

BOOKS

A NEW HANDBOOK OF ECONOMIC SOCIOLOGY

Kálmán ERCSEI

Doctoral School of Sociology, Eötvös Loránd University of Science
Pázmány Péter sétány 1/a, H-1117 Budapest; e-mail: ercseikalman@yahoo.com

Katalin GÁL

Doctoral School of Sociology, Babes-Bolyai University
Kogalniceanu u. 1, R-400100 Kolozsvár; e-mail: gal_katalin@yahoo.com

Boglárka SIMON

Doctoral School of Sociology, Eötvös Loránd University of Science
Pázmány Péter sétány 1/a, H-1117 Budapest; e-mail: boggyika@yahoo.co.uk

Milán SZATHMÁRI

Doctoral School of Sociology, Corvinus University of Budapest
Fővám tér 8, H-1093 Budapest; e-mail: milan.szathmari@uni-corvinus.hu

Bernadett SZÉL

Doctoral School of Sociology, Corvinus University of Budapest
Fővám tér 8, H-1093 Budapest; e-mail: bernadett.szel@uni-corvinus.hu

Smelser, N.J. and Swedberg, R. eds.: *The Handbook of Economic Sociology*.
Princeton–Oxford/New-York: Princeton University Press/Russel Sage Foundation, 2005.

The Handbook of Economic Sociology, a monumental work is a fully updated second edition of the first *Handbook* published in 1994. As shown by the editors in the preface, the second edition is motivated fourfold: by the success and critical attention, by the sizable and sustained sales, by the course adoptions and by an accelerated economic sociology. These have convinced the editors that time was ripe for a new edition. Although two-thirds of the chapters are new or have authors different from those of the first edition, the editors found the initial general architecture suitable for this second publication, too. Despite the differences, the retrospect view is common in both editions, a reflexive approach to the present, its comparison with the past, and perspectives of future researches.

The book has three main parts: the first part contains general considerations regarding different aspects of social economy and gives a summary of innovations and proposals. The second part deals with economic systems, economic institutions and economic behavior. The last section analyzes various points of intersections of economy and society. In the following paragraphs we try to sketch this book, by overlooking the parts and chapters, and concentrating on the merits of the work.

Except for the first study (*Introducing Economic Sociology*, 3–25), which gives a clear definition and a general review of economic sociology, each chapter of the first part presents a newly rising perspective of the discipline worth to attention, which widens its field of inquiry and establishes the goal of exiling the homo oeconomicus, who was called by Bourdieu the *anthropological monster* of economics. Even the above mentioned first study ends with notes and recommendations regarding the relation of economic sociology and economics, and so underlines the necessity and the importance of the dialogue between economics and other social sciences. This gives sociology and economics the chance of becoming *complementary articulated* disciplines.

The study of Frank Dobbin (*Comparative and Historical Approaches to Economic Sociology*, 26–48) aims at approaching and describing *economic behavior* with historical and comparative methods. The author offers an overview of the work of the three classics through a triangular structure (power-institutions-networks / Marx-Weber-Durkheim), and of those who have followed their theories. As a result of the historical-comparative work, the author makes an inter-relational statement that emphasizes the interference of the three terms: the power influences, the existent economic institutions and conventions through the networks of economic life. The existing institutions and customs shape the emerging institutions and customs through the networks that are the conduits of power.

Victor Nee's study (*The New Institutionalisms in Economics and Sociology*, 49–76) focuses on the new institutionalism in economics and sociology. His goal is to lay out core features of a new institutional economic sociology that would bring back the capability of explaining how shared beliefs, norms and institutions work. He aims "to integrate a focus on social relations *and* institutions into a modern sociological approach, to the study of economic behavior by highlighting the mechanisms that regulate the manner in which formal elements of institutional structures in combination with informal social organization of networks and norms facilitate, motivate and govern economic action" (pp. 49). Nee resumes the foregoing neo-institutional works and their critics, presents a basic neo-institutional model and its four empirical applications. Finally, the author synthesizes his thoughts about the evolution of neo-institutionalism. Regarding this matter, he formulates the idea that economic sociology is "well positioned to benefit from, and contribute to, intellectual trade with economists, especially in light of their turn to sociology for understanding about the social dimensions of economic life". Thanks to these steps, the study gains an evolutionary aspect, which is also one of its strengths.

