Debreu's general equilibrium. In short, mainstream economics cannot provide a satisfactory explanation of money's existence and functions; that is to say, orthodox economics has failed to specify the nature of money.

Moreover, this has not been, as they say, a mere 'academic' problem, as shown by the difficulties following the application of the 'neutral veil' conception and the 'quantity theory' to 'monetarist' policy. In the late 1970s and early 1980s, it was thought that regulating the quantity of money in circulation could control inflation, as it was believed occurred under the gold standard. It failed. In the first place, it should be noted that there was an apparent contradiction in the insistence that something without efficacy (the 'neutral veil') should be rigorously controlled. This was resolved with the time-honoured distinction between the short and long runs. In the long run, equilibrium between the quantities of money and goods would prevail. But short run harmful disequilibria in which the supply of money outran the supply of goods, causing a rise in the price level, could occur and should be eradicated. However, it soon became apparent that monetarists could not reach agreement on what 'money' was and precisely how it got into the economy. Regardless of any other practical or operational problems, controlling a quantity of something that could not be clearly identified was well nigh impossible. Within a short time, measures of money proliferated in those countries whose governments practised 'monetarism' – numerous Ms were progressively introduced from M0 (notes and coins and cheques) to M10 and beyond. But they were all measures of what? Furthermore, it became evident that the imperfectly identified and measured quantities of money did not seem to be as closely related to prices, as the basic 'quantity theory' maintained.

As a practical policy doctrine, 'monetarism' was very short-lived – it scarcely lasted a decade in the US and UK from the late 1970s. However, the underlying theory on which it was based has been retained in mainstream economic theory by attributing the anomalies in the relation between quantities of money and prices to short run, temporary, and analytically ad hoc factors. Consequently, the very same conception of money persists as the theoretical underpinning of a different kind of monetary policy in which quantitative money aggregates are no longer considered to be important. Quantity theory's axiom of long run monetary neutrality in the equilibrium of 'nominal' money and 'real' economic 'variables' remains the ostensible foundation for policy, but no longer gives guidance to practical action (Issing 2001). In short, the relationship between the orthodox conception of money in economic analysis and practical monetary policy is now tenuous to the point of incoherence.

More recently, as I have already hinted, the same orthodox analytical framework has led to the conjecture that advances in communication and information technology will replace money in the operation of economic systems. Even the Deputy Governor of the Bank of England has entertained the idea that such an 'end of money' could render central banks redundant (King 1999). As we shall see, these conjectures are as profoundly mistaken as earlier 'monetarism' and the error stems just as directly from the same confusion over of the nature of money. To identify forms of money and their circulation with the quality of 'moneyness' is to misunderstand the phenomenon. It is a basic 'category error' which has persisted since the classical Greek commodity theory of metallic coinage. This misidentification of money has produced enormous analytical difficulties and quite bizarre intellectual contortion in orthodox economics' treatment of the so-called 'dematerialization' of money since the late nineteenth century.

It is very significant that the analysis of money was a prominent issue in the *Methodenstreit* that shaped the disciplinary divisions in the social sciences in the late nineteenth and early twentieth centuries. As we have noted, Schumpeter saw at the time that the two opposing sides held two incompatible theories of money. The 'claim' or 'credit' theories of money to which he referred had existed, at least since the fifteenth century, as alternatives to the dominant Aristotelian commodity conception. In picking up the threads a century later, *The Nature of Money* may be seen, in part, as an exercise in the 'intellectual archaeology' of the social sciences. But of course this can only be the beginning; the aim must be to construct an adequate theory of the nature of money as a social phenomenon.

The Nature of Money: An outline

A theory of money should provide answers to three closely related questions. What is money? Where does it come from, or how does it get into society? How does it get/lose its value? Part I is theoretical and examines the answers given to them by the main traditions in the social sciences. First, the intellectual development in mainstream economics of the notion of money as a commodity and/or a neutral symbol of commodities is examined. Here I elaborate the contention that this understanding of money is deficient because it is quite unable to specify money – that is to say, how money differs from other commodities. It follows that if the question of what money is cannot be answered then the other two – where it comes from and how it gets and loses value – are also likely to be unsatisfactory. Indeed, the question of how money gets into society has been dismissed as irrelevant. As Milton Friedman famously remarked, economics might just as well assume that money is dropped by helicopter and then proceed with the analysis of the effects of different quantities on the price level. The quantity theory of money is deeply infused in both the academic and common sense answers to the third question of how money gets or loses its value. But I shall argue that there are good grounds for challenging the presumption of direct and linear causation from the quantity of money to the level of prices.

