

NEW ECONOMIC SOCIOLOGY À LA FRANÇAISE:  
ENCOUNTERING THE FIELD  
OF THE ‘‘ECONOMICS OF CONVENTIONS’’

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Rainer DIAZ-BONE, *Die ‘‘Economie des conventions’’*. Grundlagen und Entwicklungen der neuen französischen Wirtschaftssoziologie  
English translation of title: ‘‘Économie des conventions’’. Foundations and Developments of the New French Economic sociology  
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« l'économie des conventions », cette intersection vide de l'économie et de la sociologie...

(Pierre Bourdieu, *Méditations pascaliennes*, 2003).

Pierre Bourdieu, the greatest ‘‘export item’’ and patron saint of contemporary French sociology<sup>1</sup> did not mince his words when expressing his dislike of ‘‘the *Economics of Conventions*, this void intersection of economics and sociology.’’<sup>2</sup> He despised the attempts of his students to disregard sociological structuralism and to instead explore the enigma of cooperation from a pragmatic perspective.

Rainer Diaz-Bone, by contrast, author of this first comprehensive introduction to the *économie des conventions* or economics of conventions (EC), expresses a clear liking for this French strand of research. With over a decade of research dedicated to this approach and more than 30 publications on the topic, Diaz-Bone has been the major promoter of EC within the social sciences in German-speaking countries and, by extension, the English-speaking world.<sup>3</sup> However, readers looking for a critical account of EC that clarifies the limitations and flaws of the approach might be disappointed with this book—which is clearly informed by the author’s enthusiasm for EC. Nonetheless, all other readers may well obtain a compelling, detailed and well-written account of EC and its origins and, most importantly, of its potential to inspire the sociological analysis of economic phenomena.

Though the book serves as an introduction to the topic of EC, it is not organized around concepts. Instead it outlines the chronological

<sup>1</sup> Etienne Ollion and Andrew Abbott, 2016, ‘‘French Connections: The Reception of French Sociologists in the USA (1970-2012)’’, *European Journal of Sociology*, 57 (2): 331-372.

<sup>2</sup> My translation.

<sup>3</sup> 2014, ‘‘Methodological Positionings and Perspectives: Comparing Economics of Convention With the Institutional Logics Approach’’, *Journal of Management Inquiry*, 23 (3): 324-327.

evolution of this scientific field. Diaz-Bone begins by depicting the specific conditions under which EC emerged in France (chapter 2). From there he moves to the empirical objects of investigation that EC successively took on over time (chapters 3 to 9). The two concluding chapters develop the methodological principles of EC (chapter 10) and outline potential future developments (chapter 11). While this setup may challenge readers not familiar with EC, it allows Diaz-Bone to emphasize the dynamic and transdisciplinary character of this scientific movement. Chapter by chapter we get to see how major concepts such as conventions, investment in forms, or intermediaries emerged, changed and were (re-)connected as EC moved to ever new empirical fields. The author gradually unfolds the picture of an approach which understands social situations as governed by multiple principles of valuation, referred to as “conventions,” and to which coordination and consensus remain ephemeral because they consistently need to be sustained by a careful arrangement of objects, people and cognitive frames.

Right from the start, Diaz-Bone emphasizes that the notion of plurality is most central to EC. EC is introduced as neither a school nor a paradigm but as a dynamic, pluralistic “movement” that cannot be reduced to one particular research center, discipline, empirical object, concept, journal or particular author. This movement, as Diaz-Bone compellingly explains in chapter 2, emerged out of informal academic acquaintances, capable of transcending disciplinary and institutional boundaries. Its remarkable transdisciplinarity distinguishes French EC from economic sociologies of other national origins. In the 1980s, young sociologists trying to emancipate themselves from Marxism and structuralism were joined by heterodox economists who sought to abdicate neoclassical models. Based on informal networks, the EC movement was thus fueled by a scholarly desire to overcome predominant dogma. Together, and under the strong influence of US pragmatism, economists and sociologists developed various theoretical innovations—which later became known as EC. Diaz-Bone depicts EC’s initial momentum with detailed insights into institutional settings and locations, personal relations, academic practices and seminal works. A plethora of footnotes in this second chapter provide even further detail. Indeed, an extremely large quantity of footnotes prevails throughout the entire book: 343 pages of text contain 525 notes. While confounding at times, this “second volume” can be seen as enabling Diaz-Bone to satisfy the interests of both newcomers and readers acquainted with EC.

