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## Dealing with Awkward Relations

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*Abstract:* Are we seeing a move in economic sociology from the idea of embeddedness to that of relational work? If so, is this a good idea? I argue that an economic sociology focused on relational work has the potential to open fresh ways of thinking about central questions in social theory in much the same way that Mark Granovetter's seminal paper on embeddedness did more than twenty five years ago (Granovetter 1985). But there are more and less interesting ways that this way of thinking might develop. The less interesting route is, unfortunately, the easiest one to take. For something more interesting to happen, we should avoid treating relational work as—variously—a rhetorical banner, a catch-all term, or a euphemism for a needlessly restricted sort of cultural sociology of economic life. To fulfill its potential, advocates of relational work should focus on strategic and conflictual elements that are present in the perspective but typically overlooked.

### RELATIONAL WORK VS EMBEDDEDNESS

In her work over the past decade or so, Viviana Zelizer has developed the concept of “relational work” as a way of encapsulating and generalizing some of the lessons of her influential studies of people's economic lives. This goal, as she describes it (Zelizer, 2011, 2012), is to understand how people connect, or are connected by, four elements in economic life: social *ties* between people or groups; sets of economic *transactions* across those ties; various *media of exchange* used in these transactions; and the social, often moralized *meanings* associated with particular bundles of these media, transactions, and ties. Relational work “consists in creating viable matches” between these elements (Zelizer, 2012, p. 151). Thus, an economic sociology of relational work seeks to describe, understand, and explain the various ways people bring these elements together.

For example, one of the practices Zelizer has looked at most closely in her own research is the earmarking of money for particular purposes. “[E]armarking corresponds to the socially-constructed boundaries of social relations: each of these currencies

is acceptable for only some social relations and transactions. Monetary earmarking, thus, is a relational practice by which people perform relational work” (Zelizer, 2012, p. 158). In Zelizer’s view, earmarking is a pervasive phenomenon in economic life, a means through which social relations are created, signalled, and maintained. It is not the only way people do relational work, although it is one of the most important. The earmarking of money is a direct expression of the importance and robustness of sociability, something that—given the enormous influence of the “Nothing But” and “Hostile Worlds” understandings of the market she has criticized elsewhere (Zelizer, 1988, 2005)—people were surprised to discover alive and well in the realm of the market.

That is the general idea of “relational work.” Recently a group of scholars have begun to explore whether an economic sociology built with these concepts might succeed the “embeddedness” framework developed by Mark Granovetter. Block (2012) and Bandelj (2012) make the case for the general applicability relational approach, with Wherry (2012), Whitford (2012), Biscotti, Lacy, Glenna, & Welsh (2012), and Haylett (2012) applying the approach in diverse settings, including egg donation, research collaborations between universities and companies, handicraft and art markets, and the European manufacturing districts. Research framed in terms of one sort of embeddedness or another has dominated research in the field for the past quarter-century. The questions are whether economic sociology needs a new orienting idea, and whether “relational work” is it.

### *Concepts that are too useful*

To answer these questions—and to understand where the demand for a new framework for the field comes from in the first place—we can begin with what might be called the “maximalist” version of the embeddedness approach. As the New Economic Sociology got moving in the late 1980s, the concept of embeddedness grew along with it. New forms of it were perennially being discovered, like novel species of beetle. Over the years there have been numerous attempts to taxonomize (and critique) the myriad forms of embeddedness. I will not attempt to do that here. Suffice to say that as support for it gathered momentum, attention to the details of the original argument soon gave way to generic citations to Granovetter (1985) as a rallying cry or badge of allegiance.

The career of the concept has followed a common enough life-cycle for successful social-scientific theory, one nicely laid out in Rule (1997). On the timescale of academic generations, some particularly useful concepts or ideas take hold in communities of researchers. A great deal of empirical work is framed in terms of them. Scholarly effort, career competition, and the expectation that theory should be progressing lead to further conceptual elaboration of the original idea. The mainstream of American sociology, in particular, has become quite wedded to the idea that an important piece

of work should ideally contain both a novel empirical finding and a name for the theoretical twist the finding allegedly exemplifies. Mere confirmation or disconfirmation of an existing idea is insufficient, and mere theory is similarly dissatisfying. We specification-search for both significant findings and significant ideas.