Secondly, the strands of the alternative conceptions of money that Schumpeter identified are drawn together in a discussion of money as 'abstract value' and a 'credit', or 'claim'. Attention is drawn to the close relationship of these theories to the state, or 'chartalist' theory of money. Together, they provide the foundations for a non-market theory of money that Keynes referred to as the 'underworld' of monetary analysis. This account aims to make more explicit what I take to be the inherently sociological nature of these 'nominalist', 'credit', and 'state' theories of money.

An analysis of money in classical and modern sociological theory is intended to show the deleterious effects of the narrowly economic conception of money (both neoclassical and Marxist) on modern sociology. A short exegesis of Simmel and Weber on money focuses on the hitherto neglected parts of their work.

These extended analytical critiques of the major tradition form the basis for a sketch of the 'fundamentals of a theory of money'. This is organised in relation to the three basic questions referred to above and attempts to reclaim the study of money for sociology. The aim is not simply to perpetuate the existing disciplinary divisions, nor to advocate that a 'sociological imperialism' replaces economics' hegemony in these matters. I construe 'sociological' in what is today in some circles a rather old-fashioned Weberian manner. As Collins has persuasively argued, the social/cultural, economic, and political 'realms' of reality are each, at one and the same time, amenable to 'social/cultural', 'economic', and above all 'political' analysis (Collins 1986). Moreover, by a 'sociology of money' I intend more than the self-evident assertion that money is produced socially, is accepted by convention, is underpinned by trust, has definite social and cultural consequences and so on. Rather, I argue that money is itself a social relation; that is to say, money is 'claim' or 'credit' that is constituted by social relations that exist independently of the production and exchange of commodities. Regardless of any form it might take, money is essentially a provisional 'promise' to pay whose 'moneyness', as an 'institutional fact' (see Searle 1995), is assigned by a description conferred by an abstract money of account.

Money is a social relation of credit and debt denominated in a money of account. In the most basic sense, the possessor of money is owed goods. But money also represents a claim or credit against the issuer – monarch, state, bank and so on. Money has to be 'issued'. And something can only be issued as money, if it is capable of cancelling any debt incurred by the issuer. Orthodox economics works from different premises and typically argues that if an individual in a barter exchange does not have the pig to exchange for the two ducks, it would be possible to issue a document of indebtedness for one pig. This could be held by the co-trader and later handed back for cancellation on receipt of a real pig. Is the 'pig IOU' money? Contrary to orthodox economic theory, I argue that it is not and, moreover, that such hypothetical barter could not produce money. Rather, for money to be the most exchangeable commodity it must first be constituted as transferable debt based on an abstract money of account. More concretely, as Knapp argued, a state issues money, as payment for goods and services, in the form of a 'promise' to accept it in payment of taxes. A bank issues notes, or allows a cheque to be drawn against it as a claim, which it 'promises' to accept in payment by its debtor. Money cannot be said to exist without the simultaneous existence of a debt that it can discharge. But note that this is not a particular debt, but rather any debt within a given monetary space.

Money may appear to get its ability to buy commodities from its equivalence with them, as implied by the idea of the purchasing power of money as measured by a price index. But this misses out a crucial step: the origin of the power of money in the promise between the issuer and the user of money – that is, in the issuer's self-declared debt, as outlined above. The 'claim' or 'credit' must also be enforceable. Monetary societies are held together by networks of credit/debt relations that are underpinned and constituted by sovereignty (Aglietta and Orlean 1998). Money is a form of sovereignty and as such it cannot be understood without reference to an authority.

This framework for an alternative sociological analysis of money's properties and logical conditions of existence informs the historical and empirical analysis in Part II. Having rejected orthodox economics' conjectural explanations of money's historical origins, an alternative is presented in an analysis of the historical origins of money and its pre-capitalist forms. First, the origin of money is not sought by looking for the early use of tradable commodities that might have developed into proto-currencies, but rather, following the great Cambridge numismatist Philip Grierson, to look behind forms of money for the very idea of a measure of value (money of account). This again takes up and builds on the nineteenth century Historical School's legacy and adds from more recent scholarship. A discussion of early coinage and its development to sophistication in the Roman Empire has two aims. The first is to cast doubt on the almost universally accepted axiom in orthodox economic analysis that the quantity of precious metal in coins was directly related to the price of commodities – that is to say, for example, that debasing the coinage caused inflation. The second theme resurrects another contentious issue from the *Methodenstreit* – the question of whether the ancient world was 'capitalist'. At the time, the economic 'theorists' argued that their explanatory models applied universally across time and space; 'economic man' and his practices were to be found throughout history. The Historical School, including Weber, argued otherwise and I elaborate their case with a more 'monetary' interpretation of pre-capitalist history.

