

THE INTERNATIONAL JOURNAL OF HUMANITIES & SOCIAL STUDIES

Reconstructing 'Rationality' in the Market Situation

R. Rajesh

Associate Professor, Department of Sociology
Bangalore University, Bangalore, India

Abstract:

'Market' has been an element of debate since time immemorial; as a result, it has generated intense arguments from different corners of society and disciplines. Both in academic and practical perspective market are being discussed. Market transactions are supposed to be 'rational' as defined in the classical economic thinkers. The concept of 'rationality' is debated in the context of monetary from an economic perspective, vis-à-vis sociological along with historical, cultural, anthropological perspectives. It is argued both for and against, the way market is structured, its functioning pattern, changing forms, also the different positions upheld by different disciplines. Though the market has grown beyond imaginations in terms of its operation, and contents, the participants of the market still remain human beings and they are part of society.

1. Introduction

Market transitions take place in geographical localities which are socially defined with people take opinion, debate and finalize, which are socially very important. Even though historians, geographers, political scientists and more so by sociologists have made selected attempts, the domination of economic perspective prevailed for a long time. There is a plethora of material available on 'market' studies, of course, on different facets of 'market' activities and such other aspects. While studying the evolution of societies, market, trade, and exchange are seen as elements and factors of economic development. Different terms are used to explain the market activities and diverse aspects of the market. Similarly, different social science disciplines have focused on different areas of the market.

2. Construction of Rational Choice Theory

In Classical and neoclassical economic theory, markets are at the centre of the stage (Simon 1991). The 'Market' is the main and central theme of modern economic theory (Wang 1999). Classical economists, have predominantly influenced their doctrine of 'homo economicus' and the players in the transaction place being 'rational'. Man being rational maximises profit and utility in the market has a deep impact on the earlier studies mentioned as well. Smith (1776) Marshall (1920), Robbins (1932; 1935) argue that scarcity is a ubiquitous condition of life compelling choice; hence, all behaviour has an economic aspect. Akerlof (1970; 1976; 1980; 1984; 1984a) has worked on rational models, exchange system, labour contracts etc. All these classical thinkers are of the opinion that the market consists of economic players and only economic or monetary aspects matter in the market. Duesenberry (1960) wrote that "Economics is all about how people make choices".

Though Knight (1933) shared the view that economic behaviour was identical with rational behaviour and in spite of the fact that Knight made extensive use of the concept of "Economic Man" himself, he nonetheless indicated a rather significant role for 'irrational' factors in the determination of human behaviour. With regard to the fundamental question of whether human behaviour could be, best understood scientifically, meaning as a rational adaptation of means to ends, he was of the opinion that 'it is only to a limited extent that our behaviour, even our economic behaviour, is of this character. Much of it is more or less impulsive or capricious' (Knight 1997).

Knight (ibid) asserts that in order to develop a science of economics, it was necessary to adopt the assumption of rational behaviour. Thus he argues that 'economic man' is indispensable to developing a science of conduct in order to structure our thinking about economic activity. The 'economic man'... underlies all economic speculation. The economic man is the individual who obeys economic laws, which is merely to say that he obeys some laws of conduct, it is the task of the science to find out what the laws are. He is the rational man, the man who knows what he wants and orders his conduct intelligently with a view to getting it. In no other sense can there be laws of conduct or a science of conduct; the only possible science of conduct is that which treats the behaviour of the economic man, i.e., economics in the very broad sense in which we have used the term (1976). Knight therefore insisted that economics must be based upon the examination of the choices of rational maximizers and, that in doing so; it was able to gorge an 'exact' science, 'which reaches laws as universal as those of mathematics and mechanics' (ibid).

The market is 'merely' the sum of economic behaviour of men and women. It is a way of describing what Adam Smith identifies as our natural propensity to 'truck and basket'. The market therefore cannot be abolished. Soviet Russia tried, and failed miserably. Markets will always be with us. The real question at hand, then, is not whether to have a market, but what kind of market is most appropriate for the human person, to what extent it should be controlled, and by whom. (Sirico 1996).