Like economic sociology itself, and the *Handbook* too, in Bourdieu's study¹ (*Principles of an Economic Anthropology*, 75–89) tries to analyze economic life beyond the simpler perspective of economics. In the short foreword to his study, Bourdieu argues for the necessity of forming the term of the *field*, which can give the real explanation for economic causality. After this, Bourdieu creates the term

¹ Bourdieu intended to write an essay on economic anthropology explicitly for the *Handbook*, but his untimely death in 2002 prevented him. The authors publish the English translation of the *Principes d'une anthropologie économique* which was first published in *Les structures sociales de l'économie* (2000 Paris: Seuil, 233–270).

(*economic*) *field and habitus* with his specific language and terminology. Both terms are organized by the distribution structure of the (financial, cultural, technological, commercial, social and symbolic) capital owned by the agents, and the structure of cost distribution constructed by the agents.

Operating with the logic of the field and with the term of habitus, Bourdieu creates the principles of economic anthropology and gives an original critique of economism, with the goal of reunifying “the social sciences by working to restore economics to its true vocation as a historical science” (p. 87).

The study of Roberto Weber and Robyn Dawes (*Behavioral Economics*, 90–108) deals less with the sociology of economics, but focuses much more on behavioral economics as a complementary discipline to economics. Even though the paper can be considered as a compendium of the empirical research results in the field of behavioral economics, and reflects only economic sociology tangentially, it also invites economic sociologists who are interested in behavioral economics, to interdisciplinary work.

The central term of Mabel Berezin’s paper (*Emotions and the Economy*, 109–127) is the concept of *emotion*, eliminated from the world of economic sciences, but living its renaissance in the analyses of economic behavior and action of the economic actors. The study focuses on creating an analytical frame which is able to integrate the term into economics and sociology. This paper also includes elements of motivation beside its summative and theory-building character. Berezin, too, ends her paper with an invitation to economic sociologists presenting four possible themes for empirical analyses, calling them to join empirical researches on the relation economy- economic action-emotion.

Papers on topics of the economic core are presented in the second part of the Handbook being grouped in three sections, such as research into economic systems, institutions, and behavior. The first section is opened by Ian Morris and J.G. Manning (*The Economic Sociology of the Ancient Mediterranean World*, 131–159) who study the economic sociology of the Mediterranean between 3000 B.C. and 700 A.D. After clarifying the main concepts and parameters, together with the three main debate areas (the state, the towns and the role and function of economic growth), the main models of the Ancient economic sociology are described. A group of both classical and contemporary sociologists is convinced that research into this area is fruitful, particularly when, for instance, making long-range historical comprehensive analyses. Hence, in a book dedicated to introduce the recent results of broad-range economic sociology, it is reasonable to introduce the results of the holistic embedding of the ancient Mediterranean into wide-scope thematic sciences.

The authors explain why they discuss the economic sociology of the north-eastern (Greek and Roman areas) and the south-western parts of the Mediterranean contrary to the Weberian and Marxist traditions; they point out that although these societies differ from each other in many aspects, commerce connected them so much that from many economic and cultural aspects, it is more rational to treat the basin as a whole. Contemporary sociologists increasingly share their opinion (i.e. Peregrine Horden, Nicholas Purcell). The seven-step evolutionary scale constructed by Max Weber is introduced by the authors at first place.

Gary Gereffi (*The Global Economy: Organization, Governance and Development*, 160–182) looks into global economy from the organizational and governance point of view. He points out that more and more micro-level examinations focus on the activity of globalization-critic groups; this approach is relevant for the author as well, because it is used by social and green activists for the sake of questioning the operation of the present system. The authors try to explain to what extent the current system can be treated as a brand new one among the development grades of world economy. Discussing governance in global economy, they introduce two approaches: the institutionalist aspect focusing on countries at meso-level and the organizational aspect concentrating on companies.

The first hybrid theory was created by Margaret Whitley; it agrees with the approach of the institutionalists emphasizing institutional complementarities and cohesion, while pointing out that the more integrated and mutually strengthened the institutional system of a certain region or population is the more coherent and unified its business system will be. On the other hand, the author argues that based on results of international research, international competition reduces the influencing effects of national roots on corporate behavior.