This process of conceptual expansion and empirical extension leads people to grow tired of the original idea. After a certain point, things that initially seemed like virtues—a concept’s broad applicability, its versatility, its extensibility—begin to look like vices. The theory or concept begins to look empty, precisely because there’s nothing it cannot (superficially) explain. Its moment of intellectual triumph turns out to be a death-knell. The field moves on to something else.

Given how social science is done, there may be no way to avoid this happening to successful research programs. If so, nothing much is gained from worrying about it: better to have your research program succeed in this way for a while, even if intellectual fashions ultimately change or some Lakatosian degeneracy inevitably sets in by the end. All the same, it would still be a pity if the concept of “relational work” was used right out of the gate in a lazy sort of fashion.

There are at least two ways this could happen. One tack is to examine economic exchanges in previously underexplored settings and present evidence that people are “engaging in” or “doing” relational work, but without saying with any specificity why it is they are doing it, or what the point of this work is. This way of using the concept rests content with showing economic exchanges are richer, more complex or deeper than a simple-minded account would have you believe. The problem with this is that it’s always going to be true, because thin models of economic action are usually thin on purpose, and life is usually complicated.

A second option is to take cases that are well-studied and just redescribe them with the new vocabulary. Block (2012, pp. 137–138), for instance, suggests that during the recent financial crisis, “interactions between prospective borrowers and mortgage brokers ... relied on relational work that was highly routinized because mortgage companies had strong incentives to maximize the total quantity of loans”, with the consequence that “much of the traditional exchange of information ... did not occur”. Block notes that “it is worth emphasizing that relational work is going on whether the parties are being completely honest or highly deceptive” and that information asymmetry is the term for the latter case. And so “it is worth emphasizing that relational work is going on whether the parties are being completely honest or highly deceptive. ... we can make an analytic distinction between relational work that tends to maintain or increase informational asymmetries and relational work that diminishes those informational asymmetries. ... Just as relational work is neither good nor bad in itself, it also comes in more or less egalitarian varieties” (Block, 2012, p. 138).

While talking about these exchanges under the rubric of relational work is certainly possible, the challenge is showing what exactly is gained from speaking in these terms, as

opposed to a more focused vocabulary picking out failures of professional responsibility, perverse incentives, lack of regulatory oversight, and so on.<sup>1</sup>

These are ways that “relational work” could enter the slogan phase of its life much too early, open to the same criticisms that “embeddedness” was exposed to as it moved from a fairly well-specified social-structural concept to a generic orienting term. If nothing else, this would be unfair to Zelizer, given that her work is characterized by such a discerning eye.<sup>2</sup> Even if “relational work” succeeds to the point where it floats far away from its origins, I think we should not be too eager to inflate that balloon right at the beginning.

*Is this Structure vs Culture again?*

So much for the contrast with the embeddedness framework in its degenerate phase. What about a more substantive comparison of the core of each approach? An obvious way to contrast embeddedness and relational work—one already present in the literature—is to say they exemplify the bigger contrast between structural and cultural explanation in social theory. Putting it this way this does reflect some facts about the state of economic sociology as a field, but I argue it misrepresents both approaches. It ignores how they set themselves against a common antagonist, and underplays how much they share a vision of what a social theory of economic life should be.

In an excellent discussion that links the substance of ideas in economic sociology to its social structure as an academic project, Marion Fourcade goes a long way towards explaining how entrenched this conventional contrast is in the field. She notes that “embeddedness” moved from a reasonably well-defined point of view to a generic label covering a very heterogeneous body of work, then continues:

[T]he enterprise and the label have been institutionally so successful that everyone claims to be on the inside. But the inside, just like every social enterprise, remains stratified too. ... A recent study of citation patterns in U.S. economic sociology in the 1980s and 1990s by Convert & Heilbron (2005) shows the core of the field is still very firmly located among people broadly associated with the study of markets and organizations. By contrast, questions about, say, gender or consumption seem to occupy a much more peripheral position ... Second, scholars located in business

<sup>1</sup>Note that Block presents the mortgage case as a brief example of the possibilities for the framework: he is not claiming to provide a full “relational” explanation of the mortgage crisis.

