

## Situating Zelizer: A Beginners' Guide

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### Abstract

This short text could work both as a long footnote that contextualizes the interview with Viviana Zelizer published in this issue, and as a very brief beginner's guide to Zelizer's economic sociology. The premise is that a good way of introducing Zelizer's contribution to the study of economic life is by situating her oeuvre in the context of recent research. The main argument is that Zelizer's work is not simply a cultural counterbalance of the mostly structural "new economic sociology". She has constructed an original angle to the study of economic life. From this perspective, sociologists learn to focus on the frictions in which economic life unfolds.


**Keywords:** Economic sociology; Zelizer; Commercial Circuits; Relational Work; Money; Insurance.

## 1 Introduction

A good way of introducing Viviana Zelizer's contribution to the study of economic life is by situating her oeuvre in the context of recent research. But, how should we do that<sup>1</sup>?

In their introduction to the second edition of their *Handbook of Economic Sociology*, Smelser and Swedberg (2005) classified Zelizer's work as cultural economic sociology. This is no doubt correct. It responds however to a very specific context. What Smelser and Swedberg do is to situate Zelizer within the space of the "new economic sociology" — the influential academic movement responsible for the resurgence of the field of sociological studies of economic issues since the 1980s in the context of the academia in the United States. From this perspective, economic sociology is often pictured as a field spread around two main methodological axes. On the one hand, the most common approach includes sociological research that focuses on identifying the "social structures"<sup>2</sup> where economic action is situated. On the

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1. An earlier version of this short text appeared in Spanish in the book *Formas de Comprender el Presente* (2012, Ediciones UDP, Santiago), edited by Rodrigo Cordero. The text was translated, edited and updated for *Sociologica*.
2. Social structure in this context often means patterns of social networks, or in the institutional tradition coming from organization theory it means fields. For paradigmatic statements see: Granovetter (1973 & 1985), DiMaggio and Powell (1983), Fligstein (1996).

other hand, there are researchers that pay attention to how actors make sense of the economic situations where they happen to be located. Within this space, as she mentions in the interview in this issue (Ossandón & Zelizer, 2019), Zelizer's work has been seen as one of the few "cultural" counterbalances of the structural approach.<sup>3</sup>

However, describing Zelizer's contribution as a dot in a field divided in structural and cultural axes, I think, does not do justice to the particularities of her work. What makes Zelizer's work so influential today is that it has precisely overflowed this kind of dichotomy. As she explains in the interview, her work is not simply about how actors understand or make sense of the economic situations they face. What Zelizer has done is to produce a new angle to approach the study of economic life. It is this distinctive angle, which has become such a relevant and productive tool for researchers within and beyond the particular idiosyncrasy of economic sociology as practiced in the US.<sup>4</sup> Following, I briefly introduce Zelizer's main works in order to describe what I see as her specific angle, in order to, finally, come back to the initial question of how we should situate her work more widely.

## 2 Insurance, Money, Intimacy

Zelizer's first two books (1979 & 1985) were about insurance. By means of archival analyses of documents from the industry and the press, Zelizer studied moral controversies surrounding the expansion of insurance for adults and children in the nineteenth-century US. What the two cases have in common is that both products were accused of committing the sacrilege of attaching a monetary price to human life. The studies show that the successful consolidation of insurance was not simply about an industry that fought back against its critics. On the contrary, what the documents inspected by Zelizer show is that in order to resist the moral controversy that was threatening their business, insurers needed to prove that acquiring an insurance policy is a form of reciprocity, that insurance is not simply a financial product, but a way of giving back the priceless love we receive from those we love. The success of insurance, in other words, is not so much a story of commoditization of previously non-commoditized goods, but a story of how, in order to become viable, some industries have to manage to make their products sacred.

Zelizer's next book, *The Social Meaning of Money* (1994), focused on two main empirical puzzles. The first one was the fact that together with the consolidation and expansion of national currencies, or, even transnational money — like the Euro and, in some way, the US Dollar — there is a proliferation of currencies with a specific purpose (from gift cards, to air miles, and to the lunch vouchers emitted by organizations so their employees can eat in certain restaurants). The second one was the fact that people " earmark " money. For instance, Zelizer tells the example of prostitutes that use money that comes from sexual labor and from other sources such as welfare benefits differently. People use and regard money differently depending of its origin from compensations, entitlements, gifts and so on.

Both processes, earmarking and the proliferation of special purpose monies, Zelizer argues, challenge the traditional wisdom that assumes that money is always a vehicle for the expansion of homogenizing quantitative calculation. Money travels through payment streams, differentiated transaction patterns with their own norms and forms of establishing equivalences and value. Zelizer theorized these differentiated forms in what she later called "commercial circuits" (2011). Circuits can be local (like those among neighbors that form a rotating saving mechanism, such as the omnipresent ROSCAs), but also global or transnational (such as the complex systems of transnational remittances). In all these cases, Zelizer argues, it is possible to observe the consolidation of specific relational formations, with their own means of exchange, characteristic practices, shared information, obligations and rights and rules of participation and membership.

3. More recently, Jeffrey Alexander (Cordero, Carballo & Ossandón, 2008) has suggested that the increasing influence of Zelizer's work might even be displacing the structural perspective, normally associated with the notion of "embeddedness" as formulated by Granovetter (1985), from the center of the sub-discipline.