In the last section the author gets back to a major question of globalization that is crucially important from the societal point of view: the problematic of control of governance. He points out that the globalization-critics do not only object to the lack of transparency and accountability, but also blame globalization-related processes for hunting the social network and national support systems. One of the major problems is that profits generated by globalization are divided in a rather unbalanced way, emphasizes the author.

Neil Fligstein (*The Political and Economic Sociology of International Economic Arrangements*, 183–204) calls attention to the fact that bibliography referring to international economic agreements contains predominantly research conducted from the political and economic science point of view, although sociologists from the political economics, world system theories, Neo-Marxist and world culture aspects have also contributed. The authors point out that theories born in the last 30 years are mainly constructed on a realist basis, while the distinguishing question of post-realist researchers is why international contracts are concluded by the states if the loss of sovereignty might be their consequence. The authors introduce four theories answering this question (neo-realism, political economics, Neo-Marxist and world system theories, constructivism) and provide a typology for international economic agreements.

The contribution of Lawrence P. King and Iván Szelényi (*Post-Communist Economic Systems*, 205–229) can be understood as a continuation of the topic aiming at examining the socialist economic system the way it was introduced in the first edition of the handbook. The point of the authors is to introduce the distinguishing features of the economic systems that were born on the ruins of the collapsed socialist economic regimes. They emphasize mainly those unique characteristics that emerged during the communist-capitalist transition, and thus explain in which features and to what extent this transition differs from the previous ones in history. Moreover, they introduce a comparative political economic theory constructed from several variations of the existing post-communist capitalism.

They emphasize that it is for the first time in world history that capitalism emerged in a place where the system of private property (institutions and owner classes) had not been worked out yet. (After Eyal this phenomenon is called “capitalism without capitalists”.) Again, they detail that this is the first time in history that capitalism emerged from such a non-capitalist system where the accumulation of capital as well as industrialization have already taken place more or less. In their analysis the authors describe three models (capitalism from without, capitalism from above, capitalism from below) introducing how capitalism could emerge from communism and also detail them based on 14 characteristics.

The following section deals with questions raised by economic institutions and behavior. Richard Swedberg (*Markets in Society*, 233–253) contributes to filling a gap, because in spite of the fact that the first edition of the book introduced the analysis of the markets by Adam Smith from the economic point of view in comparison with economic theory, economic sociology has devoted less attention to this problem. There were more sociologists who attempted to set up a market theory but the situation has not been explored and discussed from a holistic point of view profoundly, and we cannot even talk about a univocally accepted theory, either. The author introduces the different attempts and encourages further relevant research into this field.

Wolfgang Streek (*The Sociology of Labor Markets and Trade Unions*, 254–283) analyses the relationship between labor markets and trade unions, while introducing the key concepts and research traditions valid in economic sociology-focused perspectives, and also a historically grounded typology of the actors of the field. While aiming at foreseeing the future of labor markets the author also introduces the main characteristics and relevant processes that were observed in advanced industrial countries.

Linda Brewster and Mark S. Mizruchi (*Banking and Financial Markets*, 284–306) reject the idea that observing and analyzing the bank system and finances belong to the scope of the authority of economists. Naming Marx and Weber, they point out that sociological tradition exists in this field, but admit that there evolved a certain gap after those remarkable scholars. It was in the 1970s that sociologists started to deal with this issue again, and the aim of the authors is to provide an overview of the findings in this era.

Meanwhile they focus on two questions. They ask who controls the companies, referring the question to banks when presenting how their role has changed in corporate financing. They provide an overview of the changing structures of capital markets and other financing sources (institutional investors, venture capital and stock market), while painting a clear picture of the mechanisms of speculations. The analyses predominantly focus on the USA.

Andrew Abbott starts his study (*Sociology of Work and Occupations*, 307–303) by asking the following question: when work stops being an economic phenomenon if we take into consideration the fact that the aim of economic sociology is the application of the sociological perspective to economic phenomena. His opinion is that non-wage work style should be reconsidered. Secondly, Abbott describes the historical development of work definitions, based on classical anthropological literature, and formalist and substantivist approaches. These highlight that the border between work and leisure is quite misty, which is nowadays also defined as self-realizing time. The

above mentioned historical development is placed in the structure of work possibilities. Finally, he describes work systems whose formation in the USA, and in Europe also, underwent various transitions and changes.