<sup>2</sup>It did Granovetter a disservice when it happened to him, too, as his writing on the subject of embeddedness is very careful indeed. Of course neither is responsible for the interpretive sins of others, and much worse things can happen to your theoretical manifesto than having it become one of the most cited pieces of work in your field.

schools are featured very prominently ... which suggests that the revival of economic sociology has occurred in the context of a general redefinition of sociology's institutional position within the university. Third, if network analysis remains dominant throughout the period, the trend during the 1990s was toward diversification, marked by a comparative rise of neoinstitutional and cultural approaches. (Fourcade, 2007, pp. 1017–18)

Fourcade argues that the social locations of participants in the field are homologous with clear differences in theoretical orientation and empirical focus. (She is not saying that the axes she identifies have intrinsic merit as ways of dividing the field, just that they matter in practice.) This opposition between structural and cultural views can be seen in thumbnail form in the literature reviews, theoretical discussions, and capsule summaries contained in much of the work in the field.<sup>3</sup>

A suspiciously familiar contrast emerges. Granovetterian analyses look at the embeddedness of market actors in networks at the core of market economies; Zelizerian approaches examine meanings shared amongst marginal actors at the periphery of economic life. The embeddedness approach examines how trust (Uzzi, 1996, 1997) or social capital (Portes & Sensenbrenner, 1993) or entrepreneurial opportunity (Burt, 1992) arise from particular configurations within social networks. Relational work, on the other hand, is principally concerned with the social meaning of exchange, especially in cases where exchange is delicate, or exotic, or bumps up against some messy domestic arena or intimate sphere. The embeddedness approach tends toward quantitative measures of the structure and density of social ties. Studies of relational work have an affinity with close readings and qualitative fieldwork. Embeddedness is found round and about corporations, commodity markets, bankers, securities analysts, and managers. Relational work is done by carers, credit unions, blood donors, sex workers, and mothers.

This characterization is plausible less for substantive reasons and more because of contingent facts about the way some larger sections of the American Sociological Association have related to one other over the past quarter century. In truth, it is not hard to think of work that incorporates elements from each side—ethnographies of bond traders, network analyses of prostitutes—as well as research that does not fit

<sup>3</sup>As Fourcade (2007, pp. 1019–24) makes clear, this broadly structural vs broadly cultural axis is not the only division that gives shape to the field of economic sociology. As anyone familiar with the field knows, other sorts of work have long been present, and central, and some more recent entrants have had a big impact, too. An example of the former is neoinstitutionalist scholarship, which originated at the intersection of organizational sociology and the sociology of culture. It connected with economic sociology early on and in a sustained way. An example of the latter is performativist scholarship from the surge of interest in financial markets amongst sociologists of science. It opened up a new front of research and argument beginning in the late 1990s. In addition, and until recently notable more for their conspicuous absence (or exclusion), are scholars of the political economy of capitalism.

on this axis at all. But when people want to describe the difference between the two approaches it is easy to reach for the contrast between structure and culture, and all that comes along with it.

*They're more alike than you think*

In fact, the approaches have a lot in common. Consider, briefly, how the arguments go in each case. Granovetter (1985) contrasts under- and over-socialized conceptions of actors, and tries to find a third way—the embeddedness approach—between the two. In the under-socialized view, he argues, people are utilitarian, self-interested, and—vitality—disconnected from one another. This disconnection is either seen as being out in the world as a matter of fact or is imposed by assumption in the process of model-building. Either way, without the “frictional drag” of social relations the path is smoothed for *homo economicus*. In the over-socialized view, people are guided (or held in check) by the “generalized morality” they carry around in their heads. Depending on the tastes and inclinations of the oversocializing theorists, these “social influences” might be conceived of as the weight of custom, the bonds of mutual obligation, norms of fairness, or the fetters of class ideology. Whatever they are, their effect is to keep the motive of self-interest (or the institution of the market) at bay. All of them have—in Granovetter’s view, wrongly—been seen by sociologists and economists alike as carried around in the heads of otherwise disconnected individuals. As a third way, he argues his embeddedness view analyses “attempts at purposive action embedded in systems of ongoing, concrete social relations” (487), without falling into the trap of substituting “one kind of optimistic functionalism for another” (491). It emphasizes attention to the local detail of social relations, eschewing “large-scale questions about the nature of modern society or the sources of economic and social change” in favor of a “more detailed understanding ... explicating proximate causes of patterns of macro-level interest” (506-7).

Zelizer does not frame her case explicitly in terms of under- and over-socialized conceptions of action (Zelizer, 1988, 2005). But her goals are very similar. She begins with a critique of the “Nothing But” view of exchange, where the price-theoretic blowtorch is supposed to melt away the marshmallow-like layer of sentiment surrounding the family, religion, romantic relationships, or any other institution, revealing—as in Granovetter’s discussion—nothing but the atomized, rational actors underneath. Similarly, the second target of Zelizer’s critique is the “Hostile Worlds” view. On this account, the market is supposed to be a corrosive force that is more or less successfully resisted by some countervailing institutional or cultural bulwark—and as before, this role is filled by the domestic sphere, social norms, tradition, or the sacred. Rejecting both these views, Zelizer argues for as a third way: the relational work approach emphasizes “a view of connected lives with [an] intertwining of economic transactions

and personal ties” (Zelizer, 2011, p. 358).

