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This book analyses activities and patterns of responses to disruptiveness by participants of social situations. It looks at strategies of coordinating activities and expectations in various contexts, such as interpersonal interactions, organizational stress and failure, and violence and warfare. The main finding of the book is that there is a certain “relational bias in strategies of response to disruptiveness” (p. 235), which manifests itself in both minor and severe unsettling contexts, in individual and collective responses alike.

What does this mean? Put simply, Vollmer argues that when confronted with disruptiveness, the participants of social situations focus on status, membership, social capital and forming coalitions, while issues such as the gathering of information and immediacy of norms and morality fall somewhere in the background. In situations when we need to interact with unknown participants, or with known participants but in new and unknown circumstances, the classification of others and the self-categorization of us in terms of position, membership and relations gains priority. This was evident from the responses subsequent to the disruptions provoked in Garfinkel’s experiments: “What came over you? We never talk this way, do we?” But it also occurred in episodes of conflicts between newcomers and senior members in formal organizations, in the sequences of turbulence brought by succession, as well as in the dramatic search for alliances during warfare. The tendency to pick sides and clarify membership has always manifested itself.

Vollmer reaches this conclusion in an initiative which mobilizes and systematizes theoretical tools from a variety of sociological analytical traditions in order to establish the basis for a sociological theory of disruptiveness. Figuring highly among the resources put to use are the sociological theory of framing, keying, interaction order, practical sense and expectations. Insights have also been brought from the sociology of habitus and social capital, and from historical and organization studies. The theoretical effort is quite fascinating because the material is organized in such a way that we practically witness the birth and first steps of a new theory.

But why is a sociology of disruptive events something new? And what are its starting assumptions? According to Vollmer, sociological theory has indeed, more often than not, underlined the significance of disruptions, and their impact on social order. Yet, it has so far failed to cumulate and systematize the valuable yet scattered input brought by sociologists. There are several reasons for this state of affairs. The most obvious is perhaps the fact that sociologists do not actually differentiate among “[v]arieties of disruptiveness” (p. 207). Instead, they are used to applying a sort of “bifurcation of ordinary and disastrous disruptions” (p. 12), without really taking into account the relation between these two opposing manifestations – “sociologists have not produced an understanding about how disastrous disruptions relate to the ordinary troubles which researchers like Erving Goffman have been investigating” (p.8).

Vollmer therefore concludes his book with a proposal to distinguish different sets of instances within a continuum of disruptiveness, from ordinary to critical events – the so-called “varieties of disruptiveness”, such as disruptions, disaster and runs of punctuated cooperation. Whether an event resembles more a disruption, a disaster or a run of punctuated cooperation is endogenous to the order of social situations, and depends on the manner in which participants cope with actual occasions. In addition, we should also be aware that the characteristics of sequences are changing in time, so that what began as a punctuated cooperation may take the route of a disaster, and eventually of normalization. Analyzing disruptiveness according to this logic would mean tracing the dynamics which takes a case from a starting point C to point E, and establishes the shifts in its characteristics and the timeline of these events. For instance, this is how the timeline of the Challenger accident could be depicted – “[…] the Challenger disaster would begin at point C with an instance of punctuated cooperation in which coordination is unsettled after which some normalization of deviance takes place, before disruption is marked more explicitly just before the start of the shuttle, the disaster takes place, there is a collective after-
It thus emerges that there are at least two main points made by this book. The first argument – regarding the relational bias in patterns of response to disruptive events – is more in terms of a falsifiable statement. Vollmer has already given us food for thought in this regard. He showed, for example, that in episodes of the normalization of disruptiveness, the "cognitive (what happened when and why) and normative (assessments of deviance, sanctioning) keyings" (p. 234) are of the essence and not the relational expectations. The second point – regarding sociology as an analysis of varieties of disruptiveness (and not of disruptive events sui generis) – is more in terms of a theoretical meta-assumption and general methodological approach.

