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Meltem Odabaş & Fikret Adaman

a School of Sociology, University of Arizona, Social Sciences Building, Room 400, 1145 E. South Campus Drive, Tucson, AZ 85721, USA

b Department of Economics, Bogazici University, Bogaziçi Üniversitesi Güney Kampüs, Rektörlük Binası Bebek, Istanbul 34342, Turkey

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Engaging with Social Networks: The Bourdieu-Becker Encounter Revisited

Meltem Odabaş1 and Fikret Adaman2

1School of Sociology, University of Arizona, Social Sciences Building, Room 400, 1145 E. South Campus Drive, Tucson, AZ 85721, USA; 2Department of Economics, Bogazici University, Bogaziçi Üniversitesi Güney Kampüsü, Rektörlik Binası Bebek, Istanbul 34342, Turkey

Abstract Economic implications of social networks are of great importance and economic motives may well play crucial roles in network formation and dissipation. Although historically speaking the mainstream economics’ attention to the subject had rather been limited, in the previous couple of decades, the economics discipline developed its own branch of social network analysis and incorporated in their analysis individuals’ networking decisions based on a standard Beckerian cost-benefit calculus. In understanding the scope of this new branch in economics discipline to incorporate social dimensions of the economy, this article aims to bring a Bourdieusian critique toward this approach, given that Bourdieu had been critical to a Beckerian cost-benefit reductionism in decision-making and had himself developed his own approach to social relations.

Keywords: social networks, Pierre Bourdieu, Gary Becker, social capital

1. INTRODUCTION

Scientists from different disciplines have long acknowledged the importance of social interactions among individuals—interactions that not only serve as informal channels for knowledge exchange, insurance and risk sharing, but also influence patterns of decisions on a wide range of issues spanning from education to career.
choices. It has further been observed that long-term economic relationships that result from repeated interactions with specific partners are highly likely to dominate short-term anonymous transactions. Academic research both in understanding the probable impacts of such networks on our social, political and economic activities, and in capturing how these networks are created, fortified, and weakened, has been very inter- and multi-disciplinary in scope, ranging from anthropological and sociological field studies on the implications and formations of networks to mathematical and statistical techniques for analyzing complex network systems.

Although economic implications of social networks are generally of great importance and economic motives may well play crucial roles in network formation and dissipation, the economics discipline has paid scant attention to the subject till recently. On the one hand, the Walrasian tradition that sets up the main postulates of current mainstream economic thinking is based purely on anonymous transactions, where social interactions are indeed limited to the imaginary *crieur* (whose role is defined as providing and receiving price messages), and *ipso facto* does not include social networks as its subject matter. The Marshallian tradition, on the other hand, paid no attention to social networks and interactions among agents in its early years, preferring to focus on aggregates in conducting sectoral inquiries. Furthermore, it followed Jevons’ motto (1866) about the boundaries of the economics discipline, which dictates that it should limit itself to the analysis of market behaviors. Both traditions, therefore, kept their distance not only from the earlier, sense- and right-based conceptualization of the individual [as Smith (1759/1976) elaborated in his *Moral Sentiments*], but also from the institutional economics trend of the early twentieth century that shed light on the interconnectedness of individual behaviors and their surroundings [as Veblen (1899/1973) elaborated in his *Theory of the Leisure Class*]. When Becker (1976), from the Marshallian vein, challenged head-on Jevons’ motto about the boundaries of the discipline in the late 1960s by arguing that the philosophy of the cost-benefit analysis should be applicable to all human behaviors—market and non-market—he in fact opened the door to including social networks in the domain of the mainstream approach. Although his inquiry on the “theory of marriage” (Becker, 1974) contained elements of a network system, for a fuller engagement of the discipline on social networks, one had to wait until the 2000s.