The parallels are clear. Both approaches set themselves against theories that deny the importance of social relations in contemporary economic life. Both reject models of social action that idealize pure self-interest or enveloping social meanings. Both seek to find a third, specifically *relational* way instead, one explicitly focused on local conditions and local connections. Both eschew very macro-level accounts of economic structure in favor of close attention to the fine-grain of social relations in particular settings. In these ways, embeddedness and relational work both reject specific forms of *homo economicus* and *homo sociologicus*. For both, the neoclassically rational actor and the Parsonian value-driven agent are the Scylla and Charybdis that a satisfactory view must find a way between.

#### AWKWARD RELATIONS: AN EXAMPLE

Let me give a more detailed example of where embeddedness and relational work meet. This case lets us see some of the unsolved problems faced by both approaches. It also shows—or so I shall argue—why thinking in terms of relational work, rather than embeddedness, might stand a better chance of solving them. In a fascinating article, Chan (2009) describes the creation and early development of a market for life insurance in China in the late 1990s. The case is of obvious interest to partisans of both embeddedness and relational work. The parallels with the insurance market in 19th century America are clear to anyone who has read Zelizer (1979). And for those interested in the social structure of economic action, China is of course a rich case for illustrating the embeddedness of economic action in social relations.

Here is the story. The insurance corporation AIG came to China in the 1990s and recruited agents to sell its products. Few in China knew what life insurance was at the time, and hardly anyone liked the idea of talking openly about contracts involving death. So, agents sold policies to their close relatives. These relatives trusted the sales agent, even though the policies were not cheap. Often, the sale was agreed with little or no discussion of the details of the policy, or even of what life insurance actually was. Importantly, agents deliberately did not mention was the 40 percent ongoing commission they would earn from each policy they sold. Some sellers did feel misgivings about this, but in general they did not feel so bad that it stopped them from making sales. Enough policies were sold in this way that a market began to emerge, and AIG sought to increase the number of sales agents.<sup>4</sup>

Given this situation, Chan’s article tries to explain how so many sales agents acted like this in the land of *guanxi* and filial piety. She shows that neither the structural

<sup>4</sup>My summary is more sharply-drawn than Chan would likely be comfortable with, but it is not inaccurate.

constraints of relationally-embedded trust, on the one hand, nor general cultural expectations about familial respect, on the other, were sufficient to prevent sellers from taking advantage of close relatives. Indeed, their strongly embedded kinship ties and the cultural tropes of familial respect associated with them were treated by as something more like *strategic resources* that AIG's agents drew on in a dynamic and skillful way during sales pitches. It was only when the terms of the deal were accidentally publicized by the insurance company itself, in its effort to recruit even more sellers, that this practice became widely known. (More recruits were needed because, as the market expanded, the original cohort of agents ran out of close relatives to sell to.) The result was an immediate controversy that quickly ended the practice of selling to close relatives. After that, the market became more formally regulated and agents began to sell more extensively to acquaintances and strangers.

A case like this contains challenges for partisans of both embeddedness and relational work. From a Granovetterian point of view, levels of trust between buyers and sellers should be linked to the degree of relational embeddedness. In the simplest case, the stronger the tie, the more trust there is and the better the exchange goes. More often, we see a more sophisticated "Goldilocks" version of this argument (one that Chan endorses, incidentally). Being too-strongly or too-weakly tied to an exchange partner is likely to cause trouble. Instead, the balance needs to be just right for things to work properly (Uzzi, 1997). Conventionally, being over-embedded is a problem because it makes actors *less* likely to exploit opportunities (or because it makes them wait too long to act, or because it drags them down with the alter they are bound to). The challenge in this case is to explain why the insurance agents took advantage of buyers, their close relatives, even though they were tightly linked to them. From a structural point of view, and particularly within the family, the meaningful content, trust, affection and obligation of strong ties should be symmetrical, because such ties are built up out of a flow of exchanges over time between close relations.<sup>5</sup> The sellers should have felt bound by the strong ties, just as the buyers are supposed to have been.