Economic historians have tried to understand the market in the historical context both with historical and other perspectives. Economic historian and an anthropologist, Polanyi (1944) emphasized the social nature of exchange in traditional societies. There is much truth in the statement by Polanyi: "The outstanding discovery of recent historical and anthropological research is that man's economy, as a rule, is submerged in his social relationships".... "He does not act so as to safeguard his individual interest in the possession of material goods; he acts so as to safeguard his social standing, his social claims, and his social assets. He values material goods only in so far as they serve this end" (1944:46).

Anthropologists of the western countries have tried to understand the trade, market and exchange activities of the 'other' world (non European and developing countries) and societies from the 'primitive' notion. Malinowski (1992) makes a pioneering study of the exchange system, market of the Kula ring near New Guinea and was concerned with the social context of economic activity. Knight (1933) analyses the economic organisations of the different societies and Bunzel (1938) gives an account of the economic life of primitive people.

Frank (1999) says, market efficiency had been assumed at times as a simplifying generalization but more often it had been assumed to be an inevitable outcome based on a series of theoretical assumptions. These assumptions have included maximizing behaviour both on the part of consumers (maximizing utility) and firms (maximizing profits), with actors having perfect information and no transaction costs, another properties including non-satiation and transitivity of preferences.

Ritzmann (1999) says, "[F]rom Rice Vaughan, 1675: "The first invention of Money was for a Pledge and instead of a Surety" to John Maynard Keynes, 1937: "Our desire to hold money as a store of wealth is a barometer of the degree of our distrust", there is a tradition of monetary theory linking the demand for money with the state of confidence".

Supporting the rational position, Wang (1999) proposes a premise that:

- Every economic agent is strictly an individual being.
- Another is that self-interest alone drives economic behaviour.
- A third is that the common good is served through the invisible hand.

The market exists to reduce transaction costs and facilitate economic transactions. When consumers and producers can freely meet each other to execute transactions at no cost, the market as described above does not exist. In the world of zero transaction cost, as neoclassical economics have nicely demonstrated, the market becomes a price-determining mechanism, and its institutional setting become irrelevant. The ubiquitous existence of transaction costs means that the institutional structure of exchange matters (Wang 1999).

"[S]ocial culture may affect the economic performance by altering the effective production technology of the economy" (Fang 2001), such a negative assumption of social and cultural aspects on economy, whereas Becker(1975) and others have highlighted the importance of social as well as cultural aspects of the economy both in terms of development and maintenance. In spite of such heated argument and staunch support of rational doctrine, slowly by mid 20th century onwards one could witness many economists like Becker (1965; 1968; 1976), North (1991), Peoples and Robinson (1996) and Schroeder (2000) shift from the classical notion to the realistic and the interpretative notion of the market phenomenon.

"[T]he input commodity 'time' has become more precious in relation to that of other input commodities. Thus Becker admits the existence of a socioeconomic process, but apart from this short description makes hardly any attempt to elaborate this manner. Neither he nor the scientist following his footsteps ever ask for the causes of this process" (Schroeder 2000).

Economists like Peoples and Robinson (1996) started working on the economic frontier with the sociological touch on it by giving consideration regarding the social categories represented and working the different economic and production units of America. Here they also highlighted the differential wage earnings among the gender, race, and ethnic groups. Their research continues with the findings by saying that white men continue to experience an advantage in professional, managerial and craft employment in telecommunications, the opportunities for minorities and women in these occupations have not deteriorated following the termination of the EEO consent decree of following divestiture.

3. Critique of Economic Doctrine of Maximisation

For a number of economists, the notion of rational maximizing behaviour is taken to be synonymous with economic behaviour. When some economists' studies do not embrace the rationality assumption, they are seen as placing the analysis outside the boundaries of the economics discipline. This assumption of the market situation between the actors has been widely criticised by many academicians within and outside the economic circle. Looking at the developments in the economists assumption and their static notion of maximisation Veblen (1898) criticises harshly by saying 'Economics is not an evolutionary science'. This statement was made more than a century ago, of late some economists started admitting that social relations are present in an economic transaction and many economists namely Becker, North, Peoples and Robinson and many others have criticised the doctrine of maximisation. A tremendous change and a paradigm shift in the notion and perspective towards the understanding of the market phenomenon is witnessed in the past few decades.

