

Economic Sociology: past, present and perspectives

- How to define Economic Sociology (ES)? ES is a branch of sociology, but is defined in its relation to economics, in terms of a different object or of a different method and theoretical apparatus. In the first sense, ES transforms the postulates of economic theory—first of all, the rationality of homo oeconomicus—into research questions; for instance, according to Pareto, economics studies logical action, while sociology studies alogical and non-logical action; for instance, Schumpeter considers the formation of entrepreneurship a research problem that does not stem naturally from resource mobility and investment opportunities. In the second sense, ES applies the concepts, theories and methods of sociology to the study of economic structures and processes. It must also be observed that ES is closer to some approaches in economics, like the early Adam Smith of *Theory of Moral Sentiments*, the German historical school, the American institutionalist school; but it is quite separated from neo-classical economics in which the study of economic activity—based on the concept of marginal utility and the supply/demand curve—is separated from that of institutions. To-day, ES overlaps to a great extent with the Political Economy as a branch of contemporary Political Science.
- According to Schumpeter, economic analysis studies how people behave at a given time and what effects derive from their behaviour, while ES studies why they behave in that way in the larger institutional context in which economic activity is implicated.
- ES analyses the relations of interdependence between economic and social phenomena, in Weber's terms, non-economic factors (religious, political, etc.) that are 'economically relevant' and economic factors that are 'conditioning' non-economic ones. I prefer this latter definition, that takes into account also the lower degree of generalization of ES theory vis-a-vis economic theory and its relationship with economic history in terms of the distinction between nomothetic and idiographic type of knowledge.
- In the first part of this course the classical contributions of Marx, Weber, Schumpeter, Polanyi and Parsons are critically discussed (most of them concern the analysis of capitalism). The second part focuses on the analysis of capitalism and modernization up to contemporary globalization in the light of the interplay between market, state and community. The third part focuses on the sociology of factors of production. The fourth on how the relationships between economy and society are affected by the Covid19 pandemic.

The rise of social sciences and the double differentiation of modern society

- Great historical changes often imply major changes in the organization of knowledge. Classical economics was born in the second half of the XVIII and in XIX century in England, since there occurred for the first time social, political and institutional conditions that were converted into the general assumptions on which economic theory is built.
- As a consequence of the industrial revolution and the competitive market as distinctive features of capitalism, and of representative democracy and bourgeois revolution, a double process of differentiation took place:
 - 1) the differentiation of economic structures from other social structures such as extended family, local community, church, absolute monarchy (examples: labour force freed from feudal and corporatist constraints, agrarian rent transformed into commercial and industrial capital, the values of rationalism, individualism and utilitarianism freed from religious and political control), thus making them more visible and accessible to study.
 - 2) the differentiation of social sciences from theology, philosophy, history, literature, and the attempt to apply the methods of natural science to the study of man and society. The first social science to achieve the status of an autonomous science trying to apply the logical-experimental method of natural sciences to social reality was economics with the pathbreaking work of Adam Smith's political economy (the great synthesis of *The Wealth of Nations*, 1776), followed by the work of Ricardo, Malthus and Say.

Classical economics

- The first creative simplification of classical economics: the postulate of *homo oeconomicus*, i.e. the simplification of human psychology to the view of the economic actor as rational, maximizing utilitarian (Arrow's 'perfect statistician').
- The second creative simplification of classical economics: features of social structure and social action other than economic ones are ignored or reduced to economic behavior, motivation and interaction: the dynamics of culture are frozen into fixed tastes and preferences; collective action is seen as a mere aggregation of individual actions; political relations, institutions and policies are inferred from the laws of the market.
- The basic question of order and conflict is seen as an unproblematic consequence of rational choices and market's equilibrium.
- These postulates and unproblematic consequences of economics become research questions of other social sciences, psychology, sociology, political science, anthropology.
- The specific features of industrial capitalist society are transformed into universal laws, valid at any time and place.
- Conflicts are 'solved' by the spontaneous equilibrium of the market (the 'invisible hand'). Social relations are derived from economic relations.

Adam Smith: economic equilibrium, universal natural laws

- Immanent natural order superior to any human socially constructed order.
- The wealth of nations depends on the quantity of productive labour. The productivity of labour depends on the division of labour, that in its turn is linked to the natural propensity of men to exchange goods. The description of the pin factory in the first pages of *The Wealth of Nations* (1776) introduces the fundamental concept of the division of labour (developed by Adam Ferguson as well).
- The market influences productivity. The relative value of goods is based on labour and determined by relations of exchange: "The value of any commodity...to the person who possesses it...is equal to the quantity of labour which it enables him to purchase or command. Labour, therefore, is the real measure of the exchangeable value of commodities" (WoN, book I, ch.5). But Smith did not solve the problem of the divergence of use value and exchange value (the paradox of water and diamonds). The determination of wages, profits and rents is based on that theory.
- The self-interested individual is led by an invisible hand of the competitive market to pursue the societal interest as well, although this was not his intention. "By his own interest he frequently promotes that of the society more effectually than when he really intends to promote it"(WoN, book IV, ch.2). The competitive pursue of the private interest is the source of the public good (or in Mandeville's *The fable of Bees*, public benefits are based on private vices). "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 address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities, but of their advantages"(WoN, book I, ch.2)
- The role of the state must be limited to defence, the administration of justice and necessary public works and to defend free trade both domestically and internationally, since the larger the area of free trade the greater the division of labour, work efficiency (productivity) and economic growth.
- David Ricardo's theory of labour as the source of value and the 'bronze theory of wages'.

Karl Marx 1: Political economy

- Marx's thinking as a radically alternative paradigm. His aim is neither revising classical economics from within, nor founding a complementary discipline, but constructing a general, historically grounded theory of society, as the foundation of revolutionary praxis.
- The three phases of Marx life and the specific traits of his biography: direct experience of great political events of his time; constant condition social marginality and deviance (a 'stranger'); inseparable link between scientific revolutionary theory and political engagement.
- The main sources of Marx thought: a) German idealism and Hegel's philosophical synthesis (dialectic totality, sublation (Aufhebung), historical determinism, civil society and the state, alienation); b) British political economy (Adam Smith, David Ricardo); c) French utopian socialists and bourgeois historians (industry and industrial labor, class conflict).
- The critique of idealism: 'turning Hegel upside down', i.e. regarding real, economically based class interests and conflicts, not ideas, as the driving force of civilization.
- The critique of classical economics: the natural laws of classical economics actually concern only a specific, historically determined phase of the world evolutionary process, that of bourgeois capitalism. In other words, Marx's dialectical materialism replaces the natural materialism of classical economics.
- The critique of utopian socialism in the name of scientific socialism.

Marx 2: The relationship between economy and society

- The relationship between economy and society is defined by the dialectic relationships between two pairs of key concepts: a) productive forces (machine, labour, technical knowledge) and the corresponding social relations of production (property rights, authority and class relations); b) structure (productive forces and social relations of production) and the corresponding superstructure (legal and political institutions, ethic, religion, culture).
- Structure and superstructure are not different layers of the social fabric, but contradictory components of a totality within a specific mode of production. ‘The economy constitutes the anatomy of society’ and ‘the superstructure is conditioned by the structure in general ’ (or ‘in the last resort’ as Engels put it).
- This idea of the relationships between economy and society is strictly related to the conception of historical change (Dialectical Materialism): at given moments in history productive forces clash with social relations of production, “that from forms of development of the formers are converted into their chains”; hence a social revolution takes place.
- The fundamental contradiction, “the vital break” is rooted in the division of labour that generates inequalities as well as asymmetries of power and class conflict. In capitalism, this fundamental contradiction – which takes the form of the division of labour between those who control the productive process and the workers – is hidden behind the relations of exchange between owners of goods. Capitalism is characterized by the generalization of the exchange relations between self-interested individuals (the dominant passion on capitalism is greed), but these relations are mere appearances that hide the real relations of production and exploitation ((quote The Communist Manifesto).
- In the German Ideology Marx and Engels affirm that «the first historical action is the creation of the means necessary to satisfy human needs» and that what people are depend on what they produce and how they produce. The reproduction of the material condition of existence, as well as the reproduction of life, imply some form of social cooperation and division of labour, which defines the position of individuals in society and creates a hierarchical social structure in terms of power and access to scarce resources. The division of labour in the family, the division between manual and intellectual labour. The formation of classes.
- The antagonism between the private sphere and the public sphere and the emergence of the state. The economy and politics: the theory of the state: ‘business committee of the bourgeoisie’ and ‘illusory community’.
- The division among class influences the cultural sphere as well. The economy and culture: ‘the ideas of the dominant class are in all times the dominant ideas’.

