

THE SOCIETY OF ECONOMIC SOCIOLOGY

1. Objectives of the Society

The Society of Economic Sociology will celebrate its 30th anniversary in 1996. Economic sociology is an interdisciplinary subject by nature. Hence, the scope of the objectives of the society has been, roughly speaking, a kind of mixture of economic and sociological studies since its foundation.

This characteristic of economic sociology as a discipline bears, as a matter of fact, both the strength and the weakness for the organizational activities of the society.

The Society of Economic Sociology flourished in its early years. Successors of Yasuma TAKATA (Kyoto University), a distinguished Japanese sociologist as well as economist, were enthusiastic for the establishment of a new discipline. They firmly cooperated in advocating their principles through the unified activity of the society.

They were so ambitious and optimistic as to believe in the possibility of success in defining general concepts of "economic sociology." The activity of the society was thus led by quixotic motives for expanding frontiers toward all related areas of studies. One might perhaps summarize the then movement of the society as a speculative integration of ideas that seemed to be subordinated to economic sociology.

But the thought of the founding fathers was too obstinate and strict, so that it did not permit young blood to join the society for certain periods. Though there had been some minor surges of activity, the infertile atmosphere lasted until the 1980s, when Yoichi ITAGAKI (Yachiyo International University) re-vitalized the society.

Kenichi TOMINAGA (Keio University), the present president of the society, pursued the same course of development. The leading idea of Itagaki and Tominaga is the interdisciplinary approach to "economic sociology" through interaction of both disciplines.

2. Organization and Current Activities

The Society of Economic Sociology consists of an East Section and a West Section. Each section manages regional activities such as bimonthly meetings for reading working papers.

Furthermore, in order to motivate the interdisciplinary cooperation mentioned above, the society currently runs the following six research projects at a sectional level:

- a) The methodology of economic sociology
- b) Topics from organizational approach
- c) Labor turnover
- d) Business ethics: theory and application

- e) German socio-economic systems
- f) Philanthropy.

For each subject, a special study group is formed by members of common interest. As of this September, most studies have already been carried on for about two years.

The first group tries to work out a method of economic sociology. They consist of economists and sociologists. The main difficulty facing both of them is, from beginning to end, the question how to define "economic sociology." Referring to the "New Economic Sociology" developed in America, they are now attempting to modify economic hypotheses which seem to be too rigid.

The research team on labor turnover focuses upon empirical studies of the subject and corroborates certain concepts of economic sociology. They try to restate labor market economic performance in terms of sociology; the consequences sometimes require the correction of pure economic propositions, and sometimes provide firm footholds to economic analysis.

Business ethics members are interested in observation along with theoretical studies of any systems of morals in human society. There is a common understanding among members that not only the analysis of the relationships between social actors is a task when considering business ethics, but also the propagation of the meanings of such investigations is indispensable. Therefore, most members value interactions between academe and business highly, besides interactions in academe.

3. Reports on Annual Conferences

The most important activity of the Society of Economic Sociology is an annual conference. At each conference, we take up a special theme that then seems necessary to be intensively discussed from the viewpoint of economic sociology.

1) The 1991 Conference

The theme of the plenary session for 1991 was Transformation of the Soviet Union and East Europe. Takatoshi NOJIRI (Osaka Gakuin University) reported as follows:

Recently we see many historic events taking place almost every year, most significant of which is, in my view, the collapse of the Soviet Union. It was triggered by Gorbachev's *Perestroika*, but East European countries responded more quickly. However, after several incidents which suggested the decline of the Soviet Union, Gorbachev resigned his position of president at the end of 1991, when the Soviet Union closed her 74-year history.

Then, why did such events take place? The direct source of the transformation was the breakdown of the Soviet economy. Haruki NIWA (Kyoto Sangyo University) emphasized that the Soviet economy had been supported by a "repressed inflation" policy and a "command economy regime," whose loss of

effectiveness, according to him, necessitated the collapse of the Soviet Union and produced hyper-inflation.

His discussant, Toshihiro FUKUDA (Shiga University), also showed a pessimistic view of the Soviet economy by pointing out ten requisites for the success of a market economy. Moreover, Kiyoshi TAKASE (Yachiyo International University) the third reporter, paid attention not only to the economy but to the rise of nationalism, and his discussant, Masaaki KAMINUMA (Waseda University), referred to the importance of the information revolution, which contributed to the spread of nationalism.

Thus, the core of communist bloc collapsed and its impact was huge and extensive.

Kichinosuke IHARA (Tezukayama University), utilizing data from newspapers, magazines, and broadcasts, traced political movements in China referring to other Asian countries, while his discussant, Hiroyuki TANIGUCHI (Kobe Gakuin University), gave his views on the present situation and the prospect of Vietnam in comparison with Korea and Taiwan.

