Book reviews

Branko Milanovic · 2019

Capitalism, alone. The future of the system that rules the world

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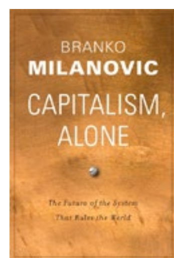

Economic inequality is the main theme of the research of Branko Milanovic, former chief economist of the World Bank, currently senior scholar at the Stone Center on Socio-economic Inequality, and one of the leading scholars in this field. His perspective on inequality as shown in his 2016 book on "Global Inequality: A New Approach for the Age of Globalization," is a worldwide one and one which, as he claims, is insufficiently taken into consideration. His new book deals, as the title says, with the future of global capitalism. Inequality, however, also remains one of his principal concerns in this book, because he sees the increasing inequality as systemic in capitalism and as an inevitable consequence of economic development and globalization. Some former Third World countries grew fast over the last decades, causing global inequality between nations to decrease, while inequality within most countries has risen. This success of some countries, notably China, came about in ways that are different from those of "the West" or the USA. He perceives a bifurcation into two competing types of capitalism, one being the "liberal meritocratic capitalism" represented by the USA and to some degree by European or Western countries, and the other the "political capitalism," which he connects with China and some other countries like Vietnam and Indonesia.

In the first two chapters he presents the main features of these two types of capitalism, starting with "liberal meritocratic capitalism" (pp. 12), which he sees based on the principle of "meritocratic equality," that is, the ideal assumption that careers are open to talent. However, instead of leading to decreasing inequality of opportunities, from the 1980s onwards this has led to a considerable rise of inequality accompanied by an unlimited striving for success measured in money terms. He especially points out the increasing concentration of capital and labor incomes, because the rich are not only rich in capital and the income drawn from it, but also earn incomes from work, mostly in highly paid positions and on the basis of a good education from the most prestigious schools (pp. 34). Milanovic embeds this fact of "homoploutia" in the socio-economic context, connecting it with a predominance of assortative mating (homogamy) between capital- and labor-rich individuals resulting in heightened inequality between households and high intergenerational transmission of wealth, while intergenerational mobility recedes. "The rich" have become a self-perpetuating upper class that, moreover, dominates politics by unrestricted private funding of political parties and of lobbying. Milanovic's critique is that "everything that enables this class to maintain and reinforce its position and is within the bounds of the law is, ipso facto, desirable" (p. 66).

In turning to "political capitalism" he discusses at some length the role of communism in the world, because he holds that political capitalism "is in many cases a product of communist revolutions conducted in societies that were colonized or de facto colonized, such as China" (p. 67). He does not discuss other forms and conceptions of political capitalism, but focuses on former Third World countries, where communism enabled these societies "to abolish feudalism, regain economic and political independence, and build indigenous capitalism" (p. 75). The communist revolutions were following a nationalist agenda aiming at a strong state run by a socialist-nationalist party. In China the reforms of Deng Xiaoping in 1978 introduced liberal capitalist elements into the economy and gave space to the private sector for developing its dynamism. But Deng did not want to adopt the Western political system because the private economy should not dominate the state. Uniting a capitalist or market economy with a one-party political system and the efficient rule by a technocratic bureaucracy set on pursuing the aim of realizing high growth without the binding rule of the law proved successful, even if inequality has markedly increased in China since. There is a high concentration of capital and high intergenerational mobility resulting in a new capitalist elite, which, however, has relatively little political power. As Milanovic sees it, the advantages of political capitalism over more democratic countries

lie in its ability to surmount the legal and technical impediments to growth easier and to induce private actors to work for overall growth.