We should also note that the discussions that evolved around the term “social capital,” which refers to the institutions, relationships, and norms that shape the quality and quantity of social interactions (Dasgupta & Serageldin, 2000), directed the attention of the economics discipline to the need to analyze social networks—in terms of both their impacts and inner structures. As will be recalled, the concept of social capital in the contemporary sense began to gain popularity in economics as well as in other fields of social sciences from the 1970s onwards. Even though a
number of scholars, especially mainstream economists, considered social capital as a rather controversial framework of analysis, there is now a wide range of contributors upholding a variety of approaches (Christoforou, 2011; Christoforou & Davis, 2014; Christoforou & Lainé, 2014; Durlauf, 2002). Bowles and Gintis (2002), for instance, perceived social capital as a means to help shift the discussion of individual behavior from its narrower conceptualization of self-interest maximization to a broader and richer reading of society. Meanwhile, Glaeser, Laibson, and Sacerdote (2002) argued that social capital fits into the orthodox microeconomic analysis of behavior well, as a standard investment model. Nonetheless, economists like Arrow (2000) suggested to abandon the term social capital altogether, deeming it a rather vague term, and instead to focus on relations and interactions at a micro-institutional level.

Against this backdrop, mainstream economists began to explicitly acknowledge the need to comprehensively analyze social networks by the 2000s. Jackson (and his collaborators) took the lead here by applying mainstream economics tools to the investigation of social networks (see, e.g., Ballester, Calvó-Armengol, & Zenou, 2010; Calvó-Armengol, Patacchini, & Zenou 2009; Calvó-Armengol & Zenou, 2004; Jackson, 2006, 2008, 2011; Jackson & Rogers, 2007; Jackson & Watts, 2002; Jackson & Wolinsky, 1996; Jackson & Zenou, 2014). In terms of categorization, while these studies rely on graph theory to map the structure of networks and determine the relative importance of agents in networks (e.g., searching for the hub in a given network), they use game theory to capture strategic interactions among agents, who are conceptualized as constantly making cost-benefit calculations (à la Becker) in their relationships, to analyze either the economic rationale of network formation or the optimum input/effort levels of agents in a given network. Their quest for analytical and formalist rigor meant that these studies relied on agents’ computational capacities (for cost-benefit comparisons) rather than social capital, a somewhat vague term in the tradition.

Yet, conceptualizing social networks based on the assumption of independent agents interacting with each other in a strategic manner to maximize personal gains may be subject to criticism. In this article, we aim to critically examine the mainstream conceptualization of social networks through a Bourdieusian lens. Built around the notions of “habitus,” “capital,” and “field,” Bourdieusian field theory views social structure as composed of not only social networks with calculative agents, but also various institutions, as well as political, economic, and social power. Bourdieu developed a distinctive theory of social relations, but was unable to explicitly address the theorization of social networks via mainstream economics that developed in the 2000s, after his death. As Bourdieu had already contested Becker on many occasions (Bourdieu, 1986, 2000/2005a; Bourdieu & Wacquant, 1992), this virtual encounter can also be considered a “second visit”—hence, the subtitle of the
article. Once the topic has been revisited, we will then compare and contrast Jackson et al.’s methodology with that of Bourdieu’s analysis, particularly in understanding the micro side of social relations, and consider whether the two approaches can be treated as complementary to each other.

The article begins with a brief résumé on how mainstream economics theorizes social networks. A Bourdieusian conceptualization of social relations follows. The last section critically engages with mainstream economics network theory and underlines its strengths and limitations through a Bourdieusian lens.

2. MAINSTREAM ECONOMICS ON SOCIAL NETWORKS

The point of departure of mainstream economics in analyzing social networks is a Beckerian vision that individuals conduct cost-benefit computations in forming/maintaining/dissolving their social relations—very similar to how they behave in a market environment. Here, the argument is that it is costly for one to maintain a relationship, but this may well be outweighed by the direct or indirect benefits the other person brings to the equation. In addition, because the situation is symmetrical for both parties, a strategic interaction may be expected to emerge between the two. This notion can be applied to many fields: from finding a new job to engaging in criminal activities, from producing public goods to solving coordination problems and using common pool resources.