The development of capitalist money is given a detailed treatment, arguing that one of capitalism's distinctive structural characteristics is to be found in its social relations for the production of 'credit-money'. Capitalism is founded on the social mechanism whereby private debts are 'monetized' in the banking system. Here the act of lending creates deposits of money. This did not occur in the so-called banks of the ancient and classical worlds. Aside from its extended application of the theoretical scheme, this discussion is also intended to be a correction of the standard sociological account of the rise of capitalism. Here there is an overwhelming tendency to adhere to a loosely Marxist understanding in terms of the relations of production combined with a cultural element taken from *The Protestant Ethic*. One-sided emphasis on this work has led to a quite grotesque distortion of Weber's work (Ingham 2003). In the construction of an 'ideal type' of the 'social relations of production' of capitalist credit-money, I attempt to draw out the implicit sociology in some of the more heterodox economic accounts of the empirical 'stylised facts' involved in credit-money creation. Attention is drawn to the 'performative' role of orthodox economic theory in the social production of the 'fiction of an invariant standard' (Searle 1995, Mirowski 1991).

This is followed by three case studies of types of 'monetary disorder'. Economic orthodoxy has difficulty in accounting for monetary 'disorder' because of the commitment to the notions of money's neutrality and long run equilibrium of money and goods as a 'normal' state of affairs. If however, money is seen as the a social relation that expresses a balance of social and political forces and, further, there is no presumption that such a balance entails a normal equilibrium, then, monetary 'disorder' and instability are to be expected. The rise and fall of the 'great inflation' of the 1970s, the protracted Japanese deflation of the 1990s, and Argentina's chronic inability to produce viable money are examined.

Three further empirical examples of currently topical issues are used to illustrate the approach. The first is a critique of the many recent conjectures that the impact of technical change on the evolution of forms of money – e-money, etc – might bring about the 'end of money' and, consequently, central banks. These are the result of the fundamental and widespread category error by which 'moneyness' is identified by a particular 'form' of money. The second looks at the claims that local barter schemes might significantly encroach or even supersede formal money. Thirdly, the different analytical approaches to the eurozone single currency experiment are examined. A short conclusion attempts to tie the argument and analysis together and points to the unresolved questions.

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BOOK REVIEW

Anna Hasselström: *On and Off the Trading Floor: An inquiry into the everyday fashioning of financial market knowledge*

Department of Social Anthropology, Stockholm University 2003.

By Matti Kohonen
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Hasselström sets out in the first chapter her view of how market knowledge has become a part of our everyday life, political decision-making, and media information. Different policies are seen a being "market friendly". Hasselström sets out the market knowledge as a sociomaterial construct, in which entanglements make different parts of the market visible. This arena is composed of traders, fund managers, bankers, journalists, NGOs, governments and finally international organisations. The objective is to assess the financial market knowledge that by Hasselström is seen to have three levels: a substantive one, a symbolic range of media representations and one for organisation of knowledge. The arena that is studied is mainly one of connected localities of various face-to-face and mediated linkages.

In the second chapter, Hasselström goes against the idea that capital would be free floating in the globalised economy, instead, she points out how the market is fashioned through the different spheres of organisation and how localised backgrounds play a significant role in the fashioning of market knowledge. This point is elaborated in four stylistically different accounts of persons working in the settings of these stock exchanges. Each one of these accounts represent a different type of market knowledge. Dieter is a German trader in London, who holds a degree in finance from the London School of Economics. Being a research analyst, he doesn't think much of traders and brokers saying that they reason like first year economics students. He models companies, and he says that a good analyst has a large network of contacts in business to check up information. Keith is a bond broker in New York. His knowledge is in keeping up the client relations he has, which are especially valued in uncertain times for both parties. He mainly executes orders from others so he says he doesn't know much of the 'market' and would thus be the wrong person to interview. Then there is description of Nick Leeson, the rogue trader who brought down Barings Bank with severe consequences to the British Economy. It is written in a similar fashion to those interviewed to point out how he too was part of the local knowledge of markets. Derivatives were developed by a new breed of traders who had PhDs in mathematics and were usually referred to as Hooray Boys, stereotyped as being mostly men from privileged backgrounds, highly educated and as persons who follow the crowd. Andy, a foreign exchange trader in London, contrary to the Hooray Boys, is a so called an Essex Lad. They have more of a gut feeling of markets and come from a more working class background, regarded as noisy and bad mannered by others. Hasselström finally points out how local contexts have then become globally significant through the processes of deregulation of national capital restrictions.

Chapters three and four look at the arenas for learning. This time the individual accounts give way to a more networked account of how knowledge is shaped and created in the market. The responses traders gave on how they learn the market differ greatly depending on their background. Time also fashions the market, from the synchronized announcements of central bankers, to making weekend positions on trades. Client relations also make a difference, especially in the entertainment arena, where localities also play a significant component. The special concern of the financial research arena is in the production of financial news, and how they create a setting for fashioning the market; key newspapers are seen as assumed knowledge, that will not help to 'beat the market'. On the sales arena, client relations become essential as the idea is to sell trading ideas to clients. The relationships that are built are known by everyone to be underpinned by different tensions existing between clients, brokers and traders.