Marx 3. Class, state and the contradictions of capitalism

- Marx concepts of political economy and capital are different from – and broader than – those of classical economics. Capital-the fundamental concept of Marx’s theory-is not wealth or material goods, but the antagonistic social relation between those who own/control the productive process and those who own only their labour and forced to sell it on the market in exchange of a wage.
- Classes are the subject of historical development, their definition is deduced from the theory of labour value and the theory of capitalist accumulation, but their development from the ‘class in itself’ to the ‘class for itself’ is explained through the specific features of industrial production, class consciousness and political mobilization (ideology and organization).
- The contradictions of capitalism: the capitalist class is forced to continuously revamp social relations (‘everything that is solid melts into the air’). The capitalist order is based on competition in the market(which leads to capital centralization, the falling rate of profit and recurrent crisis) and on workers’ exploitation for extracting the surplus value (which leads to mass impoverishment and creates the conditions for a revolutionary upheaval). Therefore, in Marx the problem of social order and social integration cannot be solved within capitalism.
- What is dead and what is alive in Marx’s view of economy and society. On the one hand, reinsertion of the social dimension into economic analysis, historically determined generalizations, economic crises as endemic in capitalism (‘creative destruction’), the concept of industrial reserve army, rising inequality. On the other, wrong prophecies like the growing impoverishment of the proletariat, the underestimation of the intrinsic ability of capitalism to adapt and transform itself, the undervaluation of the liberal principles and democratic institutions (as written at the end of ch.4, 1st vol. of Das Kapital: the sphere of capital circulation is the reign of liberty, equality, property and Bentham), hence, the underestimation of the potentialities of what Marx defines bourgeois, not universal, values, in terms of freedom from and freedom of, ‘the historical compromise between the bourgeoisie and the working class’, the welfare state.

Max Weber 1: Social and cultural background

- Key analogies in the interpretations of capitalism of Marx and Weber: broader view of the relationship economy/society, historicized capitalism, contradiction and conflict.
- Key differences: the laws of capitalist accumulation vs. the historical conditions underlying the genesis of capitalism as a unique historical phenomenon; economic structure vs. values as key independent variables; the unity of theory and praxis vs. the distinction between value judgments and factual judgments.
- The formation of Weber's personality: social and cultural background (a bourgeois milieu, family's dense intellectual relations). The problematic relationship with his father. The tension between liberty and responsibility in bourgeois culture. The two periods of his life divided by the nervous collapse and recovery (1898-1903).
- One of the last encyclopaedic minds: a wide and reach cultural horizon (Kant and Jaspers, German historicism, Marx and Nietzsche, English Liberalism, French Positivism, Sombart and Simmel, etc.); a relevant multidisciplinary scientific contribution to Sociology, but also to Political Science, Comparative history, Epistemology, Law and Economics.
- Extraordinary intellectual work in universities and the organization of knowledge (*Wissenschaft als Beruf*), *Archiv für Sozialwissenschaft* (1903, with Sombart and Jaffé), *Deutsche Gesellschaft für Soziologie* (1909, with Toennies and Simmel).
- Political liberalism and involvement in politics: reforming liberal democracy in the new-born Weimar Republic (*Politik als Beruf*). Three key political questions in modern democracies, the German in particular: the question of the preservation of the necessary conditions for individual freedom and democratic innovation in the age of large bureaucracies, first of all political pluralism and the separation of economic power from state power; the question of the integration of the working class in bourgeois democracy without threatening the institute of private property to be achieved through the extension of political and union rights to workers; the question of a qualified political leadership, strong, independent and accountable, capable of guaranteeing democratic innovation and of winning the resistance of a powerful bureaucracy and the pressures of powerful interest groups and irrational mass movements. The three components of modern liberal democracy, i.e. political pluralism, the extension of citizenship rights and a strong, independent and responsible leadership, are complementary but at the same time contradictory, particularly in Germany in which modernization was obstructed by the authoritarian dominant class that controlled the state.

Max Weber 2: Religion and capitalism

- The role of Western rationalism in the interpretation of modern capitalism. The economic actor's purposeful rationality (different from value rationality).
- The *Protestant Ethic and the Spirit of Capitalism*: the relationship of mutual conditioning between religious ethic, economic mentality and economic action. Rational action becomes possible when human beings postulate a natural reality free from magical and ritual elements and a religious faith posited in the absolute transcendence of God. In Calvinism human beings stand alone before God without the mediation of rites and ceremonies, repentance and absolution. The transcendence of God manifests itself in the doctrine of predestination: salvation is granted only to the predestined ones by God's inexorable choice; each person must consider himself or herself as chosen, the lack of self-confidence is seen as insufficient faith; but this fosters a desperate need for signs of being one of the chosen ones, which is met by mundane ascetism, i.e. the unceasing, planned, methodical work and the rational organization of life in order to successfully fulfil the vocation (Beruf), thus responding to the call of God.
- Weber's analysis of the key role of Western rationalism in modern capitalism is pursued in two major ways: a) the comparative study of world religions, b) the analysis of the relationships between forms of economic life and modes of social organization.
- The object of *Religion Soziologie* is the comparative study of world religions (Confucianism and Taoism, Hinduism and Buddhism, ancient Judaism) from the point of view of their economic ethic, that is made in terms directly comparable with Protestantism and the values and practices of modern Western rationalism. As Weber writes in the *Vorbemerkung* to *Religion Soziologie*: "only the West had a formally rational law as *ius Romanus*; only the West had two religions, Judaism and (Calvinist) Christianity, that radically broke away with magic; only the West knew a rational science and technology; only the West saw the rise of particular type of city and political order".
- The aim is to analyse those contents of religion that can either favour or obstruct the rational conduct of life that is typical of capitalism (such as magic, ritualistic conservatism, the great rational prophecies, mysticism, the two kinds of ascetism). The three types of relationship between religion and economy: a) religion can be indifferent or even adapt to the existing economic structure, sanctioning them as part of the cosmic order (like in Confucianism); b) religion can condemn mundane economic pursuit as an obstacle to redemption, while praising poverty and charity (like in Buddhism); c) religion transforms economic action according to religious criteria (like in Calvinism). *Religion Soziologie* is a maturation of the Protestant Ethic thesis in the sense of analysing the mutual conditioning between religion and economy: (on the one hand, religious

Max Weber 3: Wirtschaft und Gesellschaft

- The analysis of the relationship between religion and capitalist culture is pursued in *Wirtschaft und Gesellschaft*: on the one hand, the detachment of cult from magic, the universalization of divinity, the establishment of a priestly status group as custodian of religious dogmas, are necessary conditions of the rationalization process; on the other hand, religious communities are influenced by the interests and needs of different social groups (the redemption from suffering versus the legitimation of a privileged status groups).
- At the origin of *Wirtschaft und Gesellschaft* is the aim of developing the analysis of the relationship between religion and capitalist culture, but the scope of the work is broader: the systematic analysis of the mutual relations between the fundamental sociological categories of economic action, community and association, conceived as basic modes of social organization: Economically active, economically relevant and economically conditioned communities household, ethnic, religious, political, communities and associations. Through the systematic analysis of the relationships between economy and society we can sociologically understand the nature of capitalism as a specific historical phenomenon.
- Individual and collective action is aimed at pursuing material and ideal interests in civil society (on the basis of utility and affinity), but is also oriented by the existence of a legitimate order and political authority, that in its turn implies the struggle for power. Individuals tend to aggregate on the basis of common material interests (in the economic sphere), ideal interests (in the cultural sphere) and interests related to the competition for power (in the political sphere). Hence, the formation of classes, status groups and parties. In civil society action is coordinated on the basis of material and ideal interests, in the state-”which is the monopoly of legitimate violence”, action is based on relations of authority (*Herrschaft*). The three ideal types of legitimate power and forms of leadership (traditional, charismatic, legal-rational) and the related forms of state organization (such as feudalism, patrimonialism and the bureaucracy of the modern state where the salaried officer ‘is expropriated of the means of administration’ as the worker is expropriated of the means of production in the capitalist firm). Continuous social change based on conflicting interests, values and identities.
- Late capitalism: bureaucratization and routinization of charisma in large organizations and the conditions of survival of individual freedom and liberal democracy (the ‘iron cage’).
- Weber’s greatest methodological achievement is the integration of the interpretive and the explanatory approach in the social sciences. Interpretive method: the meanings of human actions are to be understood-not causally explained-in relation to the agent’s intentions and beliefs. Explanatory method: significant empirical generalizations, transcultural regularities, constant conjunctions (Hume), nomological approach (Hempel). Weber’s *verstehende Soziologie* is an attempt to resolve this tension:

Joseph Schumpeter 1: socio-cultural background

- Like Marx and Weber Schumpeter aims at understanding modern capitalism. Unlike them, however, he works in the tradition of classical economics, integrating the economic theoretical core with sociological insights.
- The task of economic analysis is studying how people behave at a given time and what effects derive from their behaviour; the task of economic sociology is studying why they behave in that way in the larger institutional context in which economic activity is implicated (*Introduction to The History of Economic Analysis*).
- The three major ways in which economics interacts with sociology: a) sociological and historical insights are used to make key analytical concepts more realistic; b) basic assumptions of economic theory (rational action, market equilibrium) are converted into research questions of other social sciences; c) economic analysis does not provide adequate explanation of phenomena like economic crises and requires insights from other disciplines (as the study of socio-political contradictions).
- Schumpeter's social and cultural background: he was born in a bourgeois family but received an aristocratic education at Theresianum; studied at the University of Vienna (at the time the most important centre of economics) with Bohm-Bawerk; lived an intense life of work, study and travel in England and Egypt before starting university teaching in the Austrian empire (but also in New York and Japan). After the 1st World War he became, for a few months, minister of finance in Otto Bauer's Austrian socialist government, then president of the Bidermann Bank (that got bankrupt prompting him to entirely pay debtors with his own money), and, finally, he resumed academic teaching, first in Bonn and then, in 1932, at Harvard, where he spent the final 18 years of his life.
- A citizen of the world, with a variety of stimulating experiences in intellectual centres like Vienna, London and Harvard, and in diverse sectors of activity (university teaching, scientific research, government, finance, journalism).
- A pupil of none (although he interacted with such prominent figures as von Wieser, Inama-Sternegg, Bohm-Bawerk, von Mises, Bauer, Hilferding, Lederer, Marshall, Edgeworth; but two influential figures: Walras (his concept of economic systemic interdependence) and Marx (the contradictions of capitalism, the integration between economics and sociology and between abstract theory and concrete historical processes)).

Schumpeter2: entrepreneurship and economic development

- The entrepreneurial function as innovation, i.e. the introduction of a new combination of factors of production, which, when combined with credit, breaks into the static equilibrium of the circular flow of economic life and raises it to a new level (*Theory of economic development*).
- The entrepreneurial function calls for a certain type of personality and conduct, which differs from the rational conduct of the economic man. The entrepreneur is a bold leader, willing to overcome ordinary constraints, quite different from the manager, the banker, the routine businessman. Leadership involves the capacity to think the new, to grasp the essential, to act quickly, to understand by intuition. Innovative behaviour stirs criticism and is regarded as deviant and dangerous. The entrepreneur is a leader in a rational and anti-heroic civilization. Entrepreneurship is the form of leadership that appears specifically in capitalism, since it implies the differentiation of the economic sphere in modern society. The entrepreneur takes advantage of the rational environment (money, science, individual freedom, forecasting and planning), but goes beyond it, since his action is basically a creative act, and rests on a dream to establish, ultimately, a family dynasty.
- The question of the relationship between the entrepreneurial function and the social and political role of the bourgeoisie (*Theory of social classes*). Class structure is the hierarchical order of families. Individuals belong to a class independently from their own will. The fundamental factor which explains the mobility of families within classes and the mobility from one class to another is the capacity to adapt to the needs set by the social environment of a specific historical epoch and to demonstrate those abilities necessary for a leadership role. The performance of socially important functions generates social prestige (social rewards, gratifications, influence and deference). Social prestige often survives long after its functional base has eroded because it consolidates society into ranks, through the solidarity ties between the members of the upper class and of leading families within it and the transmission of social privileges from one generation to another. 'Imperialism as atavism'.
- The rise, consolidation and decline of the bourgeoisie in capitalist society provides a clear example.

Joseph Schumpeter 3:the instability of capitalism

- The theory of economic cycles and socio-political contradictions, economic stability and social instability of capitalism (*Capitalism, socialism and democracy*).
- Two main orders of causes in the capitalist crises: 1) economic causes: capital concentration into giant monopoly firms impinges indirectly on the capitalist system by eroding the institutional framework of private property and contract; the routinization of innovation in large organizations renders the role of the innovative entrepreneur superfluous, thus undermining bourgeois dominance. Underestimation of the compatibility of capitalism with oligopoly and state intervention into the economy; 2) sociological causes: the destruction of intermediate and protective social strata deprives the bourgeoisie of valuable political allies; the decline of the bourgeois family as a key institution-which is traced to the diffusion of utilitarian values and patterns of consumption undermining its exclusivity of status symbolization; the corrosive critique by intellectuals of bourgeois values and institutions; capitalism breeds social unrest because it simultaneously holds out the hope for growth and improvement and at the same time generates a high level of personal insecurity; social unrest and political protest are facilitated by the political freedom and tolerance of dissent of modern democracy and by the protest of an expanded group of unemployed and dissatisfied intellectuals. Underestimation of family resilience and class cohesion and of the stabilizing influence of democratic pluralism.
- Schumpeter's similarities and differences with Marx: monopoly capitalism, the contradictions of capital accumulation vs. the decay social institutions. Similarities and differences with Weber: the bureaucratization of social life, political leadership vs. entrepreneurial leadership.

Karl Polanyi I: between Mitteleuropa and UK and USA. The economy embedded in society. Substantive and formal meanings of economics.

- The 1st period of his life: born in a bourgeois progressive family; studies of economics, law and philosophy at the University of Budapest and founder of Galileo Circle and the Society of social sciences; at the end of the First World War, journalist of international affairs and socialist militant in Vienna.
- The 2nd period of his life: since 1933 in the UK, teacher of adult education courses in London and Oxford; in 1944 Rockefeller Foundation fellow in the US (Bennington College); 1947-1953 professor at Columbia University where he directed a Ford Foundation financed interdisciplinary research project on the institutional aspects of economic growth (with students like Arensberg, Pearson, coauthors of *Trade and Markets in the Early Empires*, 1957); until his death in 1964 scholar of economic anthropology, activist for peaceful coexistence. The influence of Marx, Menger, British Labourism and American Institutionalism.
- Polanyi's conception of the relation between economy and society: in most of world history the economy is embedded in social relations and economic agents do not act to maximize their material interests but rather to safeguard their status pretences and social advantages. Market industrial capitalism is exceptional because the economy has freed itself from societal controls and subordinated other aspects of social life to its needs. Classical and neoclassical economics have mistaken this exceptionalism (an 'historical accident') as manifesting universal general laws.
- The distinction between the substantive aspect of economic life (satisfaction of needs) and the formal aspect (logical relationship between means and ends), following Menger's Grundsätze; the 'economist fallacy' of mistaking the latter aspect for the whole of economic life, whereas the competitive link market-money-price and the institutions of private property and free contract have been absent in most of human history. Polanyi's critique of mainstream economics is not a critique the internal logic or an empirical falsification of economic models, but a critique of the underlying assumptions of utilitarian individualism and of the rationality of *homo oeconomicus*. Polanyi's substantive aspect is the object of economics, whereas the formal aspect is the theoretical paradigm. The three ways to evaluate a scientific theory: internal logic, empirical verification, 'realistic' assumptions.