Having described these two types of capitalism, Milanovic discusses some problems that arise from globalization and that concern the issue of inequality. Regarding labor from a strictly economic viewpoint as a factor of production just like capital, he is convinced that the fully free movement of people from one country to the other would lead to an increase of global incomes and a decrease of global inequality (p. 139). From this perspective it appears desirable to remove barriers to the fully free movement of people, one of these barriers being the unwillingness on the side of rich societies to accept migrants. In this connection he introduces the concept of "citizenship premium" or "citizenship rent" based on membership in a nation-state, which he sees expressed by the differences in income levels, including social benefits, between countries and which lead migrants from poor countries to move to rich countries. Milanovic's proposition is that the native population would be "more likely to accept migrants the less likely the migrants are to permanently remain in the country and use all the benefits of citizenship" (p. 142). The solution for the problem of migration that Milanovic suggests, is to treat migrants differently, pay them less, employ them only on a temporary basis, and exclude them from receiving all social benefits, thus giving them a "citizenship light." To my understanding this mixing up of citizenship, which is a legal concept, with economic differences that stem from the status as a worker, is problematic. Apart from this, however, it is also difficult to see this differential treatment as a viable policy, since it would run counter to anti-discrimination laws and ideology, which, anyhow, he sees as exaggerated. Moreover, it would create different categories of migrants and lead to the formation of an underclass, to ghettoization, and to an increase in the level of conflicts in society. He is aware of these latter problems, but points to the future for which he expects a widespread "degrounding" of people as well as "the emergence of fully flexible labor markets with temporary jobs" (p 192), a prospect that could be less desirable than he seems to think.

Another possibility of ending the migration problem according to Milanovic, would be if poor countries would catch up with the rich in terms of individual incomes. A precondition for this is that poor countries are included in the global supply chains of Western companies, which he sees as the reason behind the universal spreading of capitalism and its dominance in the world (p. 154). He does not consider the problem of the dependence of the poor countries on the rich countries or the global enterprises, nor does he discuss the problems of global supply chains. Instead he sees a tacit coalition between the rich in the rich countries and the poor in the poor countries, because capital returns go to the capitalists in the center and skills and wages go offshore, making the middle classes in the rich countries the losers of globalization. Throughout the book he speaks of "the rich" and "the poor," implying a polarization within countries as well as between them, as if there was nothing in between, and without referring to the relativity of rich or poor. This is also apparent when he comes to discuss the welfare state in the context of globalization and argues, not surprisingly, that in the long run the two of them are not compatible. He sees "the poor" streaming into the welfare states from outside and "the rich" opting out of the welfare state, but does not consider those who are neither rich nor poor, but who make up the mass of the population in most countries, at least those with a welfare state.

Milanovic gives special attention in this book to the problem of corruption which, as can easily be understood, rises with globalization. In political capitalism the close relation of bureaucracy and business leads to endemic corruption which cannot be curbed by rule of law because that, as he says, would destroy the system. As to democratic societies, he thinks some degree of personalized as opposed to impersonal application of rules is even desirable, and that the possibilities for eliminating corruption are limited in spite of the strict anti-corruption rules in liberal capitalist countries, which he anyhow sees as excessive. Moreover, he argues that corruption has an equalizing effect on incomes in the global perspective (p. 173). In light of this he thinks that we should regard corruption up to a certain level as more or less normal, a view which for many will outright not be acceptable.

Milanovic sees no alternative to "hypercommercialized global capitalism" (pp. 177). Thus, different from others like Wolfgang Streeck (2016) or Immanuel Wallerstein et al. (2013), he does not foresee the end of capitalism or its dissolution in an era of constant crises and conflicts, but assumes the persistence of capitalism globally, at least if no "external" and highly disruptive events like nuclear war – and we may add global natural catastrophes or worldwide outbreaks of infectious diseases – occur. But the question he poses is whether liberal capitalism or political capitalism will prevail or whether some mixture of both will develop. He seems to think that the plutocratic tendencies in Western societies could lead to discarding democracy in exchange for high

growth and incomes and to turning to some form of political capitalism. Does he then assume that the latter guarantees growth and income rises? He sees the chance of the spread of the Chinese system depending on the emulation by those countries in which China invests heavily, as China itself so far has not adopted a strategy of spreading its model to other countries. Milanovic, thinking probably of the US or the West, envisages two other future scenarios that, however, will depend on decisive changes of policies (pp. 215). The first is "People's Capitalism," where people have equal *shares* of capital and labor incomes, but different amounts of them with the consequence that inequality persists but does not rise while, however, allowing some degree of intergenerational income mobility. A second scenario he mentions is "Egalitarian Capitalism," where people have equal *amounts* of capital and labor incomes, so that a rise in the share of capital in national income does not result in a rise of inequality. As to measures curbing inequality, he addresses tax advantages for the middle class, high taxation on wealth and inheritance, providing good education with low cost for all, "citizenship light" for migrants, and the abolition of private funding of political parties (p. 217).

