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PAPER ABSTRACTS

Banking on Each Other: The Situational Logic of Rotating Savings and Credit Associations

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Paper downloadable from:

http://www2.gsm.ucdavis.edu/Faculty/Profiles/biggart/working_papers.htm

Abstract:

Poverty stems from many causes and has multiple expressions around the world. Nonetheless, in recent years international development agencies and governments have focused above all on one strategy for poverty alleviation: microlending programs that provide credit to groups of poor people, usually women, for small business activities. While microlending programs such as those developed by the Grameen Bank in Bangladesh are politically and morally attractive, in fact there is little understanding of the social conditions under which these programs are likely to succeed or fail. Using an interpretive comparative case methodology, I analyze a globally widespread and naturally occurring type of group financing organization, the rotating savings and credit association, to identify those social structural characteristics associated with successful peer group lending arrangements. I demonstrate the utility of an economic sociology approach – seeing economic organizations as rooted in social structure - to understanding an important credit institution.

Exporting the American Model: Historical Roots of Globalization

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Abstract:

The world, we are told, is getting smaller, increasingly seamless and it all has to do with 'globalization'. The movement seems to lead inexorably to the worldwide convergence of

economic, technological and institutional conditions, fostering in the process a homogenization of organizational recipes and national systems of economic organization. There is evidence, though, that the Panglossian discourse characteristic of much writing on economic globalization is often little more than that – unduly optimistic discourse. Whole regions or continents are still entirely excluded from the global world economy. In those countries that are part of it, the divide is in fact increasing between institutions, organizations and social groups that welcome and benefit from a global economy and those that dread, resent and resist it. There are clear signs that important differences persist to this day between national systems of economic organization, including within the small circle of countries that participate in the global economic game. After briefly reviewing the existing literature and its shortcomings, we define ‘national systems of economic organization’ and operationalize our dependent variable, documenting the coexistence, after 1945, of the double trend identified above. Building on detailed historical studies of three countries – France, Germany and Italy – and on their systematic comparison, we then put forward the following story. The current episode of globalization finds its historical roots in the attempted process of Americanization that marked the years following the end of the Second World War. Starting in those years, the American system of economic organization – which had itself emerged earlier in peculiar and unique conditions – was constructed as a universal model for the Western world. The large-scale and systematic attempt to transfer this one and single model accounts in the end for the increasing similarities that can be documented across national systems of economic organization in the second half of the twentieth century. A key driving force behind the attempt at cross-national transfer was, at least throughout the early period, a multinational network of ‘modernizers’ working with or around the Marshall Plan administration.

Netting Scholars: Online and Offline

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Abstract:

Has the Internet affected the ways in which people communicate by minimizing the effects of distance? To examine this question, we study scholarly and interpersonal relationships - communicating in person and by email - in two scholarly networks, one in a large university and one dispersed across North America. Not only are these scholarly networks interesting in their own right, they are harbingers of the turn towards network and virtual organizations. Although the Internet helps scholars to maintain ties over great distances, physical proximity still matters. Those scholars who see each other often or work nearer to each other email each other more often. Frequent contact on the Internet is a compliment for frequent face-to-face contact, not a substitute for it. The more scholarly relations network members have, the more frequently they communicate and the more media they use to communicate. Although email helps scholars without strong ties to stay in contact, it is used most by scholars who are collaborators or friends.

Paper to appear in:

American Behavioral Scientist, February 2001.

Getting Deals Done: The Use of Social Networks in Bank Decision Making

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Abstract:

Economic actors confront various forms of uncertainty in their decision making, and the ways in which they deal with these obstacles may affect their success in accomplishing their goals. In this paper, we examine the means by which relationship managers in a major commercial bank attempt to close transactions with their corporate customers. We hypothesize that under conditions of high uncertainty, bankers will rely on colleagues with whom they are strongly tied for advice on and support of their deals. Drawing on recent network theory, we also hypothesize that transactions in which bankers use relatively sparse approval networks are more likely to successfully close than are transactions involving dense approval networks. We find support for both hypotheses. We conclude that bankers are faced with a strategic paradox: their tendency to rely on those they trust in dealing with uncertainty creates

conditions that render deals less likely to be successful. This represents an example of the unanticipated consequences of purposive social action.

Strategic Participation in Industry-Wide Communities? Voluntary Technical Associations as Context for Alliance Formation

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Abstract:

We examine how technical committee participation, leadership and interaction generate context in which technical managers identify suitable alliance partners and particular opportunities for technical collaboration. Technical committee activity enables access to explicit technical information through participation, exchange of tacit knowledge through interaction, and control of technological outcomes through leadership. Our longitudinal study of 87 cellular service providers and equipment manufacturers demonstrates that all three mechanisms increase subsequent alliance formation. Furthermore, we find that the technical committee interaction effect is stronger for horizontal alliances (among similar firms) than for vertical alliances (among dissimilar firms), suggesting that substantive interaction is facilitated among firms that share more common knowledge bases.

Political and Economic Motivations for Labor Control: A Comparison of Ireland, Puerto Rico, and Singapore

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Abstract:

The global economy poses many constraints on small economies, especially those pursuing export oriented industrialization (EOI) through the attraction of foreign direct investment. It has been argued that the success of EOI depends on the government's ability to meet the labor requirements of this economic model—labor peace and low wages—through labor control policies and even repression. This paper compares the histories of labor control of Ireland, Puerto Rico, and Singapore, three island-nations of similarly small size and high degree of integration with the global economy. While the pressures for labor control during EOI are evident in each case, there is a great deal of variation in the strategies governments adopted to rein in organized labor. I argue that the difference in the labor control methods employed to meet the requirements of EOI are not explained by an economic logic but by a political logic inherited from an earlier period when labor control was motivated by the efforts of a dominant party to consolidate its power.

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