There are two main groups of economic studies on social networks. The first focuses on individual decisions regarding the optimal level of input/effort required for the relationship in a given (fixed) network structure. The individual returns a person expects from these connections (and the decisions of those one is connected to) are embedded in that person’s utility function. Consequently, inquiring into these networks will enable one to understand decision-making patterns under different types of game structures (for an extended review, see Jackson & Zenou, 2014). In this family of research, the network is exogenously defined, and connections among individuals are assumed to bring additional (either positive or negative) utility when personal decisions are made. In a crime network, for example, having friends that engage in criminal activities is thought to generate positive incentives for an individual to undertake the effort to take part in these activities. In the case of job markets, having friends employed in a given workplace makes it easier to obtain information about job openings because (a) accessing this information is much easier for the employed and (b) the employed will pass along the information to their friends rather than applying themselves for the job. Thus, those who have employed friends are likely to find a new job sooner/easier than those who do not. As a result, over time, individuals bond with
similar others: the (un)employed form strong connections with other (un)employed people. Collaboration networks are another example where links with others can bring positive utility, but this utility decreases as the number of connections that one’s connection has increases. In academia, for instance, researchers are willing to collaborate with others while publishing articles; however, if the collaborating partners happen to have other research engagements with many others, then the amount of time they can devote to each of their joint work will be low (Jackson & Watts, 2002; Jackson & Wolinsky, 1996).

As mentioned, strategic interactions among members are captured by a game-theoretic model, where Nash equilibrium emerges as the outcome of many settings. The Nash solution would in most cases correspond to an inefficient outcome due to externalities generated by interpersonal connections. The effort levels of agents are found to be lower than efficient, simply because agents do not calculate the benefits (or the costs, if externalities are negative) they generate in terms of the other person. In passing, one should note that these models can also be used for policy recommendations. For instance, the most efficient way to reduce criminal activities in a network is by introducing a “key player” policy as a short-term measure, to identify and eliminate the agent with the highest intercentrality measure (that is, the person at the hub of the network) from the network (Ballester et al., 2010; Calvó-Armengol & Zenou, 2004). In education, on the other hand, if networking boosts the industriousness of network members, then the obvious policy suggestion would be to determine the network centrality parameters in order to optimally allocate subsidies among students (Calvó-Armengol et al., 2009).

In the second set of models, individuals are conceived as deciding whether to connect to other individuals or not, by taking into account the additional benefits they will receive (viz. value creation) and the costs they will incur by putting effort/time/money into forming a new relationship. In one of the first attempts to formulate an analytical approach—the “connections” model—Jackson and Wolinsky (1996) specify a utility function in which forming links brings positive utility in the following manner: direct connections with friends are defined as “ties of first order,” connections with friends’ friends are defined as “ties of second order,” and so on; and as the order of ties increases, the utility they bring to an individual decreases proportionally. However, only first-order ties are assumed to be costly for the agent, and indirect links are not seen as costly because individuals do not need to put an effort in forming these ties.

1 Another line of research (Snijders, Steglich, & Schweinberger, 2007) studies homophily as a co-evolutionary process of networks and behavior: connections among those who have similar characteristics not only have an impact on the behavior of actors but can also change the individual characteristics of actors.
Because agents simultaneously decide whether or not to establish links with others, strategic thinking is assumed to be vital in understanding the emergence of networks. At this junction, the desirable properties of networks are twofold: stability and efficiency. A network is said to be stable if it is in strategic equilibrium. More specifically, Jackson and Wolinsky (1996) introduced the concept of “pairwise stability,” where no single individual can have a higher (or equal) payoff by deleting a link, and there are no pairs of individuals that are willing to add a link between them. The second desirable property of networks, efficiency, is identified either with the “Pareto efficiency” concept, which corresponds to a network structure where there is no other formation in which the utility of at least one agent is greater and the utilities of the remaining ones are unaltered, or with the “sum of utilities,” which corresponds to a formation where the sum of utilities of agents is greater than any other possible network structures. Because each agent supposedly receives some utility from the network, any network that arises brings with it some level of overall welfare. Yet, networks may also bring externalities to the rest of society—as in the case of Mafiosi-type organizations or corrupt activities within closed circles (Adaman & Odabaş, 2014). Finally, there might be tradeoffs between stability and efficiency.