His presentation of the future of capitalism and the problems of globalization is based on clear economic argumentation, using a considerable amount of data that are presented in an accessible way. But his outlook on the Western model of capitalism and especially the situation in the US is based on a moral argument focusing on behavioral issues, not backed by empirical findings, like the "inevitable amorality" of capitalism and people becoming "capitalistic calculating machines" whose morality is "outsourced" to the legal system (p. 195). The limitation to the two forms of liberal and political capitalism, represented by the US and China, makes the argument clear, but results in the complete disregard of other parts of the world like Africa, South America or Russia, and of the differences between the US and Europe. On the whole, however, the book makes interesting reading and proposes controversial arguments which are apt to stimulate further discussions.

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Jon Shefner and Cory Blad · 2020

Why austerity persists

Cambridge, UK: Polity Press

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It goes without saying that *Why Austerity Persists* is a most compelling title in the current covid-19 crisis. Austerity is at once the magnifier – if not arguably the central factor – of this dramatic social crisis, and the looming policy solution, which might be escaped only by unprecedented political resistance. This seeming paradox speaks well to Shefner and Blad's argument of austerity's hegemonic status as the unavoidable "normative expectation and perpetual condition" of our societies for the past forty-five years. The authors' main contribution does not lie so much in the depth of their historical and theoretical analysis but rather in its scope. The book offers a broad overview of the varieties of austerity experiences throughout the globe since the 1970s, by selecting particular case studies that span the most studied cases of the USA and Europe all the way to Latin America, Africa, Asia, and Oceania. The acknowledgment of austerity's extensive history in the Global South allows a comparative analysis that highlights historical differences and continuities through a taxonomy with three major categories.

The first is regime type. Regimes range from the explicitly au-

thoritarian, such as the infamous case of Augusto Pinochet's Chile, to at least formally democratic regimes, such as Alexis Tsipras' Greece or David Lange's New Zealand. It is this attention to political settings that demystifies the role of the state as a "neutral arbiter." With austerity, the state does not shrink or lose influence: it rather shifts priorities, which no longer aim at state-centered economic development but rather to "impose the new market logic and reinforce the power of the class constituency to which it responds" (51). This shift requires ever more coercive force. The cases of post-colonial countries such as South Africa and Zimbabwe are especially illuminating in this respect. The authors underline the continuity between colonial oppression and austerity's fierceness in foreclosing the expectations of the black liberation movement towards inclusion and socio-economic justice. In this sense, the political violence of Apartheid was translated into economic violence by way of the state's austerity policies, which enabled the exploitation of black labor through its submission to market forces.

Domestic agency varies across cases, especially in the Global South. The second taxonomical category accounts for this variation. The "degree of external imposition" captures the tightness of the relation between austerity, dependency, and long run-colonial practices of extraction. This relation is reproduced through the typical structural adjustment programs or even capital flight. Third and finally, the category of "the breadth and depth of the impacts of austerity" addresses the differences in the impacts of austerity not just between countries but within them. Metrics such as real wage changes, layoffs, unemployment, and inequality reveal the class face of austerity as well as its ultimate rationale: the profit of the few and subordination of the many.

The bottom line of the authors' incisive comparative analysis is that, while different contexts matter, ultimately austerity policies act everywhere in a common direction. Austerity's significance as an "economic tool" in favor of the larger political project of neoliberalism thus lies exposed.

It is here that my concerns start to emerge. The authors themselves state that they seek to recognize the "long and global history of austerity." I contend that the authors' emphatic association of austerity with neoliberalism inadvertently weakens this effort. The consequence is to partly undermine their analysis of austerity's capacity to persist.