Chapter five then goes on to look at the market as a sociomaterial construct. Hasselström focuses on the fashioning of risk, rather than looking at the notion of risk society. Risks are sociomaterially constructed, negotiated and contested. This idea follows the recurrent theme of the book in seeing the double character of the market model as model *for*, as well as, *of* the world. Also in this chapter she stresses that the market is not so global, as it largely depends on private networks. These networks extend selectively across the world, and represent a fragmented process of globalisation.

In the sixth chapter a model is proposed for understanding how markets are fashioned. The reading Hasselström takes on Michel Callon in this perspective, is that markets do not necessarily alienate or reify (as theories not considering sociomateriality often suggest), instead they should be seen as specific processes of disentangling and reentangling. Callon is seen not focusing enough on how market transactions are reentangled in the so-called 'social', where as Daniel Miller is not problematising enough this gap between contingency of economic transactions and the total realisation of social ties that they are seen to account. The concept of *homo mercans* developed by Christina Garsten is introduced to understand the culturally contingent individual who is orientated towards market transactions. This individual also embodies the market morality, one of moral obligation to choose, compare and make rational decisions.

In the final chapter Hasselström analyses how the financial market is located as a phenomenological quality. This is in contrast to seeing the locality as a microstructure determining an abstracted global macrostructure. The study of the *homo mercans* is therefore also a way of analysing globalisation, the study of the market ethic on one hand, and the processes of marketization on the other. Finally, this leads to a discussion concerning the nature of anthropological knowledge, and how it can take a more active role in understanding the economy.

What Hasselström presents is a rich ethnographic picture of the processes of fashioning of the financial market from the point of view of the actors who see themselves as constructing it. The strength of this approach is to preserve the image actors have of themselves and to understand this representation of the image when discussing the fashioning of the *homo* *mercans*. The self-image also requires the exclusion of certain localities in a selective manner, a matter that falls out of the scope of the study. Donaghy and Clarke (in *Economy and Society*, August 2003) point out that financial centres require offshore interfaces such as Jersey and Monaco with highly specific local knowledge concerning secrecy to handle the bulk of actual financial transactions. Thus, localities emerge as powerful explanatory models especially when they are key concentrations of sociomaterial networks, for example, the Essex Lads working in financial services. In the study of sociomateriality of markets, Hasselström makes a case for looking at more the social and interpersonal aspects of the market. I believe this perspective is an important complement to the more material studies conducted in the field of to the Social Studies of Finance; creating an active interplay between different aspects of sociomateriality, and phenomenological qualities of localised knowledge. I think such interplay could benefit the study of other markets as well, and contribute towards wider explanatory strength of anthropological knowledge.

CONFERENCE REPORT

Conventions and Institutions in Paris

By
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Conventions et Institutions: approfondements théoriques et contributions au débat politique 11, 12 and 13. December, Grande Arche de la Défense, Paris

The aim of the conference was to discuss the contribution of the French Convention Economics tradition to the development of institutional theory. The aim was also to strengthen links with other institutional traditions, to clarify main concepts and to discuss how the convention tradition may contribute to political economic debates.

Among invited representatives from congenial traditions were Richard Swedberg (economic sociology), Robert Boyer (Regulation School), Claude Ménard (Neo-Institutional Economics), and Allain Caille (MAUSS-tradition). Other international keynote speakers were Michael Piore and Harrison White. In relation to economic sociology it was suggested that a common objectives could be to denaturalise economic phenomena, i.e. to demonstrate the socially constructed nature of economic phenomena.

Two collective programmatic texts were presented for discussion. Laurent Thévenot presented a text on ‘Values, coordination and rationality. The Economics of Convention, or the time of reunification in the economic, social and political sciences’. François Eymard-Duvernay presented a text on ‘From Incentive Contracts to legitimate conventions. An alternative to neo-liberalism’.

More than 100 papers were presented in 25 sessions covering subjects like ‘pragmatics of institutions’, ‘conventions, coordination and development’, ‘heterodoxies and economics of convention’, ‘monetary and financial conventions’, ‘norms, routines and conventions’, ‘conventions, rationality and representations’, and ‘artistic conventions and quality’.

The program and papers from the conference can be found at this address:

http://forum.u-paris10.fr/C-D/fr/colloque/

PHD'S IN PROGRESS

Corporate Communities in the Netherlands

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The project examines the institutional side of inter-firm relations: the dynamics of networks of corporate governance. The networks that are under investigation include board interlocks and ownership networks in the period 1976 – present. With the aid of Social Network Analysis the changes in these structures will be analysed. The dynamics of the system are scrutinized with the aid of qualitative data analysis, such as extensive interviews with board members. The aim of the project is to investigate how coordination through these interfirm relations has changed over the last thirty years.