Interactions can indeed be considered as evolving over time, thus introducing an element of dynamism. Typically, network structures may change in time. The ability to predict the conditions under which dynamic social networks will foster either cooperation or opportunism is extremely important. Apart from enabling agents to change their strategies in a dynamic setting, network structures can be thought of co-evolving. Under the assumption that individuals initially start with a given network, for example, it would be safe to assume that agents decide to form or break ties step by step. Jackson and Watts (2002) call all the possible scenarios that would result from these steps that move the initial network toward a pairwise equilibrium an “improving path,” and thereby provide a possible explanation of the formation process of social networks. Furthermore, in sophisticated analyses we will observe network structures impacting the economic decisions of agents as well as their strategic decisions that determine the structure of the social network.

In the mainstream approach, as a whole, network analysis—including models that use a co-evolutionary perspective—takes networks into account as the only social structures that affect economic outcomes, and analyses are based on the postulate that individual decision-making procedures are of a Beckerian type, viz. agents are viewed as continuously calculating costs and benefits. One may be critical of this structure, and argue that the entire institutional structure, the distribution of economic, cultural, and social capital—and the resulting distribution of power in a society—may well play important roles in affecting economic performance. Furthermore, one may equally reject the Beckerian
approach to decision-making at the individual level: historical events, societal norms, and the distribution of power are determinants of actors’ dispositions in the field, and thus their actions will be much more complex than implied by simple cost-benefit computational efforts. A comprehensive alternative approach is suggested by Bourdieu, the outline of which constitutes the subject matter of the next section.

3. BOURDIEU ON SOCIAL RELATIONS

Bourdieu was never happy with a Beckerian type of methodology in analyzing economic life. Members of a society should not be perceived as continuously making cost-benefit calculations, in market and non-market fields, independent of social and historical formations. Bourdieu thus argued that mainstream economics overlooked the fact that individual practices may arise from principles other than the conscious intention to maximize one’s utility. Beyond such rationalistic calculations, the economy of practices should be defined by reference to a wide range of functions and ends (Bourdieu & Wacquant, 1992). However, Bourdieu was also against a structuralist interpretation of society, where the actions of individuals are largely determined by existing socio-political and socio-economic structures. He contended that individuals were not merely passive agents open to indoctrination and manipulation. Indeed, Bourdieu used the term “false anonymities” to characterize any discussions that would lead to dualistic positions such as agency and structure, individualism and organicism, objectivism and subjectivism, mechanicalism and finalism. He considered these dualities “false” because for him, social structures were neither the mere aggregate of individual strategies, nor solid and flawless constructs solely defined by their totality (Bourdieu & Wacquant, 1992). Instead, elements and relations, actions and symbols, and material and cultural aspects interpenetrate and co-constitute each other and thus should be analyzed in relation to each other (Breiger, 2000).

Alternatively, Bourdieu proposed three (interrelated) concepts in the analysis of social relations—“capital,” “habitus,” and “field”—which altogether form the theoretical grounds for his argument that social relations should not be reduced to network ties among individuals. The strength and meaning of social relations should be understood via agents’ position in society, and determined by the combination and distribution of economic, cultural, and social capitals that individuals possess, and by the characteristics of the environment in which social interactions take place. Bourdieu thus criticized the compulsive mainstream focus on the market mechanism as a mere aggregation of decisions by calculative minds seeking either monetary profit or utility maximization.
3.1. Capital, Habitus, and Field