In the first place, the history of austerity begins well before the Chilean experiment of the 1970s. Austerity as we know it today emerged in the early 1920s as a reaction to the unprecedented economic role of the state in running the war economy, and especially as a bulwark against widespread socialist revolution. Britain's acquaintance with austerity did not happen – as the authors affirm – after World War II (where the word austerity had a very different meaning to the practices we associate it with today) but actually after World War I, with the first commitment to curtail debt and inflation via the draconian combination of higher interest rates and budget cuts that produced an unprecedent level of unemployment followed by wage curtailment.[1] Moreover, it is at this time that the newborn Economic Council of the League of Nations acted as the pioneer of the current international financial institutions, such as the IMF and World Bank, in offering loans to starving countries conditional on their acceptance of the thin gruel of austerity. The austerity recipe of budget curtailment, price deflation, and wage cuts were imposed not only on countries suffering war destruction such as Greece, Hungary, and Austria but more generally and globally: Brazil, Australia, and India had a taste of it too.[2] The financial pressure of having to compete within a global capitalist market played its coercive role, while economic experts coming from the Bank of England, the British Treasury, and European universities provided the theoretical and moral backing for these disciplining mechanisms.

This historical gap on the part of the authors drives them back toward the sort of American-centric analysis that their project on the whole properly eschews. Indeed, the economic theory supporting austerity stems from the neoclassical framework that dates to the end of the 19th century, long prior to the neoliberal ideologues of the Mont Pèlerin Society or the Chicago School of Economics. The neoclassical legacy is alive and well in many parts of the world: austerity has its global autochthonous supporters notwithstanding American direct guidance. It is enough to think about the so called "Bocconi boys" in Italy and their influence on the Troika,[3] who are the grandchildren of the neoclassical economists working to implement austerity under Fascism in the 1920s. Luigi Einaudi was both the second president of Bocconi University and its inspiring mind as well as an influential advocate of 1920s austerity. An inquiry into the logic and assumptions backing these neoclassical economic theories is crucial for understanding the deep-seated persistence of austerity, especially for a book that stresses the "power of ideas".

The importance of getting the history of austerity right is not merely scholastic. It is a matter of connecting austerity not just to neoliberalism but to the dynamics of capitalism *as such*. The study of how austerity persists cannot be understood separately from the

requirements for the persistence of capitalist accumulation, and the economic coercion that is so peculiar to capitalist surplus extraction. In this respect, the emphasis of the authors on the intention of cutting labor costs is crucial to austerity's purpose. Likewise, their statement that "austerity has been used as a tool to make the poor and the working and middle classes pay for those changes in the global political economy that might have otherwise forced economic elites to diminish profits" (p. 155) leads to conclusions that are not limited to neoliberalism. It is this broader perspective that might allow Shefner and Blad to explain not merely the global diffusion of austerity but also the tight global interconnectedness of the austerity episodes they study. It would also go a long way toward explaining their strong concluding sentence: "Greece and Spain were confronted with the inevitability of neoliberalism and austerity in large part because of Chile, and later on other nations, suffered through austerity" (p. 154).

Endnotes

1 See Skidelsky, R. 1981. "Keynes and the Treasury view: the case for and against an active unemployment policy, 1920–1929". In *The Emergence of the Welfare State in Britain and Germany, 1850–1950*, edited by W.J. Mommsen, 167–87. Beckenham: Croom Helm; Mattei, C. E., 2018. "Treasury view and post-WWI British austerity: Basil Blackett, Otto Niemeyer and Ralph Hawtrey," *Cambridge Journal of Economics* 42 (4): 1123–1144; Tooze, A. 2014. *The Deluge: The Great War, America and the Remaking of the Global Order, 1916–1931.* New York: Penguin.
2 See C. Mattei. *The Guardians of Capitalism.* Chicago University Press, forthcoming.
3 Helgadóttir, Oddný. 2016. "The Bocconi boys go to Brussels: Italian economic ideas, professional networks and European austerity." *Journal of European Public Policy* 23 (3): 392–409.