These are both strong and valuable contributions. The problem is, however, that they might be too ambitious to bring under the same roof. The book might simply set out to accomplish too much by advancing both the founding arguments of the sociology of disruptiveness and the hypothesis that in the wake of disruptiveness, participants of social situations focus on issues such as one’s positions, status, membership and building of coalitions. Some inconsistencies and incomplete thoughts therefore occur throughout the book. For instance, the title gives the impression that this is mainly a work about the sociology of disruption, disaster and social change, while the process of punctuated cooperation is of secondary importance. But from the reading, it seems that Vollmer is instead arguing for a sociology of varieties of disruptiveness whereby punctuated cooperation, as a set of events within the continuum of disruptiveness, appears on an equal footing with disruption and disaster. So why is punctuated cooperation mentioned only in the subtitle? Another issue is that some of the arguments, while interesting, are nevertheless caught in a circular logic. For example, Vollmer argues that disruptions and disasters are not external events sui generis, but that they are endogenous to social situations. By the same token, it is not disruptions which lead to punctuated cooperation, but punctuated cooperation may lead to disruptions. Theoretically, this all sounds fine. But in the empirical discussion it was relatively difficult to uphold to this theoretical standard. Sometimes, grave varieties of disruptiveness were nevertheless presented as exogenous impacts on social situations by the author himself – see, for example, the discussion about succession, warfare etc.

While these inadequacies cannot be overlooked, we should not let them distract from the main arguments of the book. There is certainly a vacant theoretical niche in sociology as far as the response to varieties of disruptiveness is concerned, and Vollmer’s book undertakes a vital job of filling it.


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*Making a Market for Acts of God* is an ethnographic account of the coordinative practices that constitute the global reinsurance market. The book contributes to economic sociology, more specifically to the sociology of markets, in that it explores how collective market practices generate economic evaluations. Like other social studies of finance (Callon 1998; Kalthoff 2005; Knorr Cetina & Bruegger 2002), Jarzabkowski et al. make use of practice theory. While this practice approach guides their extensive empirical research to various sites of market-making (p. 17), the authors move beyond merely delivering descriptive detail. They set out to answer ‘big questions’ (p. 190) and apply practice theory to macro-level phenomena such as market stability.

The ethnography starts with two observations. First, it is difficult to assess the product that is being traded (disaster risk) because of its underlying uncertainty. Since it is impossible to estimate the exact time and place of future disasters, reinsurances do not know precisely what kind of risk will be responsible for triggering later indemnification claims (p. 3). Second, the reinsurance market is astonishingly integrated. General norms for cooperative behavior are salient, and sanctions for disloyal and opportunistic behavior are exercised (p. 55). Moreover, the industry’s claim “united we stand, divided we fall” (p. 11) comes to life in the practice of “collective risk bearing”, where the different reinsurances buy segments of deals at the same price agreed upon by consensus. The authors suggest that such a strong consensus is, in fact, a solution to the problem of product-inherent uncertainties.
Their central question, namely how the industry achieves consensus in practice, leads to the concept of coordination. Previous studies about coordination in markets, however, cannot explain the strong consolidation of the global reinsurance market. In contrast to traditional markets that either implicate face-to-face interactions or heavily rely on state regulation, Jarzabkowski et al. characterize the reinsurance market by the infrequency of its meetings (only annual meetings are held) and by the absence of strong regulative structures (p. 14). Furthermore, the comparison to other financial markets – which, after all, also deal with the task of commodifying uncertainty – shows that the reinsurance industry does not depend on technologically aided information exchange (Knorr Cetina & Bruegger 2002) or dominant analytical models (Millo & MacKenzie 2009) to the same extent that classical financial markets do. Therefore, the authors suggest a new concept for the analysis of reinsurance markets: “relational presence,” which they distinguish from the competing approaches by calling them “embodied presence” and “response presence” (p. 16). Relational presence connotes that underwriters and other relevant actors at various sites in the reinsurance industry act through the same means and in awareness of each other (p. 188). They simultaneously quote for the same deals, use analogous calculative technologies, and similarly adjust for the existing financial commitments and risk appetites of their companies when assessing new deals.