After having laid out the academic infrastructure of EC as a field in emergence, Diaz-Bone turns to the conceptual origins of EC in chapter 3. How did its basic concepts and assumptions emerge and later provoke the break with predominant Bourdieuan sociology? To answer this question, the author takes a closer look at the *Institut national de la statistique et des études économiques* (INSEE), the French national statistics bureau, and its working groups concerned with the classification of socio-professional groups. Gathered around Pierre Bourdieu, who was very engaged at INSEE in the 1970s and 1980s, sociologists, economists and statisticians critically challenged the phenomenon of statistical classification. They revealed, in particular, the symbolic violence implicit in the use and creation of socio-professional classifications. Scholars who were to become seminal figures of EC, such as Luc Boltanski, Laurent Thévenot, Robert Salais and Alain Desrosières, worked on this topic at INSEE and were thus influenced by Bourdieu. However, they decided to take the critique even further, scrutinizing the entire procedure around classification. Their way of looking at how statisticians created classifications, how socio-professional groups lobbied to redefine classifications, and how respondents actively made use of classifications fostered a perspective that deviates significantly from the Bourdieuan one. In particular, they did not find actors to be passive subjects of a given classification, or of their position within a social structure implied by that classification. In fact, they found that actors often eschewed the (e)valuation imposed on them, actively reinterpreting the situation by altering the principles of valuation, in other words, the conventions at stake. Moreover, actors were found to consolidate their interpretation by investing in particular frames, dispositives or, as EC calls it, forms. Thus, actors are not determined by social structure, habitus or institutions but can use their reflexive competencies, draw on plural intersubjective principles of valuation, and alter the situation they are faced with. Together, the insights of these classification studies constitute the pillars of EC.

Until today, the use of statistics has remained a crucial topic in EC. In chapter 9, Diaz-Bone pursues this topic by referring to more recent research that emphasizes how statistics, and its implied quantification, are central modes of governance in modern states.

Chapter 4 introduces us to labor and labor markets, which comprises the second empirical object taken on by EC. In particular, Diaz-Bone points to the seminal edited volume *Le travail* and the extensive work of Francois Eymard-Duvernay and Christian Bessy.

Alongside the presented studies, it becomes evident that, for EC, job qualifications and competencies are not intrinsic to employees but need first to be constructed as such on the job market. Different conventions (principles of valuation) can guide and coordinate this construction. The construction itself is considered a social endeavor including various groups of actors. EC pays particular attention to the influence of so-called intermediaries. Job agents and headhunters are not merely making matches but are, by designating employees' characteristics as competencies, actively involved in constructing and redefining qualifications. Only through their intervention can supply and demand agree on what is at stake on the job market. For EC, the market for jobs is thus not a random intersection of supply and demand but an organized arrangement that harmonizes varying evaluations of job competencies.

In chapter 8, Diaz-Bone emphasizes the fact that the study of job markets is still an essential field for recent research in EC. We are shown how the analysis has shifted towards the legal framing of labor markets and how, once again, Bourdieu's work on law has inspired EC while nonetheless encouraging scholars to move on.

Chapter 5 is at the center of Diaz-Bone's book. It is central not only because of its location in the book but also because the conceptual foundations of EC, briefly introduced before, are here systematically elaborated and situated within a network of concepts emerging around the eponymous notion of convention. However, based on Luc Boltanski and Laurent Thévenot's seminal book *On Justification*, Diaz-Bone presents us with a more narrowly defined type of convention: quality conventions. While conventions are basically conceived of as general principles of valuation or logics of coordination, quality conventions render unequal distribution of worth *legitimate* by pointing to a higher common good (e.g., solidarity, efficiency, tradition). Quality conventions can be used to justify (or critique) the superiority of certain objects or actors to others. Diaz-Bone introduces the eight primary quality conventions analyzed by EC: domestic convention, market convention, industrial convention, inspired convention, fame convention, civic convention, ecological convention and network convention. Though each of these conventions provides actors with a coherent and legitimate principle of judging worth, and thus provides the potential of consensus, EC insists on the plurality of these conventions. The idea of radical plurality (re-)introduces an element of uncertainty, because situational agreements can always be challenged by another convention. While objects, forms and