Presumably, under the constraints of the ongoing process of transnationalisation, the Dutch corporate regime, which we might denote as the so-called 'Delta-Model' or negotiated economy, is changing towards a more Anglo-American state of affairs. This includes among others less durable relations between firms, due to a shift from voice based to exit based strategies of corporate control.

However, next to overt coordination there might be more subtle forms of system-wide coordination. The embeddedness of corporate action can very well serve such system-wide organising principles. A thorough understanding of the underlying network structures, combined with a study of the actual working of these networks is thus a necessity for a good understanding of the working of corporate regimes.

The collective principles might both stimulate (rapid) change as inertia. Why do differences in governance preference prevail, even when they are a source of social conflict?

Sociologists and Economy during the interwar period in Greece

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Sociological thought has been introduced in Greek society since the early 20th century. In 1908 "The Sociological Society" was founded by Alexadros Papanastasiou. It included several German taught scholars who started their professional careers at that time. Its members played a crucial role in the political, intellectual and economical life of interwar Greece. In their journals (e.g. Epitheorisi Koinonikon kai Nomikon Epistimon- in Greek- Review of Law and Social Sciences, 1908) they published several articles concerning the organization and development of the Greek National State. The interest in sociology grew rapidly, especially during the 1920s, when lectures on sociological themes were held in different fora and related to social events. In Athens and Thessaloniki the first chairs in Sociology were inaugurated (Avrtotelis Elefteropoulos in Thessaloniki & Panayiotis Kannelopoulos in Athens). The striking event is that the sociological interest vanished almost completely after the outbreak of the Second World War.

The thesis is an historical case study in the field of Economic Sociology. Greece is a country of the European economic periphery, showing obvious traces of the modernization process both in the sphere of ideas and in the sphere of politics (i.e. economical and sociological). This process shows a clear causal effect: from the European center to the periphery (i.e. economic intervention) and between the main Balkan national states of the time (i.e. political, social and economic antagonism).

These elements are traced back to the original work of the Greek sociologists in order to support two main hypotheses: first, that their work illuminates a genuine reflection of the economic and social life of the period, combined with the existing system of political power and legitimization. To that system they represent the need of a social organization of the economy; accordingly their work differs from the contributions of pure economists (who don't mix social or political factors). Second, that they set the limits around which the main economic issues were going to be expressed (or suppressed- due to the Greek civil war- 1946-1949); the war interrupted the continuity of the sociological ideas, however, the relations between economy and society owe a lot to their work.

Current PhD projects in economic sociology in Europe.

Young researchers are kindly requested to send in a brief description of their PhD project. Please indicate first: Name of PhD candidate, title of the project, Department, University, City, Postal Code, and email address. Then give a concise description of the project, not much longer than approximately 200 words.

Please send project descriptions to be included in the next issue of the Newsletter as an email attachment to the Editor at:

Patrik.aspers@sociology.su.se

ANNOUNCEMENTS

Result of the ESA Ballot

Results from the ballot for the chairs of the Research Network of Economic Sociology 2003-2005

The ballot was organized after the Murcia conference in September, two names were suggested, Sokratis Koniordos and Søren Jagd. A mail was sent out to the participants of the conference, and 15 replied. The result is that Sokratis and Søren got 15 votes each (one could cast two votes). This means that they will lead be co-chairs of the network the following two years. The next conference, as previously announced in the Newsletter, will take place in Turin, Poland (2005).

Call for Papers: Parsons and the Dialogue Between Economics and Sociology

2006 Special Invited Issue.

More than 20 years after his death, Talcott Parsons is still regarded as the most influential American sociologist. So broad was the scope of his theoretical inquiry, it transcended sociology and crossed into fields of the other social sciences, especially that of economics. We seldom think of Talcott Parsons as an economist. But in fact he was an economist before he became a sociologist.

Parsons graduated from Amherst with a B.A. in Economics in 1924 and went on to the London School of Economics and then to Heidelberg University. He studied at Heidelberg from 1925 to 1927 when Max Weber's legacy of multidisciplinary research was still present in German academia. Parsons's doctoral thesis in economics was on theories of capitalism in works of Max Weber and Werner Sombart. He continued to write mostly on economic topics for five years. The Structure of Social Action was the first major work by Parsons that can be classified as predominantly sociological---predominantly, but not entirely, as a large portion of it was devoted to discussion of Alfred Marshall's economic theory.

Later at Harvard he conducted joint seminars on rationality with Joseph Schumpeter. It would not be an exaggeration to say that explaining the line of demarcation between economics and sociology was a major concern of his. And then building a sustainable bridge between economics and sociology was another of the major goals of Parsons's intellectual life.