4. Since I wrote the first version of this text in the early 2010s, the influence of Zelizer has expanded importantly. Her work is recognized as key influence among some of the consolidated economic sociologists working in the US — for example Nina Bandelj, Marion Fourcade, Ashley Mears and Frederick Wherry (e.g. Bandelj, Wherry & Zelizer, 2017) —, in France — for example Jeanne Lazarus and Florence Weber (e.g. Christin, Gramain & Weber 2016) —, and in Latin America — for example Federico Neiburg (2010), Mariana Luzzi and Ariel Wilkis (Luzzi & Wilkis, 2018).

In her last published monograph, *The Purchase of Intimacy* (2005), Zelizer focuses on the intersections between economy and domestic life. Against the commonly held view among social scientists, which assumes that the mixture of money and intimacy crosses a moral boundary between protected and differentiated areas of social life, Zelizer finds that intimacy and payments are deeply entangled. This entanglement, however, does not work like that in the contrary assumption held by neoclassical economists, which takes for granted that people follow a universal and equivalent calculative logic in all their relations, even when money is not part of it. On the contrary, what Zelizer shows is that money plays an essential role in the configuration and demarcation of particular social relations and their rules and obligations. For instance, gender differences are marked by the uses of money that are accepted or seen as appropriate in different situations, or, only specific types of payments are accepted, for instance, to reattribute things like care for those we love. Certainly, this does not mean that the different types of situations are always clear and easy to delimit. Zelizer introduces the terms “relational work”, to name the specific type of economic action people conduct in order to deal with the confusions produced by payments that are difficult to delimit. Think, for instance, of the skill involved in identifying whether accepting someone like your boss paying your dinner corresponds to a common hierarchic practice, an informal salary payment, a friendly gesture, or flirting. Or, think about the often heated work required to re-interpret the nature of previous economic transactions (was it care, gift, unpaid labor?) in situations such as divorce settlements.

### 3 The Study of Frictions in the Economy: A New Angle for Economic Sociology

In the introduction, I suggested that seeing Zelizer’s contribution as a cultural counterbalance of the structural approach in economic sociology poorly reflects the impact of her work. When we pay closer attention to her work, it becomes clear that it is not enough to label it as “micro-sociological”, historical, or interpretative. Zelizer is so important because, beside all that, she has produced a new distinctive angle, a new form of approaching the study of the economy. To put it very succinctly, from this approach — you neither analyze the economy as a particular area of social life nor do you limit your view to studying the social structures that “embed” economic action — you look for the frictions in which economic activity unfolds. Zelizer’s instructions to economic sociologists is: look for moral controversies, disputes, situations in which those involved have to work to delimit, separate or combine multiple forms of valuing. Importantly, this does not mean that doing a Zelizerian study, you will only pay attention to those issues often forgotten in — the mainly male dominated — sociology, such as the “domestic economy” or the impact of gender relationships on differentiated uses of money. It means instead training a particular sociological gaze useful in any area of the economy. For instance, “circuits” are not only about alternative currencies or informal networks, but you can also find them in contemporary art or in high finance. It is not only at home where people have to learn to do relational work. It is in all organizations that people have to find out about ambiguous transactions (is this a salary; a bonus, a prize, a gift, or bribery?).

Of course, all this does not mean that Zelizer’s angle is useful for everything, it does not mean either that it has to replace existing approaches. It means that the introduction of her approach brings important scientific gains; it opens the way for new ways of conducting economic sociological research. It has, first, allowed researchers to develop an analytical angle to study goods and markets — such as insurance, contemporary art, organ donation, or fashion modeling<sup>5</sup> — in which frictions between what is priced and what cannot be priced is not an exception but is at the core of the business. Second, Zelizer has identified a new type of “social formation,” commercial circuits, which has become a new sociological object which is not reducible to networks, organizations or markets, at least in their more traditional sociological definitions.<sup>6</sup> Third, the notion of “relational work” opens a new form of conceiving agency in economic sociology. To become a capable economic actor is not only about learning to calculate or

5. Healy (2010) on organ donation, Velthuis (2007) on contemporary art, Mears (2011) on fashion.

6. For example, I participated in the finding of one of these circuits in the work we conducted in Chile in relation to practices of consumer credit. We found that the people we studied did not only use their personal credit cards but that they con-

to use social networks, economic actors have to learn to distinguish and disentangle the often confusing symbolic rules implicit in every transaction.<sup>7</sup>

#### 4 Re-Situating Zelizer

To come back to the original question, if we attempt to go beyond the particular terrain of the new economic sociology, where should we situate Viviana Zelizer's work? In terms of her particular type of theoretical contribution, I think it is possible to relate her oeuvre with those who have attempted to develop a conception of social action that stresses people's practical ability to deal with multiple moral and symbolic frames and the frictions this multiplicity can generate. For example, Goffman and his *Frame Analysis* (1974), Boltanski and Thévenot's *On Justification* (2006) and Stark's *Sense of Dissonance* (2011). More generally, I would prefer situating Zelizer among those authors who have not only supplemented and criticized the limits of the economists' approach to the economy, but among those very few who have helped us to expand the imagination of how to study the economy more widely, for instance, Michel Callon, Marilyn Strathern and Harrison White.

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structed a parallel economy in which their credit cards' credit limit became the medium of transactions. The credit limit of a specific card circulated in networks of loans, gifts and debts with their own particular rules and membership forms (see Ossandón 2017; Ossandón, Ariztía, Barros, & Peralta, 2018).

7. For recent research that focuses on relational work see: Halawa & Olcoń-Kubicka (2018) on family budgeting in Poland, and Müller (2014), Villarreal (2014), and Wilkis (2017) on different types of debts in Argentina, Brazil and the Mexico-US border.

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