intermediaries are supposed to stabilize quality conventions, actors are equipped with what EC calls “reflexive competencies”: the ability to draw on divergent conventions and critique the situation they are faced with. These concepts elucidate how in a pluralistic, differentiated world conflict can be successfully mitigated *and* reinitiated all over again. This is particularly useful for the study of economic phenomena: alongside various acclaimed studies of EC, Diaz-Bone shows how product quality can be considered as a contested social construct, how market supply and demand are coordinated by conventions, and how successful companies need to reconcile divergent principles of valuation. In contrast to neoclassical economics or transaction cost theory, which focus on individual interests, EC insists that coordination may occur but at any point remains a fragile and not necessarily efficient arrangement. If coordination persists, it is because it can draw on intersubjective conventions that reach beyond singular situations and individuals.

Chapter 6 focuses on how conventions (again in the broader sense) can coordinate processes of production. In their seminal work *Worlds of Production: The Action Frameworks of the Economy*, Michael Storper and Robert Salais have shown that different “worlds of production” (e.g., the industrial world or the world of intellectual resources) are organized around different conventions on work, participation, innovation and finance. These conventions can have varying reach and range, from coordinating a single production site to global production chains.

EC’s focus on processes of valuation almost predestines it to the study of money and finance. Chapter 7 introduces us to contributions to this topic and describes André Orléan’s research in particular. Inspired by the regulation school, EC is interested in understanding how capitalism copes with its intrinsic instability, and the central role played by money in this endeavor. However, Orléan emphasizes that the intrinsic value of money is a demanding social construct. Money can only operate smoothly if it is sustained by shared collective confidence in its future value. Conceptualizing conventions as collective beliefs, Orléan points out how financial markets are driven (and often misled) by a self-referential perspective of how markets operate and the resulting mimetic behavior.

As mentioned, in chapters 8 and 9 Diaz-Bone depicts the most recent contributions of EC to the issues of law and quantification. The trajectory from the first projects that critically engaged with classification in the 1980s to today’s comprehensive research movement is

thus completed. Diaz-Bone then uses chapter 10 to pick up many of the conceptual pieces of the puzzle provided along the way, and to integrate them into a broader picture of EC, which he describes as “complex, pragmatic situationalism”<sup>4</sup> [321]. This position cuts across traditional oppositions within sociology. First, it constitutes neither individualism nor holism. EC considers that actors can only make sense of their world, evaluate it and cooperate if they draw on collective, preexisting conventions; yet, at the same time, it endows actors with vast competencies to actively interpret, criticize and change their world. Second, EC abandons the distinction between micro- and macro-level analysis, and instead turns to situations as major analytical entities. In situations, conventions of different reach intersect with each other, enabling researchers to analyze various levels at a time. Third, EC is profoundly inspired by pragmatism but nevertheless influenced by Bourdieuan structuralism. It focuses on actors’ real life practices and their dynamic perceptions and interpretations, but nevertheless acknowledges the importance of cognitive structures. Though EC deviates from Bourdieu’s central concepts (*habitus*, *field*, *capital*) in many respects, it follows his considerations on the duality of structure and practices (which were already inspired by pragmatism). Thus, EC analyzes the co-evolution of practices and conventions.

In his last chapter, Diaz-Bone completes his account of EC by pointing to some developments he considers promising. For example, he recommends pursuing the relation of conventions and institutions (which, from the perspective of EC, need to be enacted by conventions) and promotes a more systematic combination of EC with discourse or dispositive analysis.

The major critique of the book written by Diaz-Bone is its own lack of critique. Diaz-Bone falls short of examining in any systematic manner the weaknesses and blind spots—that any theoretical approach—no matter how comprehensive it is—invariably has. In those cases where he does level criticism against EC, he immediately invalidates it as “not applicable” [220] or “contradictory” [350]. This is a pity, because a systematic overview of EC’s strong points and drawbacks would not have diminished the perceived attractiveness of EC. On the contrary, it would have clarified EC’s position within the wider field of sociological theory. Moreover, thinking about what EC is not (yet) good at might have provided arguments to further substantiate the stimulating section on future perspectives in chapter 11.