Instead, they ripped off their own grandmothers. When discussing the *buyers*, Chan speaks in terms of "reflexive trust" rooted in the structure of social relations. But

<sup>5</sup>Note that Granovetter (1985, pp. 490–1) recognizes the problem: "... continuing economic relations often become overlaid with social content that carries strong expectations of trust and abstention from opportunism. It would never occur to us to doubt this last point in more intimate relations, which make behavior more predictable ... [I]n the case of the burning houses featured on the 11:00pm news, we never hear that everyone stampeded out and that family members trampled one another. In the family, there is no Prisoner's Dilemma because each is confident that the others can be counted on." And yet, he suggests shortly afterward, "The trust engendered by personal relations presents, by its very existence, enhanced opportunity for malfeasance. In personal relations it is common knowledge that 'you always hurt the one you love'; that person's trust in you results in a position far more vulnerable than that of a stranger ..." The *circumstances* under which such betrayals occur are left open, however, and no general reason is given for when to expect close ties to abstain from opportunism and when to embrace it.



when discussing the *sellers* and their actions, she switches to the idea that respect for one's elders is a cluster of meaningful associations that can be strategically enacted when needed. This leaves the article with an unresolved asymmetry. If the sellers deftly invoked cultural schemas about family and friendship in order to get a sale, why were the buyers also not more interactionally strategic? Why were they so willing to pay up, even though they literally did not know what they were buying? Conversely, if buyers were willing to buy because of the strength of their deep social tie to the sellers, why were the agents not also bound by this force?

Chan tries to solve the problem by linking the meaningfulness of social relations to social distance between actors—that is, by appealing to a nominally Zelizerian view of culture:

First, individual actors differentiate among the meanings, operating rules, and boundaries that separate one relation from another [Zelizer's *purchofintim*]. It is postulated that the meanings that define and the operating rules that govern various tie strengths can be marked at points on a continuum between ethical-affective and instrumental-monetary domains. Strong ties are defined by a high degree of affections and ethical obligations. Very weak ties or arm's-length ties, however, are defined by a high degree of instrumental and monetary capacities. (Chan, 2009, p. 717)

Although Chan notes that “although intimate circles operate primarily in the ethical-affective domain, they serve important instrumental functions” she quickly returns to the idea that the “stronger the ties are, the more the motives are expected to be altruistic and expressive” (717). This seems to me to be a mistake. In Chan's framework, trust, affection, obligation and so on take on their usual valences from affective fuzziness to instrumental coldness as we move from strong ties to weak ones. But a central lesson from Zelizer's work is that a conventional spectrum of action-orientation in exchange from the affective to the instrumental is not empirically accurate. In the end the actions of the sellers are not satisfactorily explained, the role of culture is returned to the level of generalized morality, and the anomaly is downplayed:

The period of relying on reflexive trust for transactions did not last long.. Soon after the public learned that life insurance carried the inherent risk that the money they paid might not be returned if no misfortunes happened to them, they were much less interested in this new commodity. The “unknown commodity” turned out to be an “unwanted commodity.” (729)

The trouble is that it should not have happened at all, and that this phase ended mostly because of a miscalculation by AIG in their effort to recruit new sales agents.

The case of AIG in China should also give pause to complacent invocations of “relational work”, however. In particular, it challenges the tendency to see relational work as somehow an intrinsically positive sort of activity, something that people do in spite of or in order to accommodate, smooth out, or soften the logic of the market. In their interactions with close relatives and friends, the sales agents fluidly and dynamically negotiated meanings and drew on strong cultural tropes—but this Goffmanian expertise it was deployed in the service of a self-interested goal. They wanted their forty percent.<sup>6</sup> This is not the orientation to social relations typically associated with the practice of “relational work”.

### EXTENDING RELATIONAL WORK

Considered in contrast to some standard views in economics, the Granovetterian approach emphasized the importance of social structure as against the actions of atomized, self-interested individuals. The rhetoric of appeals to “embeddedness” involved pointing out ways in which social relations were more concrete or had more depth than you could get from thinner, neoclassical conceptions of agents and their situations. As with the sauce on your steak, so with the concepts in your theory: rich and substantial is better than thin and watery. Within economic sociology, “relational work” contrasts itself with the structural view just in the same way—only this time, it is the cultural side that is substantial and the structural side thin. This is a nested contrast of the sort Abbott (2000) describes in his analysis of how basic disciplinary dichotomies reproduce themselves over and over as move through time or—as in this case—as they unfold within fields and subfields.