Of course, this impact is not limited to the communist bloc. Here, at least, two movements are worthy of attention. One is the movement of changing European countries. Nations of the EC have been seeking for a unified market since the middle of the 1980s, but after the political transformation of the Soviet Union and East Europe, they are making their unification much larger, which encourages other countries toward a bipolar world regime. The collapse of the Soviet Union produced unipolarization of America, which is losing power. In this sense, we entered into an age of "new tension."

We had three unique reports this time: Niwa's approach was economic, Ihara's political and Takase's world-historical or cultural-historical. Such variety is characteristic of our society, but they do not cover all the themes of the economic-sociological approach. I want to mention three world trends: the direction of economic-social regimes, the new wave of ethnocracy, and the progress of regionalization and globalization. These "great transformations" are waiting for our analysis.

2) The 1992 Conference

The theme of the plenary session for 1992 was Research Frontiers of Economy and Society. Yukimasa NAGAYASU (Reitaku University) reported as follows:

As a group for inter-disciplinary research especially between economics and sociology, our society has recently made special efforts to re-examine the theory and reality of the contemporary world at the end of the 20th century.

We held the society's annual conference on September 19 to 20, 1992, with a plenary session, "New Frontiers of Economy and Society", at the International School of Economics and Business Administration, Reitaku University, in Kashiwa near Tokyo. At the conference, the following three

theory groups were discussed: (1) system theory, (2) rational choice theory, and (3) regulation theory, which were all regarded as typical examples of a new approach to the post-modern, post-cold-war and post-socialism ways of restructuring society.

First of all, as to the system theory, Niklas Luhman's proposal was introduced and discussed by Jun-ichi KASUGA (Kansai University), in a report, "Luhman's Theory of Economic System". Generally speaking, Luhman's system thinking is still in the process of development, and therefore it is impossible to define in a systemic way the final version of his theory. However, several basic concepts can be defined as follows: system and its environment, complexity, self organization, auto-poiesys, and communication. Kasuga made clear Luhman's definition of economy. Each sub-system of our society is composed of a different kind of communication with a special medium and symbol. Economy is a sub-system of communication through the medium of money and the symbol of price.

The second topic of the conference was the theory of rational choice in a broader sense. In theories of society, we have so far had different assumptions of human nature, and now need to restructure the theory of human action or behavior as a unit of decision making or choice. The keynote speaker on this area, Michio KAIDO (Tohoku University) read a paper, "The Possibility of Rational Choice Theories". According to him, this theory is regarded as a group of following theories: the purposive action model, the cognitive model, the rational choice model, the individual choice model, and so on. This theory can be regarded as the contemporary version of "rational economic man" in sociology, which was known as the Robinson Crusoe model in economics. The rational choice theory aims at getting some criteria to judge the given social situations through the individual's value judgment.

The third theory discussed at the conference was the so-called regulation theory. Contrary to the theories mentioned above, this is not as an abstract system theory, but as a new approach to the contemporary socio-economic system. One of the leading theorists of this area in Japan, Akitaka WAKAMORI (Kansai University) gave a keynote speech in his paper, "Regulation Theory". The regulation theory is, according to him, an economics-challenging crisis, which puts focus upon the flexibility and sustainability of contemporary capitalism. This theory, therefore, can be regarded as an alternative socio-economic theory for the post-Marxism age. It is free from classical and rigid socialism, even though it has greatly been influenced by the Marxist way of thinking. It started with a fundamental criticism of the historical fatalism or the determinism of the economy in traditional Marxist thought, and put stress on the possibility of social change through institutional evolution, not revolution. According to Wakamori, regulation theory also insists that it is necessary to change Fordism, which has led American capitalism in this century through several institutional settings like the

group bargaining system in management, the Keynesian type of welfare state, the controlled monetary system, and many interventions of state. It is the most important task for this theory to make clear the post-Fordist alternative systems to such American Fordism.

In addition to these three theories, the conference had several special sessions on different topics of business ethics, new organization principles for the economic system, marketing and so on.

3) The 1993 Conference

The theme of the plenary session for 1993 was Power and Market Economy. Hiroshi MANNARI (Kibi International University) reported as follows:

We discussed in the conference the theme of Power and Market Economy. The theme was drawn out from a previous symposium on power shifts and value changes in the post-cold-war world (International Sociological Association's Conference, Kurashiki, July 1992).

First, the power dominant theory over the market economy was systematized by Yoichi UTSUMI (Osaka Gakuin University). His major proposition in the report was that whatever the structure of national political power (democratic or despotic), so far as the political power allows free economic activities, its market economy grows. This claim was substantiated in the empirical reports by XIE Xiao Bin and Prasert YAMUKLINFUNG in examining relationships between the internal political power of Chinese and Southeast Asian states and their varying economic growth.