Polanyi: The self-regulating market and society's

‘self-defence’

- Polanyi's major work, *The Great Transformation* (1944), is a great and ambitious attempt to trace the origins and causes of market industrial capitalism (nineteenth-century civilization) and its collapse in the twentieth century, that manifests itself in the crisis of most of the international institutions of capitalism, such as the gold standard and international finance, constitutional democratic government, the balance of power among the great powers (part 1 of the book) and, above all, the self-regulating market (part 2 and 3 of the book).
- Polanyi's central thesis: the self-regulating market as the key institutional mechanism of social regulation in capitalism, which transforms land and labour into “fictitious commodities and cannot exist for long “without annulling the human and natural substance of society”. Hence society's self-defense and the ‘double movement’, i.e. the conflict between free market dynamics and political controls of the exchanges of labour, capital and natural resources (Mannheim: laissez faire opposed to social regulation). The double movement is analysed in depth in chapters concerning pauperism and British poor laws of 1795 and 1834, the relationships between market and nature and between market and productive organization. But the double movement does not solve the basic contradiction and ends in the collapse of the capitalist system.
- Polanyi's method: a detailed analysis of a rich historical material on early industrial revolution in Britain and early XX century international instability (market relations, social and labour legislation, union strategies, tariff policies, central banks activities); a relentless critique of the philosophical and theoretical principles of utilitarianism and classical economics, juxtaposing his alternative conception of the economy as an institutional process; a theoretical discussion of the key sociological question of the mechanisms of social solidarity in an individualistic society. Polanyi's principles are more similar to Weber's ideal types than to Marx's sequence of modes of production. Although sharing with Marx the notions of the inherently contradictory nature of capitalism and of the importance of industrial mechanization, Polanyi does not apply the dialectic method but an holistic organicist approach to his analysis, where the key focus is not on social relations of production and class conflict, but on the double movement between the self-regulating market and society's self-defense, and he does not consider capitalism the highest stage of human society but rather an historical accident. No class analysis and class conflict as in Schumpeter, but society self-defense as a whole.

Polanyi 3: reciprocity, redistribution and exchange. A critique of Polanyi's comparative economic anthropology.

- Based on vast anthropological research by himself and his associates, the typology of the three principles of economic integration (to answer the question of how is the flow of economic goods through society governed): a) reciprocity indicates correlated transactions between symmetrical groups (family relations, gift exchanges); b) redistribution indicates appropriative transactions to and from a political centre (tax collection and other state policies); c) exchange refers to transactions between two 'hands' in a market system (market relations). Each principle implies a given way of distribution in space, i.e. in societies which possess a given kind of structural grouping (for example, symmetrically organized kinship), the mode of economic transfer will be shaped accordingly.
- Three main critiques: first, the typology is incomplete, it does not cover, for example, political mobilization of goods and services for collective action (such as the conduct of war); there is a certain neglect of the political dimension (representative democracy, political pluralism) and of the greater complexity of modern society vis-à-vis previous ones. Second, it is a basically static classification, that does not explain the transition from one form of integration to the other. North has tried to amend this trying to combine Polanyi's typology with transaction-costs analysis, which argues that anytime transaction costs exceed benefits in a market-money-price system, alternative modes of exchange and distribution will take place, like the administered distribution of public goods (when it is not possible to exclude from the benefit those not paying a cost), or solidaristic reciprocity in providing assistance and in informal bartering. Third, due to his 'implacable hatred for market society', Polanyi overestimated the disruptive and disintegrative aspects of the market principle, and underestimated the negative aspects of the other two principles, such as one-sided exploitation in a reciprocative system and autocratic centralism in a redistributive system. Alongside it, he underestimated the objectivity and neutrality of money compared to other forms of rewards for a service. According to Weber the development of a money economy is the prerequisite for the transition from the feudal and patrimonialist ideal types of administration to the modern legal-rational bureaucracy. Wherever the neutrality and objectivity of money is absent, there is often not solidarity and disinterest, but favoritism, recommendations, arbitrary preferences and privileges. The payment of a price extinguishes the obligation, whereas a favour can subject us to future requests to return the favor.
- The continuing relevance of Polanyi in contemporary debate with regard to such questions as climate change, circular economy, welfare state, trade-off between efficiency and solidarity, the critique of rational choice.

Talcott Parsons 1: background and main phases in the development of functionalist theory

- Family background: Protestant social reformism. The influence of institutionalist economists (Hamilton, Ayers) at Amherst College, interest in Biology, readings of Veblen, Sumner, Cooley. The fundamental European experience, in 1925 at the London School of Economics (Tawney, Laski, Hobhouse, Ginsberg, Malinowski), in 1926 in Heidelberg (Sombart, Troeltsch, Rickert, Lukacs). Ph.D. thesis 'The concept of capitalism in recent German literature', laying the ground for his first major work. The creation of the interdisciplinary Department of Social Relations at Harvard and the formation of key figures of American sociology (Merton, Shils, Bales, Smelser). In the last part of his life interest in history and works on the evolution of human societies.
- Parsons' first major work, *The Structure of Social Action*, is a critique of positivism through an original rielaboration of the works of Marshall, Weber, Durkheim and Pareto, in which a voluntaristic theory of action emerges and is seen as the specific object of sociology. The appropriate method is Pareto's analytical-generalizing approach (quote of *Trattato di Sociologia generale*, pp.19-20: "The very common error...), to which Parsons arrives after a discussion of the empirical/analytical, the realistic/nominalistic and the individualizing/generalizing dimension in social analysis. This critique is the basis of the first phase in the development of Parsons' theoretical paradigm: a simplified 4 elements scheme (the agent, the purpose of the voluntary action, the situation (choice of means in a context of favouring or obstructing environmental conditions), the set of orienting and regulating norms.
- The second phase. On the basis of extensive empirical research (e.g. on the medical profession) and of psychological studies (Kofka's and Koehler's Gestaltpsychologie, Freud's Psychoanalysis, Tolman's Behaviourism) and anthropological studies (Structural-Functionalism of Malinowski, Radcliffe Brown, Kroeber), human behaviour is analysed within a scheme of organized systems of action at three levels: at the personality system level, with the three aspects of the motivational foundation of action (cognitive, cathetic-or gratification/deprivation-, evaluative); at the social system level as the interaction of a plurality of actors with reciprocal expectations and sanctions concerning their respective roles; at the cultural system level as a system of values, norms, meanings, cultural models, which are internalized in personalities and institutionalized in social systems. The key variable is no longer the agent but the role, i.e. a selected aspect of acting that is defined only in relation with other roles, their institutionalized expectations and the related sanctions.
- From the combination of these concepts and the reassessment of classical sociological dichotomies as Toennies' Gemeinschaft-Gesellschaft arise the key concept of this phase in Parsons' thought, i.e. that of pattern variable (*The Social System, Toward a General Theory of Action*, written with Shils). Pattern variables are dichotomous alternatives or dilemmas of choice, that help analyzing conflicts of expectations among actors whose behavior is influenced by different material and ideal interests and different subcultures (an instance of Weber's ideal types). They are: a) affectivity-affective neutrality (in terms of the degree of emotional involvement), b) self-orientation-collectivity orientation (private interests vs public responsibility), c) universalism-particularism (general vs specific criteria of evaluation), d) ascription-achievement (evaluation based on quality vs performance), e) specificity-diffuseness (in terms of the scope of appropriate obligations). Pattern variables are at the same time alternatives of meaningful action, normative requisites for social system's functioning, and cultural orientations. They structure the personality in ways compatible with the social system through the twin processes of socialization and social control.