Becker (1971) believes that economic analysis is essential in understanding much of the behaviour traditionally studied by sociologists, anthropologists and other social scientists. 'This is a true example of economic imperialism'. Schotter highlights the importance of understanding of social institutions while understanding economic theory (Winship 1983) and Winship (1988) supports this argument.

Platteau (1994) criticising the classical economic position states that ‘the market mechanism consists of the free play of *abstract* (supply and demand) forces linking *anonymous* agents together in a decentralised way. Of course, personal or social relations can exist among participants in a market economy, yet these relations have no bearing on economic transactions and terms of exchange: individual identities and social backgrounds do not matter and this is precisely why (first best) allocative efficiency of the society’s available productive resources can be attained.

The economic doctrine on market seems so old and unfortunately the same assumption and theory is applied irrespective of time, context and changing situations. Would the players enter the market in equal terms in ‘open’/ ‘free’ market situations, are some of the questions raised by many in this direction. The conventional analysis implies that theory of markets is a theory of ‘free markets’, one characterized by free economic interaction among economic units (individuals or businesses) regardless of the degree of market perfection. The conventional economic analysis is wrong in denying the existence of markets and capitalism to certain modern societies (Raiklin and Yousefi 1994).

Armour (1995) examines the relationship between economics and culture, discusses the role of Protestantism, Calvinism and Catholicism in the affluence of societies. Further, Armour refers to the article by D. J. O’Neil on this issue which discusses the works of Horace Plunkett, Edward Banfield and George Foster, who applied Weberian analysis of culture to the problem of societies which fail to become affluent and also compares Marxist and Weberian theories of society and economics.

“Markets will always be with us” says Sirico (1996) and “the real question at hand, then, is not whether to have a market, but what kind is most appropriate for the human persons to what extent it should be controlled and by whom? Economics alone cannot help us find answers to these questions”. The Greek word from which ‘economics’ is derived is *oikonomia*, and literally means ‘household management’. Economics can tell us the best means to reach a previously chosen end, but by itself can provide no criteria by which to evaluate that end. Economics is a descriptive, not a prescriptive, discipline. The discussion of ends, and the ends for which we ought to strive, lies in the realm of religious and philosophic discourse. In other words, economics can tell how to get somewhere, but only religion and philosophy can tell us where it is that we ought to go.

Berthoud (1997) criticising old notion of market says, “[M]arket relations are thus reduced to numerical values; with the price mechanism, the market appears to be composed of strangers connected only at the level of appearances, with all signs of friendship, loyalty or affection put aside.

Genovese (1997) highlights on the different ways of thinking about economic affairs, like social aspects and ethical aspects of economics, and starts analysing the very basic assumptions of economic analysis. While Kern (1997) comments on some economists have taken the imperialist element and their positions. Chicago School descendants such as Gary Becker who have sought to extend the domain of economic analysis beyond the realm of market relations. Economic imperialist, such as Becker and Tullock, see all forms of social interaction as a result of the economizing behaviour stemming from the existence of scarcity, as the economic definition of scarcity is a ubiquitous condition of life compelling choice; hence, all behaviour has an economic aspect. Some economists have taken the imperialist element to the limit in arguing that economics is the only true and necessary social science.

Though economics assumes that economic agents strive to maximise the satisfaction of a given set of wants, Knight argued that, in reality, this was far from the actual case. Wants are seldom, in Knight’s view “final” in any important sense. They are constantly refined or changed in the process of their realisation. Hence, “wants” fail to be sufficiently stable to legitimately be labelled data (Kern 1997).

It seems classical economists have been nonchalant and eluded from the moralistic position in their thinking and also in their writings. Adam Smith and others have somehow dodged and tried to circumvent by using the ‘invisible hand’ concept which is very elusive and subtle to grasp and explain.

No Smithian ‘invisible hand’ hovered over market transactions in grain, says Miller (1996), to ensure that supply and demand remained in equilibrium. Problems such as bad harvests, scarcity, hoarding, war revolution and poor communication networks meant that the grain market might collapse in any period of instability, leaving thousands of people to riot and starve. The government learned that if it intervened too harshly, by forcing producers to bring their grain to market or by fixing market prices too low, it only scared merchants and peasants away, and people still starved. Hence, the government had to figure out how to ‘master’ the market, that is, the state itself had to become the invisible hand that orchestrated supply and demand behind the scenes so that suppliers would bring their grain to market in search of profit, but would not be able to gauge consumers in times of dearth. (Bossenga; 2000).