The sociology of work in Europe and also in the USA is an old and separated branch of the discipline. The radical and critical question is an internal heritage, concerning the suitability of work in the human experience system, in this matter the sociology of work, as a discipline, is a strong challenge for economic sociology, and as a consequence, economic sociology started to be concerned about the so-called non-economic sectors of work, too.

Viviana Zelizer (*Culture and Consumption*, 331–354) highlights a different aspect of the social development of the topic. Her aim is not the description of consumption, but of the interactions between culture and consumption, and the evaluation of consumers' participation in economic life. In the culture and consumption delimitation process she refers to three basic approaches, which she dismisses as wrong. First, the economists' approach: consumption is a "real" rational benefit-maximizing activity, shrewdly accrued from culture; second the culture researchers' approach: consumption is an essentially expressive activity that not necessarily fits into rational economic behavior; and third, as a synopsis, "consumption divides between a hard-nosed region of rational maximizing behavior and a soft-hearted region of cultural expression". As a matter of fact, consumption appears to be embedded in culture. The author draws our attention to the fact that the secret of understanding consumption lies in the observation of culture, social relationships and the interactions of economic processes. She seeks an answer regarding what kind of challenges consumption research means for economic sociology.

Henceforth, Zelizer analyzes households, the ethnical-racial communities' consumption and the forms of small trade. She presents the consumption behavior of households, the role of money, the unpredictable and unpaid work exemplifying research results. The analysis does not provide a simple economic sociological approach, but tends to apprehend interaction/meeting points to new labor research views.

According to the author of *Sociology of Money and Credit* (355–378), Bruce G Carruthers' definition, money is a generalized, immediate and transferable legitimate value, while credit is a non-generalized, deferred, and variably transferable legitimate claim on a specific value, which illustrates not only the differences, but also the overlaps between the two notions. The study describes the relationship between money and credit, summing up the sociological biography of the two.

The use of money is greatly unequal in society. It has a long development through the years. Carruthers describes three functions of it, namely swap, co-domain and accounting unit. Finally, in his discussion of money he talks about the relation between money and trade. It is followed by the presentation of credit. Unfortunately, his research has escaped the sociologists' attention so far, although it is an important aspect of social disparity. Moreover, he also reviews the process of credit, its social evolutionary history, and the related biography (trust, vulnerability), the alternatives of credit accommodation, the inventors of the American credit system and the non-institutional credit forms (charity foundations, usury). According to his

conclusion, sociology should be concerned with how and why social factors are affected by the conformation of money and credit.

According to Laurel Smith-Doer and Walter W. Powell's approach (*Networks and Economic*, 379–402) network research became equally a fashion in sociology and anthropology. The authors point out about the effect of networks on economic life. First, networks mean informal relations on the labor market or at workplaces. Second, networks also mean a form of formal change, wealth accumulation between one or two interactive parts, and therefore wealth could be derived from trade. Third, networks are the connecting forms of government in which authority is dispersed, and it is flavored by flexibility and a high level of adaptation.

Their aim is research into a rapidly growing and expanding biography, and its synthesis. Term clarification is also subordinated to this. They present the discourse about networks and the development of theoretical concepts; the approaches are summarized in tables; the network types described by different authors are shown by visual models. In their opinion, the question concerning the matter of network development process is what kind of factors evokes its development, and respectively, why only a few networks lead to advantage. There is a need to reinterpret the connections between formal and informal organizations, and by this, subservient conditions of the networks development can be defined.

The subject block is closed by the *Informal Economy* (403–425) study, which was written by Alejandro Portes and William Haller. Informal economy is a set of activities, by which social powers influence institutes that errand economic trades. The notion of informality is presented in the context of the Third World, mostly as a synonym of poverty. Nowadays the term underground economic umbrella is used, introduced by Castells and Portres, under which we understand illegal, unreported and informal economy. Later on, Castells and Portes claim that the fundamental difference between formal and informal economy is not stated in the final nature of the product, but in the way, in which the product is being generated or is being a trade product, which can be allowed or not allowed.