Ève Chiapello and Patrick Gilbert · 2019

Management tools. A social science perspective

Cambridge: Cambridge University Press

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How to study management tools from a sociological perspective? Ève Chiapello and Patrick Gilbert present not one, not two, but ten possible answers to this question. Offering a concise overview of some of the most prevalent sociological theories of the past few decades, they sketch out their possible applications to matters of management. This volume first appeared in its French version in 2013. Favorably received by the French speaking research community, Cambridge University Press presented a revised English edition five years later. The careful translation is idiomatic throughout and allows for an agreeable read. More than that, it makes accessible or recalls theoretical approaches that enjoy particular popularity in French scholarship to non-French speakers, such as the psychosociological or the conventionalist tradition. Having said that, the authors also invite us to follow the trails of Marx, Foucault, Desrosières, Latour, Giddens, and others.

Mind you, this is not your book of choice when looking for a captivating storyline. Rather, it serves as a finely crafted reference guide for students and researchers in the fields of sociology, political sciences, or organizational studies who have an interest in approaching management as an object of analysis. As a result of their various teaching activities, the authors conceived the volume as material for doctoral and postdoctoral researchers. Yet, given its modular set-up and clear and simple presentation, graduate students can easily work with it, too. Teaching staff will equally benefit from consulting Chiapello and Gilbert in setting up courses in economic sociology and adjacent fields.

The book is divided into three parts: an introductory chapter detailing the authors' theoretical assumptions; the main body of the work comprising the ten social science propositions on how to make sense of management tools, which Chiapello and Gilbert term "theses"; and a synthesis suggesting ways to integrate the approaches discussed. Before they show *how* sociologists may study management tools, the authors elaborate on *why* they should do so. They consider management tools "intangible techniques," bound up with social action. Positioning themselves in the tradition of science studies, more specifically in line with authors concerned with the agency of materiality, Chiapello and Gilbert warn us of three standpoints that gloss over the complexity and social embeddedness of management tools: denial of technology, technophilia, and technophobia. Mobilizing the anthropology of techniques, they propose to understand management tools as "a specific group of organisational objects that have characteristic traits and can be described in three ways": functional ("what is the tool's use?"), structural ("what does the tool consist of?"), and processual ("how should it be used?") (p. 27).

The authors then lead the reader through the ten "theses,"

taking up one theoretical approach at a time. In the structured fashion that marks their writing, they distinguish three categories: critical views with which management tools can be analyzed as instruments of domination and discipline; institutionalist perspectives which may elucidate the structural dimensions of management tools; and interactional approaches which can focalize the human-object relations forming around management tools. In this, the authors achieve their declared aim of pinning down each theory's core message in a couple of pages without simplifying it. Conveniently, they round off every thesis by highlighting its key points and display the essence of each approach in useful tables. Moreover, brief excerpts of published case studies illustrate possible empirical applications. The three guest-authored sections by Bénédicte Grall, Marion Brivot, and Carine Chemin-Bouzir do not disappoint and blend in seamlessly with the writing style of the main authors.

What most starkly sets apart the English from the original edition is the last part. Previously, that chapter was devoted to four case studies putting the arguments made to the test. In the revised volume, Chiapello and Gilbert decided instead to reveal some of their recent research and produce a synthesis of the preceding sections. Their goal here is to get to the bottom of what they call the "agency" of management tools and they do so by examining their immediate ("first-order") and indirect ("second-order") effects. It may be questioned, however, if another theoretical account really does serve the purpose of a textbook better than some practical examples would.

These positive observations notwithstanding, another critical note is in order. Chiapello and Gilbert concede repeatedly that the theories chosen were not originally designed for the analysis of management tools and admit to a certain conceptual "eclecticism" (p. 203). This very openness certainly speaks for the sociological nature of their endeavor as they refrain from building on recent advances in organization and management studies and return to the classics instead. Nevertheless, it may leave aficionados of conceptual precision dissatisfied at times. The authors do seem to have an underlying idea of their object of analysis that remains narrower than they claim. Repeated enumerations point towards that: management tools, for Chiapello and Gilbert, may thus include "appraisal interviews, quality norms, coaching" (p. 58); as relevant specialists they count "computer scientists, management controllers, process engineers" (p. 191). Hence, the authors implicitly focus their study on the context of the corporation and disregard other organizational contexts where management practices play out, such as public administration. Although the authors claim to construct the notion of management tools by the very act of analyzing it, it thus remains blurry throughout. These considerations do not, however, diminish the many achievements of Chiapello's and Gilbert's contribution. *Management Tools* could become a standard reference work for students and scholars of economic sociology, management studies, and organizational psychology alike.