In contrast to mainstream conceptualizations of capital in economics (physical capital, natural capital, human capital, etc.), where one type can easily be converted into another, Bourdieu used the term capital more broadly, to define any kind of social asset that has the potential of generating value, acknowledging that a substitution was only possible under certain very strict conditions (Bourdieu, 1986). Bourdieu introduced his concept of capital in a variety of forms: while economic capital includes monetary income, accumulated wealth, assets and ownerships, cultural capital can be described as signals of expertise in a wide variety of socially-valued arenas: the level of knowledge on good quality food, the certificate for completing a level of education, or the possession of art works are some examples. Social capital is another form, composed of social relations that enable agents to obtain access to other agents’ capital, such as their knowledge or economic resources (for a detailed discussion on Bourdieu’s notion of social capital, see Fabien Eloire’s piece in this volume). According to Bourdieu, in the final analysis, any form of these capitals can be observed as “symbolic” capital, which includes the resources available to an individual in the form of prestige and honor, as long as their unequal distribution in society are acknowledged and observed as status symbols (Bourdieu, 1986; see also Sallaz & Zavisca, 2007). Furthermore, the value of each type of capital appears to change in different fields: while earning interest through investment is highly valued in the economic field, the same action might not be appreciated in the religious field. Bourdieu uses a game metaphor to clarify the idea that each field (viz., economic, political, religious, etc.) has different sets of logic: players take part in the fields if they agree that it is a game worth playing. The game has rules on how to play, which defines “the legitimate principles of the field” (Bourdieu 1982/1991, p. 242; see also Sallaz & Zavisca, 2007), and each player has certain “cards to play,” the values of which are determined by these legitimate principles, and by the configuration of the various forms of capital each player possesses. The cards in hand, and how agents sense the world and perceive their position in it, comprise the “habitus”—each agent has “a feel for the game” that shapes their actions. The feel for the game, and the set of reasonable actions the actors adopt, ultimately determine their position on the virtual map of the field.²

² In his analysis, Bourdieu extensively used economics language (i.e., terms such as capital, game, interest, and market), and was often criticized for “economizing” his sociological language and thus adhering to the “economic approach to human behavior” à la Becker (for a detailed discussion, see Lebaron, 2003). In response to this criticism, Bourdieu stated that he was careful not to fall in an economic reductionist trap, and clearly declared that “[the only thing I share with economic orthodoxy … are a number of words” (Bourdieu & Wacquant, 1992, p. 118).
As opposed to continuous calculations of costs and benefits as in the Beckerian setup, Bourdieu argues that members of a society make reasonable decisions in relation to their dispositions and positions, reasonable in terms of the rules and the logic of the field. Bourdieu’s game metaphor is based on this premise, and therefore he distances himself from a game-theoretic definition of the game as used by the mainstream approach. Agents are said to construct their interests through the historicity and logic of the field, and their actions are economically and socially conditioned. According to Bourdieu, the Beckerian approach ignores/overlooks how objective structures, which are formed through the collective and individual histories of agents as well as the institutional basis, shape the preferences of individuals. As a result, it recognizes only rational choice responses but not the “habitus,” i.e., the potential or actual opportunities of agents (Bourdieu & Wacquant, 1992, p. 123). While the habitus reshapes the field through cognitive construction, through senses and values, the field conditions the habitus of the agent by determining the position of the agent in relation to the position of others in the field. However, even though Bourdieu sets his field theory apart from the mainstream economics approach, one should note that field theory does not rule out cost-benefit analysis as one possible modality of action—viz, the rational choice principle can be the “rule” if the logic of the field defines such an action as being legitimate. Rather than ruling out calculative action altogether, field theory incorporates all types of “choices,” practices, and norms, such as rituals and matrimonial choices, in addition to calculative reasoning.