Is there a more productive way to draw the distinction? Perhaps the contrast between embeddedness and relational work might better be thought of as one of Structure *vs* Process rather than Structure *vs* Culture. Even here the gap might not be so wide had the embeddedness approach, and network analysis generally, not routinely emphasized an imagery of “concrete” social relations in the 1970s and 1980s. This gave the strong impression that the network program saw culture as slated either for direct reduction to patterns of “real” social relations, or for elimination altogether, along

<sup>6</sup>Chan denies this interpretation. “I maintain”, she says, “that the binding force of the cultural rules was working; otherwise, the agents would not have had ‘psychological barriers’ to selling to their strong ties initially; nor would they have avoided approaching their close ties once the commissions were made public. ... The agents’ active and instant withdrawal was driven less by economic calculation than by their concern about the meanings of their behaviors in the eyes of their strong ties” (Chan, 2009, p. 735). But, given the context of the rest of the article, this seems to concede that the sellers knew that what they were doing was wrong, that they stopped immediately once they were found out, and that when they made their sales pitch they were still able to activate these tropes of trust and respect, psychological barriers notwithstanding.

with “generalized morality.”<sup>7</sup> Zelizer, on the other hand, reacted against the imagery of “concrete” social ties by arguing that in her view the social ties that matter “are not the thin, flat relations of network analysis but the rich relations of ethnography” (Zelizer, 2011, p. 390). It has taken some time for network analysis to come around to a stronger conception of culture. The prospect of reducing social action to a pure theory of structure has by now faded away, even as the scope and volume of network analysis has expanded enormously. The shift in tone and content between White (1992) and White (2008) is instructive here. Meanwhile, on the cultural side, the demand that social structure be subordinated to culture *in principle* as a matter of disciplinary identity just seems like an atavism—a throwback to divisions Granovetter, Zelizer, and others have been trying to overcome for decades.

Instead, the emphasis on the relational and systematic aspects of meaningful social ties has become more noticeable over the same period, led by Zelizer’s own scholarship. Much of the work in this area focuses on two problems: the initial effort to institute or define a viable exchange relation; and the ongoing effort between linked parties to keep that relationship going one way or another. What has become increasingly clear is the need for a theory of how conflict or disagreement over these matters arises—up to and including the question of the viability of the exchange relation itself—and how it is resolved by the people involved.

Those interested in advancing an agenda for relational work need to make progress on such a theory. Its first phase examined how relations are instituted and maintained. At the very beginning—in Zelizer (1989), for example—the focus was on just showing that “thick” social relations and various kinds of money really did mix together in many settings, as a matter of fact. In following up on this insight, a subsequent wave of researchers examined topic areas where there were seemingly strong or irreconcilable antinomies between money and gifts, or money and love, or money and domesticity, or money and just about anything that matters to people apart from money. They set about showing these divisions were managed by people in some kind of unexpectedly effective way.

This work also added more explicitly organizational and institutional structure to the cultural part of the analysis. For instance, personally meaningful “relational work” found in moralized exchanges may originate with and be sustained by some

<sup>7</sup>It’s worth remembering, however, that the now-dominant, practice-based view of culture—with its favored imagery of schematic repertoires, versatile tool-kits, and a context-specific senses for action—was *also* a reaction against the Parsonian picture of “generalized morality” [swidler86culturaction]. In fact, Granovetter noted—arguing against a Marxist line on culture-as-ideology—that “more sophisticated . . . analyses of cultural influences” show that “culture is not a once-and-for-all influence but an ongoing process, continuously constructed and reconstructed during interaction. It not only shapes its members but is also shaped by them, in part for their own strategic reasons” (Granovetter, 1985, p. 486). But that is as far as this line of thought goes in that article.

organization with an interest in seeing the exchange go through. So, blood banks and organ procurement organizations created a rich cultural account of blood and organ donations as a kind of moralized exchange. The social meaning of the exchange—specifically, its conceptualization as a gift—matters although donors do not typically meet recipients, in spite of the fact that the donor-recipient relation may be one-to-many, or even when large amounts of money change hands and are accounted for as “reimbursements” or insurance payments rather than income and profits (Healy, 2006). Similarly, agencies brokering egg and sperm donations manage their exchanges in ways that involve “relational work”, encouraging participants to think about the exchange in highly moralized terms, with the moral content strongly inflected by prevailing notions of gender, which themselves have a strong moral component (Almeling, 2007, 2011). Or again, the emergence of a secondary market in life insurance policies is interpreted differently depending on the institutional location of actors, and the history of their association with similar products (Quinn, 2008). Zelizer’s own research has emphasized these aspects, too. *The Purchase of Intimacy* (Zelizer, 2005) is built around studies of open interpersonal conflict carried on not by some informal means, but in the courtroom.