Daniel Beunza · 2019

Taking the floor. Models, morals, and management in a Wall Street trading room

Princeton: Princeton University Press

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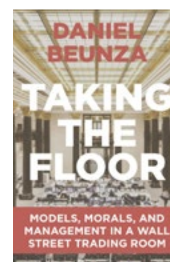

On Friday, March 20, 2020, the US stock exchanges were supposed to end one of the "blackest weeks in their history". In fact, the Dow Jones was lower than at the time Donald Trump took office. This time the reason was not the collapse of the housing market bubble or the bankruptcy of one of the most dominant investment banks, namely Lehman brothers, but a highly aggressive and dangerous form of the smallest pathogen that thrives on living tissue. In other words, the Coronavirus SARS-CoV-2. Although similar in outcome, a crucial difference is that the causes of the current loss of value in the financial markets should not primarily be sought within the financial system itself but are external. However, this does not mean that it does not affect financial systems, nor that financial systems are currently irrelevant. On the contrary: financial actors such as hedge funds now see enormous profit-opportunities by betting on the breakdown of many weakened companies through short selling. Though all consequences cannot be assessed yet, it appears plausible that the corona crisis will have

a greater impact on the economy and on society than the financial crisis following 2008.

Against this background of recent financial turmoil caused by the corona pandemic, Daniel Beunzas' latest publication (2019) takes on a surprisingly new relevance. In "Taking the Floor" he addresses the role of economic models, of management, and of morals on Wall Streets' trading floors. According to his richly documented work, moral orientations and normative self-regulation in banking could make a decisive contribution to avoiding future crises. Theoretically, the book follows both the insights of social studies of finance with its focus on sociotechnical materialities as well as economic-sociological insights on "markets and morality," which acknowledge the embeddedness of economic action in social structures with a strong emphasis on its moral legitimization (Zelizer, 2017). Economic action is therefore by no means conceived as a morality-free area. However, the responsibility for the global financial and economic crisis does not lie with the individual "greedy" motives of certain bankers. Contrary, Beunza argues, that certain developments and innovations within financial markets supports moral disengagement, that "supresses the activation of self-sanction, and facilitating the practice of unethical behaviour without a feeling of distress" (237). Accordingly, Beunza claims that "morality needs to be brought back in to finance, both in practice and the study of finance" (5).

The book consists of thirteen chapters and presents, following the author, the product of an "academic version of cognitive dissonance" (11), which the two parts of the book also reflect. The first, which is based on the original fieldwork Beunza did on one of Wall Street's trading floors from 1999 to 2003, focuses on the use of knowledge, the connections between models and traders, and how the management enables collaboration. The second part is a revisiting of the same financial actors during and after the financial crisis. The financial crisis both separates and connects the two parts of the book. The former is reflected by the incompatibility of the insights he extracts from his original fieldwork with the scandals and incidents that occurred in the wake of the financial crisis: instead of competition, he had found collaboration; instead of fraud, personal commitments; and proximate control instead of greed. The latter is reflected in the Beunza's idea that an alternative organisation of trading and culture in financial sectors could be the solution to avoid crisis. Or in his own words (14): "how should banks organize the use of economic models to take into account their performative effects?"

Starting from the quantitative revolution and the emergence of the Bloomberg trading terminal that were typical innovations during the 1980s and 1990, Beunza examines daily action on Wall Street. As a consequence of this development, Knorr-Cetina and Bruegger (2002) had already observed the phenomenon that a trader's daily life is characterized by a face-to-screen-interaction and intersubjectivity without co-presence. As a result, they find that social relationships are trumped by technology. In contrast, Beunza finds a hybrid world that is both technical and social: data feeds, social relations, algorithms, and personal ties are of equal relevance for the practice of trading. In particular, local networks consisting of other desks on the floor, managers or brokers at the NYSE reduce uncertainties inherent in economic models and help traders to cope with ambiguous information, for example on corporate mergers (55). That situation resembles a "toggling back and forth between the screen world and social milieu" (97) rather than primarily being determined by infrastructure.