While the network analysis approach (inclusive of all relevant approaches, not just the Beckerian) mainly focuses on how interpersonal relationships are formed and how they affect the network structure of relations within society, for Bourdieu, connections among individuals form only one type of capital, namely social capital that has an impact on shaping the structure of the field, as do other types of capital. As a result, in contrast to the network analysis approach that defines social structure as a totality of intersubjective relations (e.g., friendship ties among individuals or contracts held between firms, where personal ties characterize the social structure), the unequal distribution of economic, cultural, and social capital shapes objective relations among actors because they exist outside of the subjects’ intentions. Possession of capital brings power, and power relations in turn structure society. Therefore, Bourdieu’s analysis stresses that social structure is shaped not only through social connections but also power relations, historicity of events, and the roles played by institutions. It is this structure that Bourdieu intends to analyze, rather than the interactions among individuals.

3 de Nooy (2003) suggests that Bourdieu’s social capital can be interpreted as the intersubjective ties that the techniques of social network analysis focus on.
3.2. The Empirical Part of Bourdieu’s Economic Analysis

The above section makes clear that Bourdieu’s studies on economic topics mainly adopt an economic-anthropology perspective: economic life is thought to be intrinsically social, and economic relations are conceived as embedded in social relations (Bourdieu, 2000/2005b; see also Aalbers, 2006; Polanyi, 1944). In contrast to mainstream economists, Bourdieu emphasizes the role of power, historicity, and social structures in the economy, which makes the historical analysis of social structures that define the economic field also crucial in his economics-related works (Manning, 2005). In this regard, his studies acknowledge the structural aspects of the economy (without overlooking the effect of individual-level decisions): it is the economic field that determines the operations of the market, and thus the dispositions of actors become crucial in understanding their strategies (Swedberg, 2010).

Bourdieu also tried to apply his concepts of habitus, field, and different types of capital to economic issues (see Swedberg, 2010). More specifically, in his *The Social Structures of the Economy*, Bourdieu (2000/2005b) focused on different dimensions of the French housing market: the demand side and the expectations of the buyers; the supply side and the composition of producer companies; the role of advertisement in the housing economy; the role of state; and the provision of cheap loans in shaping the structure of this particular economic field. The book also aimed to frame empirical analyses within field theory, and appeared as a very strong attack on agency-centered explanations (Leander, 2001). His inquiry into the housing market is a spectacular example of his methodological standpoint. As largely discussed in his *Paris Workshop*, Bourdieu is in favor of the abolishment of “methodological monotheism” (Bourdieu & Wacquant, 1992). Thus, in his investigation of the housing market, he not only discussed its historical background in France, and the role played by the state as a meta-field that shaped it, but also made use of statistical techniques to cluster buyers and companies in order to better capture the groupings of the agents involved into the housing market.

Bourdieu’s reliance on clustering is important in understanding his empirical investigation. He relied on “correspondence analysis” (CA) to cluster actors based on a set of dimensions, and group them in terms of similarities. Bourdieu stated that CA is a useful tool in studying the economy and society in terms of relations:

[I]f I make an extensive use of correspondence analysis, in preference to multivariate regression for instance, it is because correspondence analysis is a relational technique of data analysis whose philosophy corresponds exactly to what, in my view, the reality of the social world is. It is a technique which ‘thinks’ in terms of relation, as I try to do precisely...
with the notion of field (Bourdieu & Wacquant, 1992, p. 96; see also Bourdieu, 1984, 1988 and Rouanet, Ackermann, & Le Roux, 2000).

The method describes and interprets complex information about agents represented by a cross-tabular matrix, focusing on the similarities among entities of different types (Breiger, 2000). Therefore, contrary to classical statistical tools used to make statistical inferences or reveal causal relations, his approach intends to describe the (dis)similarities of agents by looking at the correlations among the values of their different categories of attributes, and to identify the clusters of agents in relation to their similarities (for a detailed technical description of CA, see Greenacre, 2007).