Parsons 2: the social system

- The limits of the pattern variables typology (arbitrarily deduced, not exhaustive) brought Parsons to develop a functionalist theory of social system in 3 later works: *Working Papers in the Theory of Action* (with Bales & Shils), *Family, Socialization and Interaction Process* (with Bales) and *Economy and Society* (with Smelser) around the key concepts of system, systemic interdependence and homeostatic equilibrium.
- The functioning of any social system is subject to four independent functional imperatives or problems, which must be adequately solved if the equilibrium and persistence of the system are to be maintained; any societal system differentiates in four subsystems, each specialized in performing one functional imperative. The four imperatives are: 1) Latent pattern-maintenance and system-management (L), i.e. the system of values and beliefs that operate as legitimizing and maintaining arrangements for society's major institutions and as structural motivations for its members. Religion, science, the family and education form the institutional subsystem specialised in fostering the consistence and integrity of core societal values and in managing tensions). 2) Goal-attainment (G), i.e. the ways in which society establishes specific goals-legitimised by the dominant values-and mobilizes the people to attain them (the polity is the specialised subsystem performing this function). 3) Adaptation (A), since the legitimised goals-such as economic productivity- are not realised automatically, society has to devote its energies to providing means and facilities (the economy is the specialised subsystem performing this function). 4) Integration (I) i.e. institutionalized arrangements devoted to handling the many individual and group conflicts and promoting social solidarity (the specialized subsystem performing this function includes the legal system, the 'peacekeeping' aspects of the state, the differential allocation of facilities and rewards in social stratification). Each subsystem produces a generalized social medium: wealth for the economy, power for the polity, moral commitments for Integration institutions, influence for Latency institutions. Each subsystem is part of the situation or social environment of the other three and all are connected by a series of border exchanges (an input/output matrix). The economy can be analysed as a social system in its turn, in terms of the four functional sub-systems and their border interchanges. The Adaptation, Goal-attainment, Integration, Latency (AGIL) scheme can be applied in many directions, but here we focus on the major ways in which economy and society impinge on one another.
- The economy interacts with the other subsystems through border exchanges; the latter are responsible for generating the resources (factors of production) necessary to the functioning of the economy, which in turn supplies them with its own output). For instance the exchange between the households (L) and the economy (A) is motivated labour which is ultimately exchanged for consumer goods and services with the mediation of money (wages and prices). A second relationship is that the other subsystems determine in large part the value of the parameters of economic activity. For example, with respect to tastes, the authors of E&S criticize the traditional view of these as 'given individual preferences arguing that they are shaped by community interaction and criticize simplified assumptions such as indifference curves and the marginal propensity to consume arguing that they are structured by family exigencies and cultural values. Third, non economic factors structure economic exchange through institutionalized norms like contract, property and other aspects of law. For example, the market for professional services deviates from classical exchange notions developed in economics, by virtue of special value and normative commitments associated with professional roles. On the basis of this line of analysis, in E&S is laid down an elaborated set of criteria for classifying different kinds of imperfection in economic markets. Fourth, a generalized model of change is outlined: modern Western capitalism as a series of crucial differentiations developed by agents to adapt to pressures from cultural values and environmental forces and to overcome the dissatisfaction fostered by those pressures

Parsons 3: The economy as a functional subsystem; economic theory as a special case of the general social system theory

- Finally, “economic theory is the theory of the specific processes taking place in the economic sphere which is a distinct subsystem of society”. The specifically economic aspect of social system theory thus represents a special case of the general theory of social system... its peculiarity does not reside in the different class of variables that are employed, but in the parameters that distinguish the special case that define economics from the other special cases in the use of the general variables of social theory”. E&S argues this thesis on the basis of the substantial analogies between the concepts of economics and those of the general theory of action; for instance the supply-demand scheme can be considered as a particular case of the performance/sanction scheme, the four factors of production (and the related types of income) can be seen as corresponding to the four functional imperatives of the social system. In other words, through the analysis of the interrelations between the economy and the other subsystems, the postulates of economic theory are transformed into research questions of cognate disciplines and deducted as special cases from a wider theory, which includes also the non economic/non rational factors influencing human action (Hempel). The examples are numerous: rationality is not considered as psychological propensity, but a cultural value internalized in the process of socialisation; the relation of consumption to income is not fixed (as in Keynes ‘basic psychological law’) but influenced by cultural values; the creation of credit is analysed as a political function (analogy between power and money), contract is sociologically considered the fundamental institution of the economy.
- E&S is an ambitious, but largely unachieved, attempt to upgrade the scientific status of economic theory. Its main contribution is conceptual codification, i.e. the accurate definition of the key variables and the relations among them in a theoretical model for the analysis of the social system. What is lacking is both the operationalization of key variables and the application of abstract models to concrete economic phenomena in order to empirically validate the hypotheses drawn from the theoretical model. As Wright Mills incisively remarked “the grand theory is drunk with syntax, but blind to semantics”.
- The third phase of Parsons’ thought (which started with *Economy and Society* and continued in the last works on systems of societies and traditional and modern societies) focuses on the interrelations *among* systems of action instead than *within* them. As a logical extension of the AGIL scheme, four different systems of action are identified, each with its own functional imperatives and structural variables: a) the organism refers primarily to the adaptive function since it supplies to other subsystems the resources drawn from the environment; b) the personality is oriented toward goal attainment and decision-making; c) the status/role configurations of the social system integrate the needs of the personality and the models of the cultural systems; d) the cultural system performs the fundamental function of controlling tensions and maintaining the institutional role models. In this phase Parsons was influenced by Biology (living systems are open systems that continuously interact with the environment) and of Cybernetics (systems are characterized by constant flows of energy and information; the elements of the system that supply energy are conditioning action, while the elements that supply information are controlling action. According to Parsons, the organism is the source of energy for the personality which in its turn provides energy for the role organization of the social system, which in its turn provides energy for the cultural system to operate. In the opposite direction, culture offers to the social system value orientations that are organized in norms controlling role performance, social roles exert a cybernetic control on the motivations

The process of modernization, different paths toward and through modernity.

In Marx, Weber, Schumpeter and Polanyi the analysis of the relationships between economy and society is framed in their interpretations of capitalism and modern society, whereas in Parsons is a component of the general theory of action. From their works we draw key elements for defining the present context of the relationships between E&S, i.e. global modernity, but their contributions must be updated with sociological works since the 1950s, from the sociology of modernization of developing countries to the more recent approaches of advanced countries' radical modernity and of multiple modernities.

In the 1950s and 1960s, in the international context of the cold war, the E&S relationships were examined by focusing on the process of modernization of less developed countries, where the sociology of modernization was a distinct, complementary approach to development economics. Modernization process is a tendentially global process that extends to the whole world and affects all major aspects of a society (economic, social, political, cultural). The criteria for the analysis of modernization: the nation-state as the unit of analysis, Traditional society and modern society as two opposite ideal types and the distinctive features of both. The key drivers of modernization: technological innovation and industrial organization (Levy, Ogburn); division of labour, differentiation and integration (Parsons & Smelser); cultural attitudes and the modern personality (Lerner, Inkeles); geographical, social and psychological mobility, the 'revolution of expectations' (Lerner); social mobilization and political participation (Deutsch). The forms, stages, timing and sequence of modernization (Rostow, Black, Organski). The 6 critical thresholds of political development (Almond, Pye, Rokkan, Binder): (national) identity, legitimation (of state authority), penetration (efficient public administration), participation (extension of suffrage, pluralism of representation), integration (effective public policies) and distribution (welfare, fiscal crisis of the state). Note; in Rokkan only 4 crises, without penetration and integration). The contradictions and critical thresholds of social development (Martinelli): demographic growth, overurbanization, class conflict and working class integration, mass education and mismatch between schooling and the labor market, the fiscal crisis of the state, the women's revolution, the environmental transition, Critical thresholds, collective movements and institutional responses, the cycle of growth and modernization. The actors of modernization: collective movements and modernizing elites; innovative entrepreneurs (McClelland, Hagen), nationalist revolutionary leaders (Dube, Riggs); technocrats (Schurmann), army officers (Pye, Rostow), intellectuals (Shils). Outcomes and consequences. The theory of convergence (Kerr, Huntington, Goldthorpe).

Major critiques of the sociology of modernization (Bendix "Tradition and modernity reconsidered", 1967): the rigid dichotomy traditional/modern; the standard unilinear and uniform model that is traced to evolutionary universals like industrialization and urbanization, that ignores discontinuities, breaks, inversions, revolutionary leaps; the emphasis on endogenous variables at the expenses of international interdependence; the emphasis put on systemic factors of change at the expenses of actors' strategies.

Main alternative approaches to the sociology of modernization

Comparative historical sociology of modernization: Bendix *King or People*: a comparative study of five countries (England, France, Prussia/Germany, Japan, Russia) and their models of authority, focusing on the emergence of the people's mandate from traditional political structures, the role of intellectual elites and the relations between central and local powers.