Fourie says (Wang 1999) ever since Adam Smith, the development of the division of labour and the market has been viewed as a natural consequence of human propensity, ‘the propensities to truck, barter, and exchange’. Neither the actual operation of the market system nor the evolution of the institutional structure of the market has seriously interested economists who claim to study the working of the market. Staying aloof from the real world market not only makes economists blind to the cost of using the market system, but also makes them inclined to take the market as given and assume that ‘in the beginning there were markets’.

“... [M]iller presents the story of the taming of the market chronologically. One of the most effective techniques was the so-called ‘simulated sale’ of the mid-eighteenth century. When scarcity loomed and prices skyrocketed, the government surreptitiously sent out merchants to sell grain on the market at reduced prices. Once other merchants realized the chance for exorbitant profits was lost, they, usually ceased hoarding their grain and started selling it lest the price drop even further” (Bossenga 2000).

Schroeder (2000) questions the very factor and element of rationality used in economic theories. He says, “...the controversy is also reflected in the roots of economic theory. Whereas according to the liberal view the subject of economic rationality is the individual, the critics of this way of thinking point to the non-rational aspects of individual behaviour, and emphasize the superiority of collective decisions making”. The liberal economists are only interested in the head of the *homo oeconomicus*-the ideal personification of their model of rationality”. Adding to it, Schroeder (ibid) says “...the input commodity ‘time’ has become

more precious in relation to that of other input commodities. Thus Becker admits the existence of a socioeconomic process, but apart from this short description makes hardly any attempt to elaborate this manner. Neither he nor the scientist following his footsteps ever ask for the causes of this process”.

Schroeder (2000) while borrowing the idea from Fred Hirsch, proceeds from the notion that with the increasing output of material goods the time for using them remains constant and in relation to these goods becomes scarce – the goods’ intensity of time increases. In his ‘Social Limits to Growth’ he criticizes the negative implications of this development. According to him scarcity of time implies that social relationships are also economized; to do a favour to somebody might not be economical. A vicious circle is triggered off; the need for social contacts remains more and more dissatisfied. The ‘rat race’, continues, income has to be generated to acquire the goods offered in place of what had once been free. This vicious circle undermines the social foundations of the market system. Sure, the consumer (according to Becker) is not manipulated; he/she is behaving quite rationally, but on an elaborated level which does not always make it opportune to spend much time and effort for a complex decision process when it comes to say, making the choice for a chewing gum, the input commodity ‘time’ has become more precious in relation to that of other input commodities. Thus Becker admits the existence of a socio-economic process, but apart from this short description makes hardly any attempt to elaborate this manner, neither he nor the scientist following his footsteps ever ask for the causes of this process.

Nelson (2002) points out that ‘economists consider cultural explanations to be virtually illegitimate. If an economist cannot explain an economic development by any other means, she might be forced to resort to culture. However, if she does, it is like confessing her failure as an economist. The kinds of economists who have had the deepest understanding of culture and institutions are economic historians and developmental economist. If you look at what is going on around the world, the developmental economists.

Unlike other disciplines, Sociology has been playing different roles, particularly in relation with market and related aspects. ‘Market’ activities have a reality, sui generis that should not be reduced to economic activity alone. On these lines, questioning the hegemony of economists over the ‘market’, many classical and modern sociologists have raised several apprehensions on the logic of the concept of ‘homo economicus’, the doctrine of ‘rationality’ of ‘man’ in market and also on ‘the maximization of profit and utility’ resulting in heated debates. Classical sociologists, Weber (1978), Durkheim (1984) and other sociologists like Parsons and Smelser (1956), Smelser (1963), Simmel (1990) and Veblen (1898) have studied the ‘economic life’ of human beings from the sociological perspectives. It is very interesting to read these studies, which strongly uphold that economic life of human beings is very much affected by the social surroundings, and it has to, as economic activity is only a part of social life as a whole. In various forms, all these thinkers vehemently argued for the study of markets from the sociological perspective. Later quite a number of sociologists like Goffman (1976; 1983), Granovetter (1985) and more so Weber (1978) highlighted the importance of the study of sociology of markets.