Within this culture, the manager – Bob – takes a key position. By explicitly questioning and criticising the established financial market culture, he enforces attitudes and norms that do not correspond to the celebration of the maximisation of individual benefit and technical rationality that Abolafia (2001) once described as typical. Here, additional norms guide action: timeliness, no "stacking of monitors" with the trader hidden behind, no renegotiations of bonuses, polite behaviour and respect for other professions (e.g., operation officers). Such enforcement of norms aims at establishing etiquette by emphasizing the benefits of civility (159) and at regulating the negative effects of "performative spirals" (129). This concept, which is central to explain financial crisis developments, illustrates the reciprocal relationship between economic models and financial properties. It is based on the assumption that new calculation methods in financial markets will lead to new investment practices. Yet, the emergence and spread of a wide range of economic models on Wall Street also leads to a diversification of the properties of financial securities. Beunza thus points out that hence the former achievement of having opened up new sources of knowledge does not necessarily lead to more security, but conversely also creates new risks and uncertainties. One danger lies in the "amplification of error arising from a cognitive similarity and confrontation with market rivals via economic models" (183); namely the concept of "resonance" as it was conceptualized by Beunza and Stark (2012).

Moreover, according to Beunza, this alternative organiza-

tional culture includes elements of an earlier "outdated" form of organizing trading floors that is more oriented through partnership and corporate capitalism. In the age of Black-Scholes and Bloomberg terminals, this could be seen as a "reaction to modern excess" (170), as reflected in the distinctive opportunism or the disregard for the law and customer interests. By contrast, Beunza's concept of "model-based moral disengagement" points to the inherent dangers of using economic models in financial markets, which is to undermine moral judgment. Thus, he concludes that economic models, derivatives and risk management affect the effectiveness of moral judgements, ethical behaviour and the forms of self-correction of traders. Using modern arbitrage as an example, he shows that the use of economic models is by no means purely technical, but social. Moral disengagement can also be a response to the frustration of having made losses despite the risk management system. This frustration is even worse if the trader himself would have decided differently than the algorithm (239). This could cause damage to the relationship between traders and management, which was previously characterized by personal obligations, collaboration and communications between different desks (35ff). Following Beunza "proximate control," as the management enforced it, might be the solution to avoid future crises.

Overall, the book can be highly recommended as it provides interesting insights into an alternative culture of Wall Street. It raises important and difficult questions about the potential of a normative change in the world of banking that require further research. A particular strength of the book is certainly to be found in its methodical approach. This shows that the combination of participant observation and the analysis of subjective perceptions and experiences on the basis of interviews generates more comprehensive knowledge. Thus, in an untypical but refreshingly alternative way, one's own ethnographic results are supplemented, revised and reinterpreted by an extended interview study. It is impressive how Beunza brings the empirical field, the sociological concepts, the analytically gained insights and their extension by other methodological perspectives into dialogue. At the same time, however, this challenges the reader, as the author's positions on his findings are not always clearly identifiable. Another remark refers to the idea that normative self-regulation, the reactivation of moral self-sanctioning can reduce, or eliminate the negative effects of the financial sector. It should be considered that the emphasis on management enforcing alternative standards in the financial system risks neglecting structural pressures such as competition. This also provokes the attribution of individual responsibility, which is actually to be avoided. Even those morally grounded banking practices that seek to take equal account of social, ecological, and economic principles can hardly prevent financialisation (Lenz & Neckel, 2019). Self-regulation or self-sanctioning relies on the implementation of a political regulation that protects from market and competition (Neckel, Czingon, & Lenz, 2018).

In view of the measures taken to prevent the spread of the coronavirus, even Wall Street traders no longer work locally but from their home office; the possibilities for "proximate control" have by nature been limited. In times of social distancing, the impact of social proximity and physical co-presence for normative self-regulation in the financial system remains to be proven. In general, future analyses dealing with the relationship between the global corona pandemic and financial markets should focus more strongly on the interpretation of morality, as Beunza has demonstrated so impressively here.

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