The main body of the book (chapters 2–5) provides the reader with a vivid account of those practices within and across different market-making sites. The last chapter (chapter 6) explores market dynamics and develops the concept of “nested relationalities” – the assumption that the different market-making sites connect and react to one another. Specifically, Jarzabkowski et al. reconstruct changes at one market-making site (the cedents) and propose that these trigger the transformation of general market characteristics: The market for acts of god, they tell us, changes into a market for commodities (p. 158). In drawing analogies to the subprime mortgage crisis, they argue for the imminent instability of the reinsurance market when it treats risk as a precisely assessable commodity. Though this generalization only appears in the last chapter, it builds on assumptions that are implicit in the preceding ethnographic parts, namely that the former market for acts of god was actually “able to financially trade” (p. 182) in disaster risks, as its practices were a solution for the unpredictability of underlying events. How do the authors argue in the case of market instability? Starting in 2010, one of the largest global insurance companies begins to retain more of its less extreme risks and reduces its 240 reinsurance deals (including a wide range of risk types and territory) to just 5 “bundled” deals that cover their entire portfolio (p. 159). As more insurances are able to carry more risk by diversifying their portfolio themselves, they leave only the more extreme events to the reinsurance industry, therefore making the latter more “catastrophe-centric” (p. 163). This change in the cedents’ behavior confronts underwriters at reinsurances with the more complex bundled deals, as well as with more infrequent, incalculable events. Jarzabkowski et al. portray the industry as agitated about those developments, since the reinsurances had never focused solely on extremely seldom events and accordingly do not have experts “who can calculate super catastrophe” (p. 165). Even if deals can be evaluated technically (through models similar to the Black-Scholes one), the market for acts of god relies heavily on something the authors call “contextualizing.” Contextualizing modifies any kind of formalized evaluation by taking into account the more specific attributes of the deal, the relationship to the client, current market dynamics and the reinsurance’s own risk portfolio and risk appetite (pp. 89, 175). Since the practice of contextualizing is extremely specialized with distinct “epistemic cultures” (p. 101) and therefore said to be incommensurable, the evaluation of bundled deals is difficult to manage within those old structures. Jarzabkowski et al. suggest that the processing of bundled deals leads to a strengthening of the commensurable technicalizing aspects of evaluation at the cost of contextualizing. Increasingly, risk becomes “a commodity that may be relatively precisely valued and traded” (p. 182). The overreliance on the technicalizing aspects of evaluation, i.e., on models, disconnects the commodity from its underlying “reality” (p. 176) and therefore renders reinsurance markets potentially unstable. Although this change of coordinative practices that stabilized traditional reinsurance markets presents an interesting case for research (especially in light of the numerous crises in other financial markets), the book’s claim about the instability of the global reinsurance market requires further empirical support and reflection, as well as conceptual specification.

For the argument of market (in)stability, Jarzabkowski et al. gather empirical evidence from traditional reinsurance settings. While this enables them to speak about changes to this one setting, the analysis of general market dynamics remains somewhat speculative. Other actors (apart from reinsurance companies and their employees) either appear as triggers for change or are only briefly touched upon.
without giving details about emerging calculative practices. The study, for example, mentions that the current use of correlation techniques in insurances differs from the techniques of risk diversification in reinsurances (p. 179) but does not explain how so. Though hidden from the view of reinsurers, it might just be that insurances, as they attempt to diversify their portfolio in order to retain more risk, assemble and apply contextualizing expertise (either by recruiting their own analysts or by buying analytical competence from external providers). What the authors witness does not inevitably speak of a new overreliance on models and a market that is “losing a sense of reality” (p. 178) but possibly tells us something about the organizational and professional problems of reinsurances being forced to accept a specific, predetermined portfolio. This, admittedly, is an issue for small reinsurances, since they do not have the capacity to cover expertise for all kinds of risk and therefore cannot contextualize the information condensed in bundled deals (p. 176). Nevertheless, it does not explain the assumed misalignment between “reality” and models, nor is it sufficient evidence for the drastic consequence of market instability that the authors predict. Jarzabkowski et al. run the risk of becoming too immersed in the self-descriptions of experts in the field, as they center their observations mostly on one type of market actors (namely underwriters). After all, the underwriters’ skepticism towards new calculative practices does not necessarily have to be explained by the drastic consequences for the industry as a whole; it could also be seen in the light of power struggles and jurisdictional claims of occupational groups (Abbott 1986).