This organizational and institutional aspect of a broadly Zelizerian economic sociology is sometimes overlooked or misread. Commentators want instead to characterize it in straightforwardly cultural terms as (a) concerned principally with “social meaning”, but not more structural aspects of exchange, and (b) mostly about exchanges that are somewhat distant from the “real” economy, whether intimate, domestic, or exotic. This is an error for some familiar reasons—e.g., these exchanges are quite real and often economically vital, even if they are not directly measured in official statistics (Folbre, 2002); the degree of exoticism is a matter of perspective (Wherry, 2008); and research in this vein has also dealt with more conventional economic topics (Bandelj, 2007).

But restricting one’s view of relational work in this way is also a mistake for two other reasons, neither of which have been emphasized enough. First, over the past thirty years there have been changes in the formal, informal and quasi-formal provision of intimate, personal, and domestic labor and services of all kinds (Hochschild, 2003). Shifts in the volume and structure of “care work” in all its forms—whether those being cared for are children, the sick, able-bodied adults, or the elderly—is directly connected to large-scale changes in the health-care system, labor markets, and the welfare state. (See, e.g., Duffy (2011), Glenn (2010), and Macdonald (2011) for some recent work on these questions.) It is not possible to understand what is happening in this sphere without a good theory of how relational practices connect with official classifications and institutions within the labor market, and more generally with social classifications of kinds of people. Relational practices, in short, require a theory of social power. There is a great potential for a relational economic sociology to connect with research in this area. Some of this is already happening. Here I want to emphasize that this is not just a

matter of researchers pushing into some new field of study, but also a consequence of how economic life itself—the “real” economy—has changed since the birth of the New Economic Sociology in the 1980s.

Second, and also less well-recognized than it should be, is the relevance of macro-level changes in the political economy of capitalism (as distinct from shifts in the occupational structure and the labor market), particularly financialization and all that it has brought with it (Krippner, 2011). The proliferation of insurance, credit, and risk management markets of all kinds over the past two or three decades makes Zelizer seem unexpectedly prescient in her decision to study life insurance as a case of the construction of a moralized market. In her work on insurance (Zelizer, 1979), and also the changing social value of children (Zelizer, 1985), Zelizer examines connections between large shifts in the social structure (the urbanization and industrialization of America), conceptions of morality and value, and the effort to institutionalize new kinds of commodities. The growth of the life insurance market was accompanied by extensive efforts to assert its moral basis: “Death yielded to the capitalist ethos—but not without without compelling the latter to disguise its materialist mission in spiritual garb” (Zelizer, 2011, p. 32).

So, are there parallel cultural consequences of financialization? We don’t yet know. One possibility is that in the mortgage market, the moral commitment to honor one’s debts—the “solemn obligation” to make the monthly payment—has been undermined quite radically. The prospect that homeowners might begin treating their main asset in the same rational terms that corporations treat their property, or rational investors treat their stock, has been enough to prompt a certain amount of panic in some quarters, and *schadenfreude* in others (Lowenstein, 2010). The effects of the financial crisis on moralized conceptions of debt and credit remain more or less unexplored. The shock of the 2008 crisis is one source of pressure on norms about debt, but the long-term shift towards a financialized orientation to assets is another. This is *not* to say that norms about credit and debt in the United States have declined from some golden age of fiscal responsibility—see, e.g., Calder (1999); Cohen (2003)] for a rebuttal to that idea. But constant disagreement—and line-drawing, and rule-making, and labeling about good debts and bad, virtuous loans and bad credit, solemn obligations versus empty promises: all of it has the same elements as the life insurance case, and is open to the same kind of analysis. Perhaps the neoliberal shift has, as a consequence of its own success, ended up destroying the market’s Durkheimian backstop. Perhaps not. But from London’s summer riots of 2011 to the political crisis in Greece, to the ongoing Occupy movement, it is not hard to see connections between the political economy of capitalism and the moral order of market society. There are many questions here that relational economic sociology should be trying to answer.