Discussing the social dynamics of informality, they, first of all, reveal the embeddedness paradox. According to this, the paradox of informal economy is that the more trade approaches the model of "true market", "the better it is dependent on social ties for its effective functioning". In the presentation of informal economics in socialist systems, what does not lag behind the detailed expression of the state monitoring paradox, to the effect that "official efforts to obliterate unregulated activities trough the proliferation of rules and controls often expand the very conditions and give rise to these activities".

Finally, the informal economic phenomena also speak about aspects of empirical researches. In the lack of precise measurement, the data's possible roots are given compressed in four categories: the approach of labor trade, small contractors, the consumption of households, together with macroeconomic discrepancies can provide information about this matter. The third one is the measure/measurability paradox: "the more reliable the state enforcement apparatus is, the more likely its record-keeping mechanisms will miss the actual extent of the informal economy and, hence, the feebler the basis for developing policies to address it is."

In conclusion, they formulate their observations regarding the changing borders/limits of informality. This is where they define the fourth paradox of informal economy: “the informal economic commonly yields positive effects for the state, but these very institutions charge against it”.

In the third section, recent findings in the field of the sociology of firms, organizations, and industries are presented. In his paper (*Business Groups and Social Organization*, 429–450) – significantly modified since the first edition – Granovetter defines business groups as sets of legally separate firms bound together with persistent formal and/or informal ties. Although business groups are often invisible, their central role in the economy raises questions. For instance why firms adopt the organizational form of the business group, what explains the business groups’ many variations, how efficient the business group form is, and what their future can be in modern economy.

Related to the emergence of business groups both bottom-up and top-down arguments can be specified. The former stresses the rational action of individuals/organizations trying to produce the best results, while the latter considers business groups as responses to market failures – completed by Granovetter with the role of institutional agents pressing toward uniformity in organizational form by coercive, cross-institutional, and cross-national mimetic isomorphisms. He defines the variations in the form of business groups along six dimensions: source of solidarity, extent of “moral economy”, structure of ownership, structure of authority, the role of financial institutions, and the relation of groups to the state.

In the second section of the paper some findings on business group performance are summarized. The business groups’ ability to create inventions and the extent of their profitability cannot be explained from a purely economic viewpoint, being strongly determined by the extent of common identity among firms in a business group, and their network overlap with other institutional sectors. The economic crisis of the ‘90s severely tested the business group form and showed that any predictions about its future should depend heavily on the balance of political forces among major stakeholders in the economy, including not only business, but also consumers, labor and state bureaucracy.

Howard E. Aldrich (*Entrepreneurship*, 451–477) focuses on the concept of entrepreneurship and its possible dimensions for a multifaceted sociological approach. After sketching the natural history of entrepreneurship as an academic field, and the competing interpretations of the term, he identifies entrepreneurship as a creation of new organizations. Relying on this definition, he reviews research on the process of founding a business. On the individual level of nascent entrepreneurs, social networks and opportunities, founding teams, and the financial resources raised by start-ups are analyzed. Turning to the level of the population, research is focused on contributions of organizational ecology (density dependence of founding/disbanding rates), and the growth of new industries (learning and cultural/sociopolitical legitimacy).

Gerald F. Davis (*Firms and Environments*, 478–502) reviews research on firms and environments through the turn of organization theory from a paradigmatic endeavor to a phenomena-driven one in the ‘90s. The break up of the normal science mold can be outlined by two major features: the preferred unit of analysis became the field (in the sense given by Bourdieu) rather than the organization, and there is an

increasing recognition that findings about business organizations are tied to particular places and times. That is why contemporary research is dominated by issues of strategy, structure and performance, the relations of firms, states and institutional change, and issues of network forms and network dynamics, making the sociology of organizations more consistent with general trends in sociology as a discipline.

The last part of the handbook contains papers concerned with intersections of economy and other non-economic fields of society. The first of them, written by Fred Block and Peter Evans (*The State and the Economy*, 505–526) analyzes the relationship between state and economy. The authors intend to develop a conceptual framework based on three general propositions: state and economy are not analytically autonomous realms, but are mutually constituting spheres of activity; both states and economies are embedded in societies, which plays a crucial role in both political and economic outcomes; and this embeddedness is dynamic, that is, institutional innovations often reshape the way how states and economies intersect.