Was that bridge built? Did it withstand the test of time? Does it bear much intellectual traffic between the two disciplines today? These questions are of great importance for economists and sociologists, who are still looking for paths to mutual understanding more than 40 years after Parsons's Economy and Society (which he coauthored with Neil Smelser).

Today, a dialogue between sociology and economics acquires a special urgency, as the world looks increasingly like the world of Max Weber. Weber's world was one in which answers found in separate disciplinary compartments seemed to provide a less than adequate understanding of reality.

The changing economies of the post-Communist world, globalization, and the growth of the knowledge economy are among the phenomena that emerge and develop without regard to interdisciplinary boundaries. Once again, a multidisciplinary approach, Weberian in its essence, is needed. And Parsons may serve as the link between Weber's brilliant adumbrations and the analytical sophistication of modern social sciences.

In Economy and Society Parsons noted that economists tend to take social order for granted. In some circumstances this does not affect economic reasoning, so long as the social order remains relatively constant and stable. Today, economists' attention is increasingly directed toward geographic areas and spheres of human activity where social order is either unknown or unstable. An economist who studies emerging market economies throughout the world is confronted with simultaneous changes of a social, as well as an economic, nature. The plethora of processes associated with globalization changes the social order in hitherto stable societies. The knowledge economy changes the very nature of transaction costs, property rights and the labor force, while requiring an as yet undetermined combination of old and new types of social institutions for its functioning. Taking social order for granted no longer seems to be an option for economists.

Although a source of considerable controversy since the 1970s, Parsons's theory continues to influence modern sociology. At the same time, more and more economists and organizational theorists are discovering Parsons, recognizing that his theoretical framework can be an important explanatory tool. Parsons's theory has been proven to possess strong predictive capacity. Parsons insisted that Soviet economy and society were unsustainable in the long run and would have to change or collapse. This prediction, made at the height of the Soviet economic and military power in the mid-1960s, illustrates the potential of Parsons's theory for social and economic research. Can it be used today to make equally bold projections?

The American Journal of Economics and Sociology **invites articles from economists and sociologists on Parsons's contributions to the ongoing dialogue between economics and sociology. Authors interested in participating should submit a 600-word abstract to the journal editor, Professor Laurence S. Moss, Economics Department, Babson College, Babson** Park, MA 02457, USA or LMOS@AOL.COM. The deadline for the submission of the abstract is November 30, 2004 but late arrivals will be considered as space permits. The Proposed final version of the paper will be due on February 1, 2005.

Call for Papers: Alternative Perspectives on Finance

Seventh Biennial Conference

Stockholm University, Stockholm, SWEDEN

AUGUST 8 - 10, 2004

When was the last time you heard a finance conference presentation or read a finance journal article that struck you as bold and imaginative? Alternative Perspectives on Finance seeks to revitalize finance with different methodologies and qualitative and quantitative methods (behavioral, social, critical, legal, historical, philosophical, etc.) from other disciplines that are not commonly applied to financial issues. It also encourages the application of traditional methodologies and quantitative methods of finance to more unusual issues concerning finance. In short, if you have done non-traditional research in finance or have even just thought about finance in a non-traditional way, this conference will interest you. Our hope in organizing these conferences has been to broaden the dialogue in finance and make it more relevant by encouraging research that is interdisciplinary or that challenges prevailing beliefs. Scholars from other disciplines whose work addresses financial topics are especially welcome.

The conference allows substantial time in the sessions to debate the issues raised by the papers. A distinguishing feature is that the discussants, rather than the authors, present the papers with their comments. This makes the role of the discussants more important than usual, since the author's only task is to make a brief reply and participate in the discussion. All registered participants receive a copy of the Proceedings in advance in order to promote audience participation.

Alternative Perspectives on Finance encourages informal contacts and discussions. Our past conferences have been known for their innovative and entertaining social activities.

If you are interested in contributing, please e-mail your paper to Skip McGoun at the address below. The submission deadline is March 1, 2004. If you wish to be a discussant or chairperson without submitting a paper, please write by April 15, 2004. We invite you to discuss your work with us earlier, and we will read and comment on preliminary drafts.

Come join us in 2004 in Sweden and visit our website
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Bucknell University

Call for Publication "Entrepreneurship in New Territories: TowardsNew Groundings"

Invitation to the third "Movements of Entrepreneurship" Publication Workshop.

This is a call for potential book chapters to be presented and discussed at the third Movements of Entrepreneurship researchers' workshop in Tällberg, Sweden, June 6-8, 2004. The workshop is organized by ESBRI (Entrepreneurship and Small Business Research Institute). The resulting works - after additional invitation to workshop participants to enter their revised works to the publication process including reviewing - will be published as the third book in the New Movement Series at Edward Elgar Publishing. The first two books are "New Movements in Entrepreneurship" (2003) and "Narrative and Discursive Approaches in Entrepreneurship" (2004).