## SELF-INTEREST AND SOCIAL RELATIONS

As even the dogs in the street can tell you by now, in *The Wealth of Nations* Adam Smith argues that the division of labor has advanced principally because of “a certain propensity in human nature . . . to truck, barter, and exchange one thing for another” (Smith, 2000, p. 11). He goes on say that he will not, just now, inquire whether this propensity is “one of those original principles in human nature of which no further account can be given; or whether, as seems more probable, it be the necessary consequence of the faculties of reason and speech”. A paragraph or two later Smith says, in another famous turn of phrase, that “It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest . . . [We] never talk to them of our own necessities but of their advantages.” From there, the nickel-version of Smith’s relationship to modern economics quickly carries us on (with some risk of whiplash) to incentives, price-coordinating markets, and the wholly self-regarding ways of *homo economicus*.

But Smith, as you are also probably aware, was a much more interesting thinker than the nickel-version allows. Although he says we talk to the butcher and brewer only of their advantages rather than ours, we still *talk* to them. In his *Lectures on Jurisprudence*, unlike in *The Wealth of Nations* Smith does take a moment to ask where people’s propensity to exchange comes from. His answer is surprising:

If we should enquire into the principle in the human mind on which this disposition of trucking is founded, it is clearly the natural inclination every one has to persuade. The offering of a shilling, which to us appears to have so plain and simple a meaning, is in reality offering an argument to persuade one to do so and so as it is for his interest. Men always endeavour to persuade others to be of their opinion even when the matter is of no consequence to them. . . . in this manner every one is practising oratory on others thro the whole of his life. (Smith, 1982)

An offer of money to buy something, Smith is saying, is a kind of conversational gambit—in doing so I am making a civil effort to persuade you that something is in your interest, and this is a species of the impulse to persuade others of things generally. Money, in short, is a social relation. Many a modern discussion of Smith takes self-interest, or concern for oneself, and sets it against altruism, or concern for others. What Smith does is take self-interest and *pair* it with sociability, in order to highlight a complementarity. The former is expressed by way of the latter. To offer money for something is to do a little relational, conversational work.

I do not want to lean too heavily on this genteel snippet of the Scottish Enlightenment. But the point that self-interest and sociability are not necessarily opposed to one another is worth bearing in mind. To put it directly in terms of embeddedness

and relational work: the embeddedness approach emerged out of an argument focused on the *problem of order*, specifically, the role of local social relations in controlling malfeasance or cheating through the generation of mutual obligations and trust. It is a Hobbesian picture. The imagery of embeddedness is of suspension and constraint—actors are stuck in or pinned down by social ties that stop them from being too selfish. What has attracted economic sociologists to the “relational work” approach, in reaction to this, is the sense that it offers agents a bit more leeway to act, a little more room for them to develop identities and cultivate “rich” or “meaningful” social relations, not just arrangements that might prevent them from cheating.

Yet a clear corollary of this has not really been acknowledged. Although it may not seem like on the surface, the concept of relational work immediately puts individuals’ agency, strategies, and self-interest back at the center of the analysis. Yes, the Zelizerian view rejects the idea that social life is nothing but self-interested action, narrowly construed. Yes, social relations are meaningful, identities are multi-faceted, exchange is moralized, and so on. But just consider the implications of core Zelizerian ideas about economic action: people are “smarter than money”; they often struggle with one another about how to categorize the relationships they are in; they seek to link forms of payment to bundles of obligations and rights, which secure resources for them; they establish circuits of exchange that may mobilize and protect these resources; and they constantly work out what the relationship they are in is about and why they are in it. In all of this they “incessantly negotiate the precise matching of meaning, media, and transactions” (Zelizer, 2011, p. 75). They *negotiate*. Zelizer uses the term repeatedly and quite deliberately, but discussions of her work often fail to follow up on its implication.

Far from rejecting the idea of strategic action, these ideas imply that people create, mark, and maintain meaningful exchange relationships *in order to do something*, at least as best as they can under the circumstances. And this means that students of “relational work” cannot rest content with demonstrations that people “make exchanges meaningful” in some bland sense. Zelizer’s relational view does not say, “Take some uncomfortable or taboo exchange; add ‘meaning’; lie down and wait for your analytical tension to resolve; marvel at richness of economic life”. Her vision is much more challenging than that. It encompasses exchanges where there is conflict about who gets to define the tie, where one party has the means to make the terms stick, where social meanings are a vehicle for power. Now that its foundations have been laid, scholars interested in relational work should figure out how to deal with these awkward relations.

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