Furthermore, the ethnography forfeits opportunities for analytical precision, because it does not specify the concept of commoditization. Commoditization refers to calculative practices that detach an “entity from its particular physical or material basis” (p. 71f.), thereby constituting tradable objects. Considering its analytical significance for the book, the authors devote surprisingly little time to putting this definition into relation with other concepts, such as marketization. In juxtaposing the market for commodities with the market for acts of god, they imply that the market for acts of god shows a lesser degree of commoditization and that an “increased marketization” and “more commoditized products” potentially lead to market instability (pp. 174–177). Jarzabkowski et al. establish that there is an antagonism between increased marketization and stable markets; unfortunately, they do not reflect upon the puzzle that the “less marketized” market for acts of god is still a market. Commensuration and commodification have – to some degree – always been part of (re)insurance markets. Insurances frame events in economic terms and thereby construct a good that they call risk (Dean 1998; Ewald 1991; Zelizer 1978). The empirical observations in Making a Market even show that underwriters do actually compare risks across epistemic cultures, as they describe their deals in the commensurable terms of rate of return, risk appetite, and risk diversification (pp. 65, 67f.; 71f.). Do Jarzabkowski et al. insinuate that a semi-commoditization, a continuous distrust in commodifiability, is necessary in order to have a stable market? In focusing on the transformation from a market for acts of god to a market for commodities, the authors portray the former reinsurance market as being in a state of equilibrium with just the right amount of commoditization. This interesting but surely controversial position on market stability would have benefited from a more extensive discussion.

Though the authors’ conclusion about the cognitive limitations of technicalized evaluations does not fully convince, their rich empirical material allows for another way to argue for the instability of reinsurance markets. I will briefly indicate how the ethnography supports an argument about the potentially destabilizing effects of lost pooling capacities and of diminished organizational control over price reactivity (see also Heimer 1985). Instead of arguing about losing a sense of reality, I suggest emphasizing phenomena of (1) losing traditional pooling potentials and (2) of losing the opportunity for payback.

(1) Solvency is a core issue for (re)insurances and can therefore advance our understanding of organizational (Huber 2002) as well as market structures. Global diversification has been an established strategy in the reinsurance sector. Even though reinsurances do not know precisely when a flood will occur, for example, in Germany, offsetting it with other flooding events across the globe or even with other types of events will help them remain solvent. This is a basic technology of insurance. Even though one does not know which individual case will have to be indemnified, collecting from a large pool of clients will enable solvency on the part of the (re)insurer. The reinsurance market depends on covering many national markets and therefore benefits from the cedents’ inability either to identify that in global perspective their acts of god may just be statistical variations or to find the resources to retain such risks. When insurances start to diversify globally, the market is left with extremely rare events. Staying solvent by spreading risks globally is one option that the reinsurance industry is increasingly having problems grasping. The market’s
instability is not necessarily a result of more complex and opaque calculations but rather stems from the fact that traditional means of spreading one’s risk are no longer available.

(2) Throughout the book Jarzabkowski et al. give detailed accounts of the relevance of long-term relations between reinsurances and their cedents, but they don’t reap the benefits of this insight for their generalizations. It is possible to interpret long-term relations not just as an information mechanism, but more so as another strategy of guaranteeing solvency despite the difficulty of evaluating the product. Some of the most fascinating passages of Making a Market relate to the notion of “payback”. Payback refers to the long-term relations of cedents and reinsurances through various cycles of hard and soft markets, i.e., low and high prices. It is an understanding that reinsurances will be able to raise prices after a disastrous event has happened. After an event, underwriters build up expectations and collectively bid for a higher consensus price – or as one interviewee puts it: “The market wants payback” (p. 36). When alternative financial deals compete for deals with the classic reinsurance industry, the former co-dependence weakens; it becomes more difficult to push for higher post-damage prices in order to build up reserves. Instead of explaining market instabilities through unrealistic predictive techniques, the loss of payback opportunities directly points towards systemic problems of solvency, and therefore of market stability.

The biggest asset of this book is its comprehensive ethnography. Anyone interested in the sociology of insurance and financial markets will profit from having read this striking empirical account of the reinsurance industry. The practice approach achieves two objectives. First, it covers different sites and modes of market coordination such as calculative technologies, membership in organizations and expert communities. Second, the concept of relational presence describes them in terms of their market-making effects and therefore explains coordination in absence of face-to-face interactions, technological mediation, or dominant models. Unfortunately, as Jarzabkowski et al. apply practice theory to the “big question” of market stability, the distinction between self-descriptions of the field of traditional reinsurance actors and the authors’ explanatory claims is repeatedly blurred. Moreover, the authors do not attempt to apply this concept to other markets in order to test its usefulness in comparison with other explanations, such as embodied presence and response presence. How would a relational approach rewrite what has been said about professions, networks, and norms in other markets? Since most sociological work can be said to be about “relations” (Fourcade 2007), such demarcations would have been helpful in clarifying the analytical benefits of practice theory. In the end, Jarzabkowski et al. present an intriguing argument but leave quite a few central questions unanswered.

References