Theme of the Workshop

This third workshop is thematically metaphorised by Earth. The Workshop aims at gathering contributions to discussions of a broad range of issues distinguished by their references to earth/ground/soil/territory. We want to approach this theme of' Earth' by gathering around the concept of grounding. There are at least three ways in which the conference participants might relate to this:1) Through considering where/how the spatial grounding is central: the local/regional, communities, clusters, domestic/international, foreign, and so forth. 2) Through considering the theoretical groundings of entrepreneurship studies. How entrepreneurship studies and entrepreneurial perspectives can travel and leave their home grounds, change and disrupt orders in other fields of studies.3) Through considering the societal groundings of entrepreneurship. This approaches entrepreneurship as social entrepreneurship, i.e., as something that belongs to society, rather than economy. Site: TÄLLBERG, DALARNA, SWEDEN

We will lodge in the small and beautiful village of Tällberg. The village resides on a slope looking down on lake Siljan. Lake Siljan is one reminder of the third largest meteorite impact in the world. Around 360 million years ago a 4 km big meteor fell from space and had an enormous impact on earth, thus a worthy place to explore the groundings of entrepreneurship. Close to Tällberg is the extraordinary festival stage Dalhalla, a former limestone quarry. The open mining area created a natural amphitheatre - 400 m long, 175 m wide and 60 m deep. The story of how the performance arena came about offers an excellent example of cultural entrepreneurship. We will have a private visit at Dalhalla as one social event.

Outline of the Event

The workshop will begin early Sunday afternoon in Tällberg. It is easy to get to Tällberg from Stockholm via train (example: departure 08.55 am from Stockholm C, arrival 12.22 at Tällberg). We will start with a collective warming up exercise in the early afternoon grounding us all in the spirit of Tällberg, in the territory of its stories and practices. The rest of the Sunday will be used to get to know each other and initiate our discussions. Monday and

Tuesday will be used to discuss papers. On both days, each manuscript will separately receive feedback by two workshop participants. Each participant will be asked to prepare for and provide detailed feedback on one paper, to lead workshop discussions. There will also be a short closing session concerning the further writing and publishing process. The workshop will end Tuesday afternoon.

Important Dates

February 29th 2004: Deadline for three page abstract March 15th 2004: Notification of acceptance decision March 31st 2004: Confirmation of participation by payment May 17th 2004: Deadline for sending in first draft of paper May 24th 2004: Participants will receive the papers of other authors by e-mail October 1st 2004: Deadline for sending in reworked version Spring 2006: Publication of the book

Payment and Subscription

The fee for participation (workshop participation, conference documentation, all meals from two-three course dinner(s) Sunday to lunch Tuesday, and special and social events) is 350 Euros. Rooms are 100 Euros per night for single occupancy and 75 Euros per person for double occupancy, and can be booked through ESBRI. Doctoral students can apply for a discount on the participation fee when sending their abstract. Upon acceptance of their abstract, participants will be asked to confirm their participation and receive information concerning payment. It should be noticed that participants will have to confirm their participation at the workshop by payment (of both conference fee and hotel rooms) at the latest March 31st, 2004. Payment will be considered as the only valid form of confirmation.

On Esbri

ESBRI is an independent research institute located in Stockholm, Sweden. ESBRI was founded by Mr. Leif Lundblad, a successful Swedish inventor and entrepreneur. In June 2002, ESBRI celebrated its fifth anniversary since the official inauguration by his Majesty Carl XVI Gustaf in June 1997. For general information and workshop coordination, please contact Magnus Aronsson: magnus.aronsson@esbri.se

For questions on contributions, please contact Daniel Hjorth: daniel.hjorth@esbri.se or Chris Steyaert: chris.steyaert@unisg.ch For more information on ESBRI and the Movements of Entrepreneurship workshop series, consult http://www.esbri.se (Swedish or English version).

A more detailed invitation to "Entrepreneurship in New Territories: Towards New Groundings" can be found here:

http://www.esbri.se/movements_invitation.pdf

Course: The Amsterdam Maastricht Summer University

Summer course, August 2-6, 2004 Amsterdam

The Value of Culture course explores different types of interrelationships between economy and culture: economic aspects of culture as well as cultural aspects of the economy. In doing so, the course is interdisciplinary, contrasting different academic perspectives and theoretical angles.

The aim of the course is threefold. First of all, we want to explore the economy of the arts. In spite of the fact that, strictly speaking, the arts are of limited economic importance, they have attracted widespread attention from economists. We will look for both the usefulness and the limits of an economic framework: rather than focusing on costs & benefits, utility, self-interest, narrow economic rationality, etc, we will explore the role of social relationships and cultural values in the economy of the arts.