Returning to the housing market in France, Bourdieu used the same technique to draw a representative map of the field of builders, and demonstrated the composition of firms to detect differences not only in their employee composition and connection to credit-provider banking groups, but also in their approach to advertisement strategies because a house has a symbolic value for its buyers: it is not only used for shelter, but also represents tastes and values that are reflected in personal lifestyles. Bourdieu stated that despite their differences, all these companies belonged to the same field and competed with one another on an unequal basis. The first set of variables for these firms and developers included the composition of the personnel employed: entrepreneurs, executives, middle managers, skilled and semi-skilled workers, skilled and semi-skilled craftspeople, etc. The structure of employment, he argued, “is a quite reliable indicator of the firm’s orientations and the primacy accorded either to the production or the marketing of the product” (Bourdieu, 2005b, p. 45). The second set of variables revealed the distribution of the sample of construction companies on a geographical landscape (be it workshops, factories, building sites, offices, or other workplaces). The results from the CA divided the field by two axes, representing two dimensions (Bourdieu, 2005b, p. 46). The first dimension categorized the firms into two main groups: one group was composed of firms that were closely-tied to banking groups and insurance companies in terms of capital. These firms had finance, research, and advertisement departments, and the staff was mainly composed of white-collar workers, who were also subcontractors of the building work. Conversely, the builders of the other group, again in relation to the first dimension, were based on family capital in general, with no connection to financial groups. They did not subcontract the building work, as opposed to the previous group. The second dimension that divided the same set of firms identified whether the firm was a subsidiary of a subcontractor or not. While one group was composed of subsidiaries of the exclusively and regionally-based large groups that specialized in single-family home construction, the other comprised integrated firms with a more diversified range of production.

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The locations of builders represent their close, non-economic connections, and similarities to those they are aligned with. The clustering of firms enabled Bourdieu to detect the powerful groups within the hegemonic structure of the field of single-family home constructors. On the CA map, Bourdieu identified three clusters of firms. The first group was characteristically close to financial resources, and the same group dominated the market. The way that they commercialized the houses enabled those firms to “dress up” the industrial manufacture as traditional craft-production, and then advertise the house as a “residence” (Bourdieu, 2005b, p. 49). The second and third groups, however, lacked the connections to financial resources that the first group had. The second group used the industrialized manufacturing system like the first group, but did not have enough resources to differentiate the houses by employing a highly-specialized in-house workforce on a permanent basis. In other words, the technicality of the production understated the social and symbolic value created through housing construction. The last group was composed of small and medium-sized integrated companies that relied on family capital and built traditional houses. The builders were craftspeople, and the houses they built were associated with the notion of authenticity. The existence of the third group, according to Bourdieu, is essential for the success of the first group because it is this notion of authenticity that differentiates them from the second group. There is a value for “dressing up” industrial houses as if they were traditional because there exists a value for traditional houses—and those which lacked sufficient capital to dress up the houses were aligned with the second group, rather than the first one.

These groupings show that in the market, builders have diverse characteristics even though they compete in the same environment. The Bourdieusian approach, in a sense, identifies variations in the characteristics of the agents that define the field and impact the environment of the economic arena through the dominance of a group or groups of agents on others. The analysis of the positioning and different characteristics of the firms is worth investigating because their relative strengths and weaknesses in the builders’ space guide them in adopting certain production and advertisement strategies. Therefore, in Bourdieusian field theory, the relation between supply and demand is not simply a mere integration of costs, prices, and relevant profit functions that reflect the decision of a rational firm—as Bourdieu would suggest this to be a Beckerian perspective—but rather the determination of strengths “in relation of homology to the differentiated, structured space of demand” (Bourdieu, 2005b, p. 72).

The relational positioning of agents in regard to the composition of the different types of capital they own, and the distribution of those in the field, are the main objects of analysis in Bourdieu’s studies, as described above. The distribution of capital, the consequential power structure of the field, and the
historical heritage of both individuals and structures shape “the cards to play,” i.e. the habitus. This habitus, therefore, is not reduced to individual preferences and strategic actions implied by rational choice theory, but more broadly shaped through social processes. We have seen that social network analysts focus on the intersubjective relationships among these agents and their impact on socio-economic outcomes. Even though Bourdieu’s definition of social capital resembles social networks that bring additional capital resources owned by other individuals, Bourdieu is critical of the theoretical perspective of social network analysis because it not only limits social structure to a combination of intersubjective relations but also disregards the historical background of the field. Additionally, his aforementioned criticism toward a Beckerian perspective plays an additional role in the Bourdieusian line of criticisms toward rational choice studies that originated from the economics field.