Their approach completes the relationship between state and economy with civil society, in which market economies are embedded, and which is both structured by, and in turn helps to structure, the state. In the second section of the paper, this triangular perspective is traced in the very different contexts of the developing and transitional societies, the welfare states of the rich countries, and the multilevel relationships that constitute the contemporary global political economy.

In Lauren B. Edelman and Robin Stryker's *A Sociological Approach to Law and the Economy* (527–551), the goal of the authors is to examine interrelationships between law and economy, and to develop a model for a "sociology of law and the economy". Their key premise is that both law and economy are deeply embedded in social action and organization, and linked/reciprocally (re)constructed through institutional and political mechanisms. For this reason, the model developed differs markedly from post-Coasean law and economics.

The authors understand law as legality – as a broad set of norms, customs, schema, and symbols which include not only formal law, but also social behaviors that mobilize and enact law and ritual (law in action), and the symbolic elements of law (legal consciousness). Given this conception, they claim that the appropriate units of analysis are the legal and economic fields, the latter being borrowed from neo-institutional organization theory. The reciprocal (re)construction of law and economy occurs at the intersection of these two fields and is promoted through the processes of institutional meaning making and political power-mobilization. Institutional processes lead to widespread acceptance of certain forms of corporate compliance/constructions of legal rules affecting industries and organizations, while political power is a crucial factor in determining which legal principles, structures, and rules come to dominate the economic world.

The authors use Edelman and Suchman's typology of legal environments to review findings about the interplay of law and economy: the facilitative legal environment is identified as the realm of procedure, the regulatory legal environment as the realm of normative social control, and finally, the constitutive legal environment as the realm of meaning-making, symbols and culture. Challenging the idea that economic rationality can be understood apart from its law-related social constructions, the model of

Edelman and Stryker stands as a sociological alternative to post-Coasean law and economic scholarship.

Evelyn Huber and John D. Stephens state in their chapter (*Welfare States and the Economy*, 552–574) that since the first edition of this handbook significant progress has been made in three research areas: the relationship between welfare states and production regimes, gender determinants and outcomes of welfare state regimes, and the distributive outcomes of welfare states. By the early 1990s the strong link between corporatism (measured by bargaining centralization) and welfare state generosity had been revealed. Huber and Stephens now draw attention to the recent typology of Soskice, which shifts from the focus on union characteristics to a focus on employers' capacity to coordinate their actions. Employer organization takes three forms: coordination at the industrial or sub-industrial level (Germany and most northern European countries), coordination among groups of companies across industries (Korea, Japan), absence of coordination (Anglo-American countries). Many scholars argued that the industry- and firm-specific nature of the skills acquired in vocational education systems in coordinated market economies result in higher support for social spending, as workers with these skills are vulnerable to longer periods of unemployment and loss of income, if forced to move between jobs with different skill requirements.

Although many have attributed the retrenchment of welfare states in the last two decades to globalization and the increased ability of capital to do "regime shopping" and thus to force national states to retreat, the authors, in line with current academic debate, identify domestic pressures, specifically changing demographics, changes in lifestyles and labor markets as major factors that demand the adaptation of welfare state structures. While the social democratic welfare states' generous family services and the liberal welfare states' flexible labor markets allow women to raise children, the real crisis of the Christian democratic welfare states is still ahead: the absence of sufficient services and the relatively inflexible labor market force more women to choose family over career.

Mary C. Brinton, in the first half of her chapter (*Education and the Economy*, 575–602) reviews recent comparative work in the sociology of education, sociology of labor market and in labor economics. In the second part, she focuses on how the division of labor of human capital development between the schools and firms, and the process of individuals' recruitment into jobs affect inequality between social groups. To deepen her analysis, she restricts the discussion to two types of inequality: the wage gap by skill/education and by gender; and to three ideal-typical cases: the US, Germany and Japan. She argues that because of the devaluation of women's human capital during child rearing those human capital development systems in which employers are important actors will have a wage determination process that tends to disadvantage women and recruitment patterns that also distinguish between male and female applicants either through selection into internal labor markets (Japan) or through sex-stereotyping in occupational training (Germany).