Barrington Moore's *The Social Origins of Dictatorship and Democracy*: a comparative study of six countries (England, France, the United States, China, Japan, India), from which a three routes to modernity model is drawn: the democratic route, revolution from above, a peasant revolution) with the relations among key social classes playing the key role (balance of power between monarchy and aristocracy and the commercialization of agriculture, antagonism between bourgeoisie and landed aristocracy).

Rokkan's comparative study of European political development (the formation of centres and the incorporation of the peripheries, forces that tend to stabilize borders-like kings, bureaucracies, national languages- and forces that tend to transcend them-like universal religions, commercial trade, international language like Latin), the six 'givens' and the outline of his conceptual geopolitical map of Europe, based on two dimensions: a north/south one that is mostly cultural-religious and ethnic-linguistic, is important in nation-building and is 'measured' by the geopolitical distance from Rome, and an east/west one that is mostly economic, is relevant for state formation through the role of a capital city and is 'measured' by the geopolitical distance from the central belt of trade route cities (with their commercial and monetary functions) from Northern Italy to the Hanseatic League. The fundamental differences between Western European modernization and that of post-colonial countries (the time variable).

Neo-Marxist approaches. The UN ECLA, Economic Commission on Latin America (Prebisch): the terms of international trade are not favorable to peripheral countries, the conflict between international and domestic capitalism can be dealt with by the state's imports substitution strategy. The Latin American theory of dependencia (Cardoso & Faletto, Dos Santos) and class relations (the rise of the comprador and the national bourgeoisie, the incomplete capital accumulation in dependent countries).

The theory of unequal exchange between the prices of the exported raw materials and agricultural products and the prices of imported industrial goods from the metropolis (Emmanuel, Frank).

Wallerstein's world system theory: main influences, Marxist theories of imperialism and Braudel's studies on the 'Mediterranean system'; the three types of world system (world empire, world economy, world socialism), the world market as the fundamental mechanism of the modern capitalist system, the international hierarchical division of labor between core, periphery and semi-periphery.

More recent approaches: the 'new political economy' (Evans and Stephens, Gereffi and Wyman): an effective role of the state in industrialization depends on an efficient bureaucracy and a modernizing autonomous political leadership. The comparative study of cultures (Dore): some features of traditional society can support development rather than hinder it, there are different routes to modernization, international relations are not only constraints but also opportunities for modernizing elites.

Radical and unaccomplished modernity

In the last years of the XX century scholarly interest moved toward a reappraisal of the modernization process of advanced developed countries and of its implications for less developed ones in a globalized world.

The challenge of Post-modernism: modern/postmodern dichotomy replaces the traditional/modern, with an emphasis on individual condition rather than on system functioning. Its philosophical and sociological roots; North American architecture (Jencks' Las Vegas), French philosophy (Lyotard's end of 'grand narratives', Foucault's 'archeology of human sciences'). Sociological classics; analogies and differences with Bell's 'end of ideology', Touraine's post-industrial society', McLuhan's 'global village' and 'the medium is the message'. Harvey, Jameson: global post-modern society as resulting from sudden accelerations associated with periodic crises and restructuring of late capitalism. Crook, Pakulski & Waters: de-differentiation, de-rationalization, de-mercification, rediscovery of the local, priority of consumption over production. Lash: de-differentiation of cultural forms, chaos, flimsiness and instability of our experience of virtual reality, due to the pervasiveness of new media in post-industrial society. Baudrillard: the absolute proximity and instantaneousness of things leaves no place for intimacy and interiority, everything dissolves in information and communication of simulated reality. As a reaction the rediscovery of localism and the reinvention of tradition (Delanty). Inglehart's post-modern values. Bauman: 'liquid society'.

The critique of post-modernism (Berman's *The Experience of Modernity*): there is no end of modernity, since the key aspects of 'post-modern society' are already present in the contradictory character of modernity, i.e. rationality and organization, but also fragmentation and chaos (Frisby's study of Simmel, Krakauer and Benjamin, Baudelaire's 'The painter of modern life', Foucault's modernity and countermodernity. The rejection of modern science, the end of the Enlightenment, no verified hypotheses). Stereotyped views of the economy (the overemphasis on the small, flexible firm) and polity (the dismissal of the nation-state).

Jürgen Habermas: the unaccomplished modern project, Weber's theory of rationalization at the basis of his 'critique of reason through reason' and his concept of communicative reason which is in deficit in contemporary society and is contrasted with that of instrumental reason which is in excess; communicative reason is the basis of consensus: the 'omniscient individual subject is subordinated to the consensual accord that is reached in the communicative interaction between equal and conscious subjects. Capitalist modernization not only distorts but also develops the communicative potential of reason.

Alain Touraine: in to-day 'exploded modernity' the global market's logic of instrumental rationalism is opposed to unlimited multiculturalism, due to the subordination of every action to the pursuit of efficiency and output that fosters in reaction a fanatical demand for diversity). The post-modernist absolute predominance of the subject destroys the social dimension as a sphere of shared meanings.

Peter Wagner: the basic tension between freedom (key principle of political democracy, market economy and scientific research) and discipline (the coercive character of institutions) in modern society. Post-modernists are wrong in thinking that the individual experience of disjointedness and incoherence corresponds to a disorganized world, on the contrary.

Antony Giddens: "rather than entering a period of post-modernity, we are moving into one in which the consequences of modernity are more radicalised and universalised than as never before"; the four organizing principles of modern society; the discontinuity and intrinsic dynamism of modern society derive from time-space distanciation; the disembedding of social systems from their localized contexts of interaction and the reflexive ordering and reordering of social relations in the light of continual inputs of knowledge; perception of risk of high modernity (the Juggernaut metaphor), sensation of being part of a universe of events that we do not fully understand and seem in large part beyond our control, with its abstract systems of knowledge, specialized knowledge, the reflexivity of action (and on the non-possibility of action), which are not

Global modernity: a common global condition and different paths toward and through modernity (multiple modernities).

Modernization as a basically global process. On the one hand, globalization is a consequence of modernization that has redefined the project of modernity; on the other, globalization impacts on the different paths toward and through modernity. Globalization requires a reappraisal of the theories of modernity (and of the object of sociological and political research). A single system and a fragmented world (the contradiction between increasing economic, social and cultural interdependence and political fragmentation). The world can be conceptualized as a single system, but not as a world society, since there is no normative consensus reflected in commonly accepted institutions at the world level; hence global governance cannot be taken for granted.

The multiple modernities (or varieties of modernity) approach (Eisenstadt, Wittrock, Gaunkar): the main causes of modernization of non Western countries were responses to the external challenges and stimuli produced by various international systems created by modern Western civilization, responses influenced by factors such as the point of entry of a given society in the international system and the range of available options, its existing economic and technological foundations, its fundamental cultural preconditions, its traditional responses to change and the potential for innovation.

Eisenstadt (critique of the hegemonic, homogenizing assumptions of the Western project of modernity, the history of modernity as the constant constitution and reconstitution of multiple cultural programs), Wittrock (critique of both 'liberal historicism' and multiple long-crystallized civilizations, to-day modernity as a common global condition, a set of hopes and expectations implying some minimal adaptations by macro-social institutions).

My critique of the multiple modernities approach: 1) the European origins of modernity, convergent and divergent paths toward and through modernity (Schmidt); 2) the arbitrary separation between the cultural and other dimensions of modernization; 3) the hurried dismissal of earlier studies of modernization.

The link between modernization and secularization into question (Casanova, P. Berger, Taylor). The various role of the state in modernization and the impact of globalization on the nation-state: the erosion of national sovereignty in a 'post-Westphalian order' (Krasner), the developmental state (Rosenau, Keohane). The dialectic of convergence and divergence (Gaunkar).

How the Covid 19 pandemic is changing globalization.

Contemporary globalization and the interplay between market, state and community. The question of global governance

Main perspectives on globalization: hyperglobalist (Ohmae), sceptic (Hirst&Thompson), transformationalist (Held et al.) which is also my own. Contemporary globalization as a multidimensional process; its distinctive features (economic, financial, technological interdependence, social interconnectedness, cultural hybridization, time/space compression, digital revolution of ICT and AI).