Second, we aim at understanding the cultural constitution of the economy. In mainstream economics, the notion of culture is reduced to the action of self-interested individuals in chilly market institutions. Culture is squeezed into an overall discourse focused on 'rational behaviour,' utility maximising agents, and price-making markets. The critique on this standard economic perspective is growing in force. The course goes beyond the dominant paradigm in economics, and its concomitantly thin-blooded notion of culture. Instead, the course will ground the economy in different and vital contemporary renditions of culture. Drawing on dissenting voices within and outside of the economic discipline, we will present a cultural perspective on the economy.

Third, we aim to illuminate and discuss the way in which “economy” and economic aspects of life are both portrayed and enter into cultural objects and experiences. The arts have been a prime place for the cultural representation and construction of economic activities and relationships. The course will, therefore, work toward understanding how we can understand these representations, and will also look at the effects of these representations on art and socioeconomic life.

Speakers

Arjo Klamer - Professor in the Economics of Art & Culture, Department of History & Arts, Erasmus University, The Netherlands

Jack Amariglio - Economist & Cultural Theorist, Professor of Economics, Merrimack College, USA

Olav Velthuis **–** Economic Sociologist, Visiting Scholar at Columbia University, New York.

Location

The course takes place in Felix Meritis, an 18th century monument in the heart of Amsterdam.

Course Fee € 850,--, which includes welcome drinks, lunches, coffee & tea, all course materials, and one dinner. For more detailed information see:

http://www.amsu.edu/courses/artseconomics/eco22004.htm

Course: Summer Institute in Economic Geography

The second Summer Institute in Economic Geography will take place in **Bristol, England, July 11-16, 2003**.

This will be an intensive, week-long residential programme of activities designed to develop an in-depth understanding of the innovatory developments and continuing challenges in this diverse and fast-moving field. The meeting will feature plenary contributions from a number of internationally renowned economic geographers.

The Summer Institute will provide an opportunity to investigate leading edge theoretical, methodological, and research-practice issues in the field of economic geography (broadly defined), along with a range of associated professional and career development matters. This international meeting will be specifically designed to meet the needs of new researchers in economic geography, taking the form of an interactive workshop for 25-35 participants. Please note that the number of places is limited. Topics for the meeting will include: locating the boundaries of "economic geography," qualitative research in economic geography, challenges of policy-oriented work in economic geography, and grant-writing and publishing in economic geography.

Open to doctoral students, postdoctoral researchers, and recently appointed junior staff/ faculty from around the world (normally within 3 years of appointment following a PhD), the Summer Institute will comprise an intensive, week-long residential program of activities designed to develop an in-depth understanding of the innovatory developments and continuing challenges in this diverse and fast-moving field. The meeting will feature plenary and small group contributions for the entire week from

Professor Trevor Barnes, University of British Columbia

Professor Ray Hudson, University of Durham

Professor Amy Glasmeier, Pennsylvania State University

Professor Vicky Lawson, University of Washington

Professor Andrew Leyshon, University of Nottingham

There will also be contributions from guest speakers during the week.

All those wishing to attend the conference, or wishing to apply for financial support, must complete a pre-registration form by February 14 2004. Although the details of financial support are still being finalized, there may be a *small* Institute participation fee and it may be necessary to charge up to £90 for accommodation for the week.

The Economic and Social Research Council is supporting the Summer Institute under its 'Research Methods' programme and will provide subsidised places to certain eligible candidates.

Additionally, there are a number of *Summer Institute Fellowships* available (which make a contribution towards participation fees, travel, and accommodation costs). These sponsored places will include support earmarked for participants travelling from outside the privileged countries of the world and the details are currently being finalised.

Applicants are encouraged to identify their own sources of funding, where available.

Further details and pre-registration forms (including application procedures for Summer Institute Fellowships) can be obtained from

http://www.wun.ac.uk/economicgeography

The second meeting of the Summer Institute will take place at the University of Bristol's School of Geographical Sciences in July 2004, after which the intention is to convene meetings on a bi-annual basis.

Further information about the Summer Institute in Economic Geography can be obtained from Adam Tickell (a.tickell@bristol.ac.uk: University of Bristol) or

Adrian Smith (a.m.smith@qmul.ac.uk: Queen Mary, University of London).

Bristol is approximately 120 miles west of London. It is served by a regional airport and excellent transport links from London and Heathrow airport.

Further information about the city can be found at

http://www.visitbristol.co.uk/

http://www.bbc.co.uk/bristol/

http://www.bris.ac.uk/citybristol/

http://members.lycos.co.uk/brisray/bristol/bind.htm

Early pre-registration for the Summer Institute is strongly encouraged.