Second, Bunshiro ANDO (Kwansei Gakuin University) dealt with historical changes in economic theory in relationships between government economic policy over the market economy in this country. He criticized the Keynesian economic theory of controlling demand and supply in the market by governmental interventions. He claimed human beings should follow impersonal forces in the market. In a matured capitalist society, we certainly have to establish a new macro-theory on government policies for the public and consumers.

Third, Naomi MARUO (Keio University) presented us a model of the optimum social system in economics, politics and society in terms of public theory. He formulated his theory and politics how the market, authorities and citizens of a society relate to each other. In facing present chaotic policies and economics, our managers, politicians and bureaucrats, and citizens are seeking a sound general management theory. His theory shows us excellent ideas and methods in solving the problems of government, market and citizens.

Finally, Giancarlo NONNIS (Kibi International University) raised an important question whether managers and social scientists in Japan perceive the concept of the free market in universal terms. He indicated the concept of the free market was brought up in Anglo-Saxon culture and not shared even in the

other European nations. In facing economic conflicts with Anglo-America, Japanese social scientists must discriminate between the concept of a free market in cultural reality and its ideal typical one.

At the end all our participants at the conference agreed that the papers presented had been of high quality and relevant to the theme.

4) The 1994 Conference

The theme of the plenary session for 1994 was Toward a Pro-Consumer Society. Prof. Tominaga reported as follows:

This was the first time we discussed the theme in the plenary session, but the second time Japan had encountered the same problem.

“*Seikatsusha-yusen*” or “pro-consumer” might be a political slogan which states that the real world is organized around producers and has led to maximum economic growth, and that the sovereignty must be turned around to consumers or human values.

It first appeared in the 1960s, when Japan suffered from social losses due to the continuing high-rate economic growth, and secondly after the so-called “bubble” economy in the 1980s.

The aim of the discussion was to reach any possible answers to the question as to why we were not and still are not clever enough not to suffer repeatedly from the same problem at the cost of individual life.

Koji MORIOKA (Kansai University) took up Japanese industrial relations. He analyzed the idiosyncrasy of the combination of the well-known life-time employment and company labor unions in Japan to prove unjustifiable biases for business activities. He concluded that no pro-consumer society could be realized unless such a Japanese management system was basically changed.

Yukio SUZUKI (Reitaku University), on the contrary, insisted that a pro-consumer society is coming, paying special attention to the current “New Price Revolution.” Although his journalist intuition partly shed light on the status quo, his presentation exemplified the necessity and the difficulty of an analytical treatment of the present theme.

Kenji KUMASAKA (Keio University) approached the same problem in another way. He asked himself cognitively what abundance is, and tried to show his vision of life-style in our information society. He seemed too optimistic in believing that “digital ambience” or the provision of a computer network will resolve the dilemma where people feel exploited.

To be honest, our discussion did not herald the emergence of a pro-consumer society yet. That would be another opportunity where we rigorously inquire into the Japanese corporate regime in reference to new developments in economic sociology.

5) The 1995 Conference

The last conference was held on September 16-17, 1995 at Himeji

Dokkyo University. The theme selected for the plenary session this time was Bureaucracy. Masakatsu TAMURA (Waseda University) chaired the session and briefly summarized the discussion as follows:

Kazuo MATSUSHIRO (Kobe University of Commerce) studied Max Weber's concept of bureaucracy and examined what bureaucrats functionally can and cannot do. If bureaucracy is a necessary evil of a democratic society, parliament, as Weber once insisted, needs to have good control over bureaucracy even in today's Japan.

Tetsuya KISHIMOTO (Kobe University) asked by consulting with W. Niskanen why and how bureaucracy was a budgetary problem. He logically concluded that there must be competition among government departments or agencies to get rid of it in line with deregulation.

Hiroshi KATO (Chiba University of Commerce) introduced the Ramseyer and Rosenbluth model of Japanese politics and modified it so as to handle the present situation of bureaucracy. He required us to recognize the importance of a deliberative councils' role, which is designed to corporatively govern the ruling power of bureaucrats.

4. Publications

The Society of Economic Sociology sets great store by exchanging ideas and research outcomes in printed form, besides conferences. The following two are major publications regularly made public:

- *The Annals of the Society of Economic Sociology*
- *The Newsletter of the Society of Economic Sociology*

The former is a collected volume of distinguished papers presented at conference each year. It also carries some contributed papers and study notes subject to rigorous screening by anonymous referees.

The latter is the transactions medium of the society; it contains shorter essays along with business correspondence of the society. It is published biannually.

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