The contradiction between increasing economic, social and cultural interdependence and political fragmentation. The question of global governance. The three principles of social integration and regulation: authority (or hierarchical control); exchange (or coordination through transactions); solidarity (or normative integration). How the three principles can be traced in the history of social sciences (Hobbes, Smith, Weber, Durkheim, Toennies, Polanyi).

Types of social institutions corresponding to the three constituent principles: states (different forms of public and private government); markets; communities. Markets (free trade and protectionism, multinational corporations, global financial markets), governments (nation-states and public policies, international governmental organizations, international regimes, the EU), and communities (international collective movements, non-governmental organizations, epistemic communities) as actors of global governance.

Models of democratic global governance: liberal-democratic internationalism, radical democracy, cosmopolitan democracy, multipolar democracy of supranational unions, the poliarchic model. Walzer's seven ideal-typical political arrangements of international society on a continuum between the pole of maximum centralization and the pole of maximum pluralism: unified world state, global empire, the united states of the world, form one extreme and international anarchy, international systems of sovereign nation states and international organizations, international civil society, from the other extreme, with the regime at the centre in which the anarchy of sovereign states is mitigated and controlled by international organizations like the UN, non governmental associations of the world civil society and supranational unions like the EU.

Great powers (defined in terms of their power resources) and the competition for world hegemony in the economic, scientific, political, military, cultural (soft power) fields.

Reading for plenary discussion: my Presidential Address at ISA XV Congress, Brisbane, 2002.

The development of the world economy since 1945

- The post-Second World War world economic order (Bretton Woods): new international institutions (The United Nations, World bank, International Monetary Fund, General Agreement on Trade and Tariffs). The balance between international trade liberalization and national economic and social policies welfare, like anticyclical deficit spending ('Smith abroad and Keynes at home').
- 'Les trentes glorieuses' between the end of the war and the early 1970s: historic compromise between capital and labour (moderating wage demands relative to productivity increases in exchange for full employment and welfare state expansion and collective bargaining by strong organized interest associations empowered by Fordist production organization.
- The 1970s stagflation as the critical junction between les trentes glorieuses and the next neo-liberal phase. Causal factors: high energy and raw material cost increases and rising wages which fostered a shift in the perspective of decision-makers from problems of aggregate demand and employment to problems of supply of productive factors; shifts in the relative competitiveness and world trade shares; huge increase in the volume of money looking for profitable investment; China's shift to the so-called 'market socialism'. All the factors contributed the oligopolistic assets of the previous phase. The structural changes from below were coupled by cultural changes (supply-side economics, the Chicago School, the self-regulating market) and government economic policies from above (Thatcher's and Reagan's new policy regime with a new growth model).
- the ICT revolution and growing global interdependence. Growing public and private indebtedness. Hyperfinancialization and the relaxation of regulation and supervision. The power of transnational corporations.
- The 2008 global financial crisis and the long economic stagnation. Exit strategies from the crisis.

Market, state and community at the national level: varieties of capitalism and welfare system.

- The erosion of national sovereignty and the developmental state.
- Varieties of capitalism: state policies to improve economic performance and to meet economic challenges; firms 'strategies and structures to achieve corporate goals. Hall&Soskice's ideal types: A) liberal market economies (firms coordinate their activities primarily via hierarchies and competitive market arrangements and formal contracting).B) coordinated market economies (firms' coordination is more often the result of strategic interaction with other actors), later enlarged to include 'mixed market economies in the South of the Eurozone (Hancké et al.); are pure types more competitive than mixed ones? (Hall&Gingerich vs. Berger).With the euro different responsiveness to the crisis (Scharpf). An enlarged typology: the market-led model, the social market model, the Nordic model, the Japanese model, the Asian authoritarian model (Amable). Innovation (radical or incremental), productive organization (post-Fordism), industrial relations, types of state intervention, relationships between banks, stock exchanges and firms, the nexus education-professional training-work organization, as key variables.
- Welfare models in varieties of capitalism: liberal Anglo-Saxon (welfare benefits granted in relation to basic needs, policies are targeted to well-defined social groups (the poor, the elderly), largely unregulated labour market, modest and short term unemployment subsidies, mostly private provision of health and social services, low taxes, free enterprise and individual responsibility as ideological foundations); Nordic universalistic (high standard government services provided to all, extended public employment, active labour policies, gender equality measures, unemployment benefits directly managed by trade unions, high taxes, social democracy as main ideological assumption); communitarian Continental European (relies on employment-based, status-related, social insurance schemes, social security contributions as a non-wage component of labour cost, participation of unions and employer associations in the management of pension schemes, Socialist trade unionism and Christian social thinking as ideological assumptions); communitarian Mediterranean (strong dependence on social services provided by the family, a universal health system, generous pension schemes);, post-Communist(welfare provided to all citizens, but in general with low-quality services, low labour productivity, extended under-employment, and poor standards of living).
- The globalization of production. Different types of transnational supply chains (Gereffi et al,2005), between market relations and (hierarchical coordination: modular supply chains , relational supply chains ,bounded supply chains .

State, market, community and European integration

- The stages of European integration. The formation of the common market, the adding of the second and third pillar
- The political-institutional architecture of the European Union
- Two methods of governance: communitarian-supranational and intergovernmental.
- The two contradictions of the process of European integration: 1) the construction of a supranational union with nation states as building blocks; 2) the transfer of portions of national sovereignty to the supranational level without a corresponding transfer of community commitment and solidarity and institutional loyalty.
- The main cleavages in the EU: the first between a view of the Union as a single market only or as a political project as well, has been reduced by Brexit, but not close since it represents itself in the different views of the Western older members and Eastern more recent ones. The second is between Northern states with stronger economies which are more concerned with financial stability and Southern highly indebted states which are more concerned with growth and employment. The third is between the states more committed to the free movement of people within the EU (including immigrants) and the sovranist states.
- Nationalism and the nation-state. Nationalism is the political principle that affirms the necessary congruence between political unity and national unity and helps to achieve the political project of the fusion of state and nation. Nationalism is historically specific; it is a basic aspect of the culture and institutions of modernity. The controversial relation between nationalism and democracy. Main features of the nationalist ideology (claims related to identity, time and space).
- Populism can refer to the sovereign “demos” (the legitimate foundation of the political order), or to the people-mass (the common people), or to the people-nation with its ethnic roots. The vagueness and plasticity of the ideological core, of populism, thin and strong at the same time, allows the populist rhetoric to be combined with a variety of “thick” ideologies, such as nationalism.
- Populist nationalism: main features, causes and its impact on EU integration. In contemporary Europe, various interrelated causes contribute to the national-populist upsurge. First, the impact of the post-Cold War scenario has brought to light old cleavages and old nationalisms and has created difficult problems of regime change, thus fostering the political career and access to power of populist leaders in Eastern Europe. Second, there is the double crisis of legitimacy and efficiency in representative democracies: on the one hand, mainstream political parties are less and less able to mobilize voters and to structure political conflict; on the other, global trends erode national sovereignty and limit the capacity of national governments to implement effective policies, whereas the EU governance system

The sociology of factors of production:labor

Global interdependence, the transformation of the work organization and the impact on labor markets: global productive networks, supply chains, offshoring and reshoring.

The digital revolution,machine learning, deep learning. Its impact on the transformation of work relations and the labour market. Its impact on life styles and consumption patterns. Digital revolution , surveillance policies and the dialectic between freedom and security.

International migrations in the world labour market.

How labour interest representation and trade unions change in globalization

The sociology of factors of production:capital.

- Ownership and control in the corporation. The relationships between firms and banks
- The sociology of financial markets and global finance.
- Main stages in the history of the financial –monetary system since 1900.
- The 2008 global financial crisis and the long economic stagnation.Triggering factor: the US real estate/sub-prime bubble crisis that provoked a chain reaction affecting the widely extended and highly complex system of related financial products (mortgage-backed securities, collateralized debt obligations, credit default swaps and other types of hedge funds).
- A structural, not a conjunctural crisis. The first major systemic crisis of contemporary globalization, the traumatic expression of the contradiction between increasing economic, financial and technological interdependence and continuing political fragmentation.
- The crisis is traceable to key aspects like unregulated growth of financial markets, the unchallenged rise of shadow finance, the less and less cautious investors' attitude toward risk, inequalities and disequilibria at the world level /creditor, fast growing export-led countries vs debtor, finance dominated, mass consumption countries).
- The neoliberal cognitive framework: free market fundamentalism and the 'Washington consensus'.
- A large coalition of interests, the power of lobbies and the rising costs of politic, the weakness of regulation.
- Exit strategies from the crisis: a comparison between the US and the EU.