<sup>4</sup> My translation.

Finally, readers may find that EC is portrayed too much from the angle of a French version of new economic sociology, eclipsing the fact that EC can encompass or overlap with a wide range of fields and niches of research. For example, the sociology of critique or French pragmatic sociology shares basic assumptions with EC but applies them to the analysis of non-economic phenomena such as abortion<sup>5</sup>. Granted, the book's subtitle concedes the focus on economic sociology, the plurality of the EC movement is widely acknowledged throughout the book, and the analysis of economic phenomena is, after all, the cornerstone of EC. However, slightly more information on the periphery of EC might have been of interest, especially to those readers already familiar with the approach.

These few limitations aside, Diaz-Bone provides us with a compelling book. It introduces newcomers to the main lines of argumentation while offering comprehensive background information for those already knowledgeable about EC. The unique merit of this book is that it articulates a common perspective for a versatile movement. Diaz-Bone skillfully consolidates the plurality of studies, authors, concepts and findings and, chapter by chapter, carves out the common principles that connect them. He thus manages what the French movement has not yet accomplished itself: to present EC as a pluralistic but nevertheless coherent entity.

In the last few pages of the book, Diaz-Bone depicts the recent internationalization of EC, in other words, its gradual emergence beyond the bounds of its original French context. The author clearly welcomes this development, which he seeks to advance through his book. This introduction to EC is indeed capable of competently conveying EC to a wider international audience, such as scholars interested in economic sociology, pragmatism or institutional complexity. It concisely points to the basic principles of EC and summarizes many of the seminal French works that have not yet been translated. Moreover, Diaz-Bone repeatedly relates EC to and delineates it from sociological neo-institutionalism, the most prominent theoretical strand within the international field of economic sociology. The author's account of EC can thus, well in line with the concept of intermediaries, be considered as an attempt to mediate between the French field of EC and the international scientific community. An English edition is thus highly desirable.

What struck me as most remarkable is the extent to which Diaz-Bone's analysis of a strand of research trying to emancipate itself from

<sup>5</sup> Luc Boltanski, 2004, *La Condition fœtale. Une sociologie de l'avortement et de l'engendrement* (Paris, Gallimard).

Bourdieuian structuralism is considerably influenced by this very school. On numerous occasions in the book [e.g., chapters 2 and 3, pp. 245f, 334f], Diaz-Bone pays homage to the influence of Bourdieu on EC scholars. But, what is more, the author's account itself resembles an ideal typical Bourdieuian field analysis. This is most striking in the first two chapters, where Diaz-Bone introduces us to this field by presenting the different positions (researchers and research centers), instances of consecration (renowned seminars, journals, research groups) and relevant power resources, such as social capital (informal networks), technical capital (access to survey data) or institutionalized cultural capital (prestigious research positions). Moreover, the way the emergence of EC is presented as the joint attempt of actors of "distinct disciplines, who often occupy a heterodox position"<sup>6</sup> [99] very much approximates the Bourdieuian conception of emerging fields at the intersection of existing spheres.<sup>7</sup> In chapter 10, Diaz-Bone then turns to the central challenge of any field analytical analysis: he reveals the major oppositions (e.g., pragmatism vs. structuralism) according to which the field is structured and according to which the actors are located [see, e.g., footnotes 463 and 479].

Indeed, the main achievement of the book, namely to present EC as a pluralistic but coherent entity, seems deeply inspired by the basic idea of field analysis. Diaz-Bone describes EC's positions, networks and underlying concepts much more explicitly than EC has itself depicted to date. The author thus reveals EC as a field that is held together by certain common principles and forces, even if the actors involved are not necessarily fully aware of these principles or of all the participating members of the field. It is not least this mode of presenting EC, a kind of Bourdieuian meta-analysis of the scholarly field, which makes this a remarkable book. Diaz-Bone takes his readers on an inspiring journey through the historic trajectory of EC that even Pierre Bourdieu might well have considered enriching, for this book clarifies that the *économie des conventions* is in many respects an intersection—yet one that is *not* void.

L I S A S U C K E R T

<sup>6</sup> My translation.

<sup>7</sup> *The Rules of Art: Genesis and Structure of the Literary Field*, Stanford University Press, 1996.