Robert Wuthnow in his study (*New Directions in the Study of Religion and Economic Life*, 603–626), detects a shift in the scholarly emphases that have emerged over the past two decades in the research into religion. Whereas the old perspective

was not contextual, macroscopic, preferred quantitative and comparative-historical methods allowing causal generalizations, the new perspective is rather contextual, microscopic and prefers qualitative, ethnographic methods often focusing on a single organization or community. While the view of culture was formerly based on values, beliefs, ideas and teachings, the new approach stresses discourse, social practices and the symbolic resources through which people make sense of their lives. Instead of secularization, recent research emphasizes the continuing presence of religion in societies characterized by very different kinds of economic relationships.

The second part of the study presents six topics of the new literature: ethno-religious communities, fundamentalism, faith-based organizations, religion and markets, working life, policy domains. Wuthnow warns that much of the recent work seems to have abandoned claims to being scientific, and particularities replace the quest for universals, and descriptions take precedence over causal analysis.

The work of Paula England and Nancy Folbre (*Gender and Economic Sociology*, 627–649) uses accurately the conceptual toolkit of economic sociology, namely the social networks, culture, norms and institutions, and rational choice theory to explain gender differentiation and inequality. They consider occupational sex segregation, the sex gap in pay, couples' division of labor in the household and exits from marriage. They find RCT explanations particularly plausible. E.g. since women are more suitable for child rearing, more women than men plan breaks in their career. Therefore, women tend to choose jobs that have low depreciation of human capital during years away from job. On the other hand, employers might discriminate against women on statistical basis. The outcome of the division of labor (household work and work for money on the market) between spouses then further disadvantages women. Lacking money they are more vulnerable in case of separation, therefore, they have less bargaining power in the relationship.

While in the first edition of HES Ivan Light and Stavros N. Karageorgis defined ethnic economy as “the ethnic self-employed and employers, their unpaid family workers, and their co-ethnic employees”, in Ivan Light's chapter in the present edition this definition has become the ethnic ownership economy, itself only a component of ethnic economy, which also includes ethnic-controlled economy (*The Ethnic Economy*, 650–677). This definition broadens the picture and parallels the classic distinction between ownership and control of corporation: besides ownership it recognizes control and influence. Light makes distinction between formal, informal and illegal sub-sectors of the ethnic economy, then discusses the income and wealth outcomes, and gender and family exploitation in ethnic ownership economy.

Giovanni Dosi, Luigi Orsenigo, and Mauro Sylos Labini (*Technology and the Economy*, 678–702) aim to discuss the question “what ultimately determines what?” For example, whether resource accumulation is what primarily fosters the exploration of novel innovative opportunities, or, conversely, innovation drives capital accumulation. What does “organizational knowledge” mean? What are the mechanisms that govern how it is acquired, maintained and sometimes lost? They state that there had always been a strong link between economic growth and innovative activity, and that in contemporary economies business firms are a fundamental locus of technological accumulation, as their share of the total research is high and growing.

Allan Schnaiberg (*The Economy and the Environment*, 703–725) addresses the most relevant question concerning the relationship between the economy and the environment, namely, whether our economy will be able to handle the ecological problems which it creates? Societal production withdraws from ecosystems ever growing quantities of materials needed for production, and adds ever more waste products from economic systems. These activities increasingly deplete and pollute, and thus have the potential to disrupt the functioning of ecosystems. While ecosystems are seen as private assets for many economic organizations, environmental and community movements see them as public goods. Accordingly, three models have emerged: in the economic model all economic activity which is profitable should be carried out, and decisions about resource utilization should be made exclusively by the owner of the property containing the resource. In the managed scarcity model the state imposes anticipatory restrictions to create an imposed scarcity of access to ecosystems in order to preserve them. The ecological model – which Schnaiberg considers politically radical – views homo sapiens as but one of the species, which does not have the right to endanger other species by its activity, and it should sustain biodiversity.

In conclusion, it has to be mentioned that we are dealing rather with a reader than a handbook, which offers a systematic syllabus of mainstream research and recent trends in economic sociology. Most of the papers included give problem-driven answers to the analyzed questions, and define new conceptual frameworks for further research. References to the first edition and cross references are another strength of the volume, pointing out the connections and overlaps between the discussed topics/existent paradigms of economic sociology, making the *Handbook* compelling for any scholar interested in the discipline.