The sociology of factors of production:land.

- Economy and the environment; the competition for key resources (like energy, minerals, food, water, soil).
- See: sir Partha Dasgupta () *Economy of Biodiversity*, Cambridge University Press,2021
- The United Nations paradigm of sustainable and inclusive economic development; main actors the strategies to achieve the 2030 Sustainable Development Goals (SDGs). UN Resolution (New York,September 2015) ‘Transforming the World, the 2030 Agenda of Sustainable Development’. The 17 goals and 169 targets. Improvement with regard to the Millennium Development Goals (2000). A smart method: all underwriting parties, first of all sovereign states, agree on common goals, but keep their decision-making freedom as far as means are concerned, with the further qualification that they accept to be monitored and evaluated for their performance. It is the only viable method of cooperation since, as human beings, we all face the same challenges, but as citizens of sovereign states, we recognize legitimate power only to our national governments. Sovereign governments are compelled by the gravity and urgency of global problems to cooperate and coordinate their policies, but do not accept actions imposed from the outside. Weaknesses: several goals and targets are listed and juxtaposed without specifying contradictions, complementarities and trade-offs(a silo approach); difficult evaluation of performances and measurement of policy outcomes, problem of unreliable data; lack of analysis of social coalitions either favoring or obstructing the attainment of given goals and targets; some goals (as for instance n.16) lump together quite different purposes.
- Climate change, policies of mitigation and adaptation. The Paris Cop 21 Resolution (Paris, December 2015).
- How will SDGs change as a consequence of Covid19?

The sociology of factors of production: entrepreneurship.

- Entrepreneurship: innovation, risk and entrepreneurial leadership (Schumpeter).
- For most economists-with notable exceptions from Schumpeter to Kirzner- the question of entrepreneurship is not problematic. Entrepreneurship is just a variable dependent upon economic factors, such as availability of capital, labor, raw materials and advanced technology, factor mobility and access to markets; most economists seem to think that entrepreneurial activities will emerge more or less spontaneously, whenever economic conditions are favorable, as an instance of rational profit maximization. On the other hand, other social scientists, mostly sociologists, social-psychologists, business historians and anthropologists, tend to see entrepreneurship as a much more problematic phenomenon, deeply embedded in societies and cultures; they focus on the influence of and the mutual interplay among non-economic factors, such as cultural norms and beliefs, class relations and collective action, state intervention and control, organizational structures, bounded solidarity and trust, deviant behaviour and marginality status, motivations for achievement.
- Business collective action and interest representation. The representation of organized interests (the pluralist paradigm and major critiques (Olson's logic of collective action, the theory of 'overloaded government', the study on the power elite, neo-corporatism, the legitimacy crisis of the state). The theory of organized pluralism.
- A model of analysis of organised interests representation. The organizational dimension: organizations as open systems and 'structural contingencies'; organizations as natural systems; organizations as negotiated orders.
- The specific nature of business interests: the structural power of capital Individual and collective business interests in the market and in the political arena.
- The logic of association, its organizational requirements and interplay with the logic of influence.
- The cycle of political representation. The political consequences of business interests organization.

The impact of Covid19 pandemia on national economies and societies and the governments' responses.

- The Covid19 pandemic: origin, 'species jump', timing and sequence of its spreading across the world. Pandemic in a globalized world, i.e. what is new in Covid19 with regard to previous pandemics. Reference to Giddens' and Beck's notions of risk in modern society. Problems of measurement, data reliability, big data's use.
- Different effectiveness of health system models in fighting the virus: public and private institutions; hospital-centred and territory-centred organizations; the key role of doctors and other health specialists.
- The social impact of Coronavirus on social relations, spheres of life (work, education, tourism), styles of living, consumption patterns.
- The political impact of Coronavirus: policies of mitigation and prevention of virus spreading (closures, social distancing, tracing, etc.), 'emergency legislation', the trade-off between freedom and security, the response to coronavirus in different political regimes (liberal/ democratic, authoritarian, democraduras) and by populist leaders. The relations between scientists and political leaders in policy making (Max Weber's *Wissenschaft als Beruf* and *Politik als Beruf*).
- The economic impact of Coronavirus on GDP, production structures, employment, work organization, income distribution, economic and social inequalities, imports&exports, supply chains, innovations and competitiveness.
- The Italian case. Why Italy and some regions within Italy have been hit sooner and harder by Covid19 (an older population, a greater density of family and social relations, global ties in supply chains and import&export, but also delays (in closures and testing) and mistakes (e.g. sending Covid19 patients in old people residences) made by national and regional governments. The various stages and forms of Coronavirus government policies (extensive closure of firms, schools, shops, social distancing, 'smartworking', measures to strengthen the health and social protection systems, help firms and jobs, inject liquidity, postpone fiscal payments) through Decree Laws 'Cura Italia' (March 16) and 'Rilancio' (May 19). The latter's 14 chapters: measures for health & safety, sustaining firms and the economy, protecting workers and conciliating work & family, fiscal incentives and simplification, measures for territorial bodies, protecting credit and savings, fostering infrastructures, education, culture, publishing, agriculture, tourism, sport; the Colao Committee's 100 proposals (June 8). The relations between national, regional and municipal governments. The relations between government and the opposition.

Covid19 and the response of the EU

- Covid19, implications at the European level; crucial testing ground for the EU integration project. Can the EU- a closely integrated economic system coupled with an incomplete political union and a highly diverse society-effectively and jointly respond to the pandemia? The cleavage between pro-European and eurosceptic governments and national populism as a reaction to the crisis. The cleavage between Northern and Southern member states. Key decisions so far by EU institutions: ECB' decision , on a line of continuity with Draghi's policy, to buy further 750 billion bonds to finance member states' extraordinary expenditures for health and economic recession (ECB will buy this year a total 1,110 billion bonds beyond maturing debt refinancing), thus assuring liquidity to the market and preventing the spread between bonds to rise. The Commission's decision to suspend the Stability and Growth Pact (a remarkable change), i.e. to grant member states greater freedom to stimulate their economies by relaxing state aid rules if the aid is intended to compensate citizens or companies affected by Coronavirus. It shows that the epidemic emergency has prompted some changes of view (even of the German dogma of zero budget deficit). Forgoing enforcement of our common fiscal and state aid rules is not a coordinated action and pooling member states resources together at the EU level. Old cleavages and conflicts on other two main measures to manage the crisis, besides ECB QE and relaxing SGP rules, the large use of the European Stability Mechanism (ESM) and the issuing of "Eurobonds" Northern countries (the Netherlands, Sweden, Denmark Austria and until recently Germany) strongly oppose any financialization of the debt and are reluctant to renounce to conditional requirements of stringent budgetary rules for ESM lending. and the government Southern Eurozone countries (France, Italy, Spain,etc.) calling for the creation of 'Coronabonds' to face the economic crisis caused by the pandemic and requesting that ESM financing is subject only to the condition that they are invested to help coping with Covid19. The European Council meeting of 23rd April 2020 confirmed the decisions taken a few days earlier by Ecofin : a 540 billion rescue package to start on June 1st 2020, that includes ESM 240 billion financing with the only condition that is aimed at funding health care systems; the Commission's 100 billion Sure program to finance national plans aimed at helping firms and workers on the model of Italy's redundancy fund; the European Investment Bank's (EIB) 200 billion loan guarantees for small and medium-sized enterprises; and decided to create a common EU Recovery Fund for relaunching the European economies struck by the virus, charging the Commission to work out a detailed proposal about the amount , timing and targets (investments in health, research&education, the Green Deal for Europe,digitalization).The key questions to be solved are how much of the funding will take the form of grants and how much the form of loans, Macron & Merkel prpèposal of 500 billion Fund. Von der leyen's Commission proposal of 500 billion grants plus 250 billion loans, guaranteed both by issuing European bonds on the financial markets and by increasing the 2021-2027 EU budget, through new tax revenues going directly to the centre(such as a carbon border tax and a web tax.