4. BOURDIEU VIS-A-VIS NETWORK ANALYSTS

Our review concludes that Bourdieu and network analysts have a different understanding of social relations: while structural conditions are treated as the main parameters in understanding social relations in Bourdieusian field theory, mainstream economists analyze networks as the outcome of strategic interactions by rational agents, who are undertaking efforts within a given network formation or in deciding whether or not to be a part of a network formation. In contrast to network analysts who focus on interaction and exchange by relying on a Beckerian cost-benefit perspective, Bourdieu is principally interested in, to use de Nooy’s (2003, pp. 316–317) words, “background characteristics that signal the possession of different kinds of capital, e.g., social status of the parents and the type of education received.” Finally, for Bourdieu, relations among individuals and institutions are being shaped and reshaped, in a historical path, through their relative power structures (that largely depend on their capital accumulation), whereas for network analysts, the power dimension enters into the picture in the ex post sense, only after networks are formed and interpersonal ties are established.

All in all, Bourdieu acknowledged that interactions among agents would have a dynamic of their own, mediating and transforming the forces of objective relations (de Nooy, 2003), and ipso facto granted a dialectical role to the objective as well as subjective factors in social relations. This said, however, it is also true that Bourdieu did not provide us with a toolkit to conduct a thorough analysis of micro-level interactions among individuals, other than urging us to examine the descriptions or qualifications that people pass
onto one another through relations that are historically shaped. We now have Jackson et al.’s methodology as one proposal for such a toolkit. There is no doubt that Bourdieu would have been very critical of universally applying a Beckerian outlook cum a game theoretical framework in the understanding of all kinds of micro-level interactions among individuals. Yet, he would have equally resisted in categorically rejecting this method altogether, in harmony with his position on the philosophy of science, viz., his critical viewpoint on methodological monism. Furthermore, Bourdieu would have even toned down his level of criticism in applying this method to situations where actors were known to be largely motivated by narrowly-defined self-interests.

In lieu of conclusion, we would like to emphasize the strength and limitations of the two approaches as suitable research methods in understanding social relations of individuals. Thanks to continued interest in network analysis, the structure of social networks, their impact on the economic conditions of individuals in particular and society in general, and the way individuals construct these network structures have all decidedly become the subject matter of mainstream economics. However, given that this analysis is based on the assumption of self-interested rational agents, we believe that the economics discipline’s interest in social network studies should certainly not be limited to a particular understanding of the individual and the way in which that individual is socialized. The analysis suggested by Jackson et al. remains silent not only on how network relations find meaning within the economics field in general, and contribute to the distribution of power and in turn the establishment of power relations in a dynamic setting, but also on situations where individuals do not base their actions on narrowly-defined cost-benefit calculations.

To be more concrete, let us consider seeking employment in the job market: we would acknowledge that the mainstream economists’ network methodology is a strong tool in analyzing the impact of personal relations (one’s network) over job market search processes in an environment where individual motivations are largely determined by self-interest. Yet, we would be equally ready to accept that this analytical toolkit provides no answers to either the question of how social relations in general, institutional structures, and state policies altogether are shaping the power dynamics within the job market (are any particular groups excluded from the job market, for instance, and if so what are the determinants of such exclusionary policy), or to the inquiry of the evolution of a particular job market with a historical perspective (for example, establishing regulations to curb discretionary practices). To those unanswered questions, we believe that Bourdieusian field theory will be able to offer an appropriate methodology, by explicitly focusing on the objective as well as subjective factors in the job market being examined.
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ENGAGING WITH SOCIAL NETWORKS