Weber (1978) was fascinated by the market as a social phenomenon, and he calls the market a ‘community’. In handling competition, economic factors, along with ethical social factors, may play an important role. In this regard, a Weberian concept of closure is very relevant. Weber (1978:342) defines social closure as a process by which a collectivity of people attempt to maximize rewards and opportunities by limiting access to rewards and opportunities only to their own group. He argues (1978: 341-342): “when the number of competitors increases in relations to the profit span, the participants become interested in curbing competition. Usually one group of competitors takes some *externally identifiable characteristic* of another group of (actual or potential) competitors-race, language, religion, local or social origin, descent, residence, etc. – as a pretext for attempting their exclusion”.

Weber (1978) continues; on monopolization of opportunities, that ‘this monopolization is directed against competitors which share some positive and negative characteristics; its purpose is always the closure of social and economic opportunities to *outsiders*’. The extent of this monopolization is variable, depending on the extent to which the group member benefits from monopolistic advantages. Weber also argues that monopolistic social and economic opportunities may also be ‘closed’ to *insiders*. Weber, says Albrow (1990; 261) was happy to assert that the mundane roots of law resided in the primacy of everyday social life, but he resisted the view that the everyday nature of economic activity automatically reflected its intrinsically social nature.

In Albrow’s (1990; 262) view, economic action is the peaceful use of control over resources for that end and is primarily rational and planned. An economy can be spoken of when the economic action is independent, and an economic enterprise when it is organised on a continuous basis. The terms of these definitions are then defined in turn. For instance, ‘utilities’ are the estimated chances of future possibilities of use as means for the agent’s purposes. Utilities might reside in ‘goods’, ‘services’, or ‘economic chances’. The latter term covered all those social relationships, customs, positions or legal and conventional orders, which could be a source of resource control. Albrow (ibid) in support says, it is a key facet of Weber’s analysis of social stratification since the economic utilisation of social position was fundamental for understanding class and status group formation.

Powell and Dimaggio (1991) opine that ‘from a more sociological perspective, one might suggest that actors facing new circumstances do not rationally calculate costs and benefits so much as they fall back on pre-existing norms and routines’.

Simmel has worked considerably on the sociological aspects of economic life. Watier (1993) discusses how Simmel relies on and studies the rising individualism in societies by using three successive or overlapping representations. Relationship between the concept of individuality and the image of building; Reliance of Simmel’s relativist conception on opposite poles of social life and subjective life; Approach to individuality; Simmel’s meaning given to the relations between individuals and social forms.

Armour (1995) examines the relationship between economics and culture. Similarly, there are several arguments in favour of the idea that market is the product of society and does develop a ‘culture’ in that process, also leading to the development of market culture, market rules and so on. Fligstein (1996) says, a market becomes institutionalized in phases-emergence, stability, and

possibly crisis. Emergence is the period of greatest fluidity because roles, social relations, and other aspects of the social structure and culture of the market are not yet solidified (Fligstein 1996:664); shared understandings of the rules of exchange, for example have not yet emerged.

Wang (1999:1) criticising the economists' position says, 'overlooking the institutional structure of the market leads economists to take the existence of the market for granted. Nothing more than 'the law of supply and demand' is required for economists to reach a conclusion on their blackboard that the price mechanism (i.e., the market) is at work. The economists hence seldom bother to investigate how the market as an economic institution emerges and develops in the real world. Even new institutional economists who are committed to studying real life economic institutions are inclined to assume that 'in the beginning there were markets'. He quotes, fish market in the Chinese fishery community are connected and organised into a hierarchical network (1999:2).

Zafirovski (1999) re-examines and reconsiders the degree of adequacy of rational choice theory for modern sociology. He says, English hailed by its exponents as a unifying paradigm for social theory and dismissed by its critiques as an imperialistic intrusion into sociology coming from neoclassical economics, rational choice theory is one of the most significant and controversial developments in contemporary sociological theory. The major assumption or implication of modern rational choice theory, just as the old utilitarianism and neoclassical economics, is the status of human rationality as ipso facto utilitarian-economic rationality, namely the maximisation of utility, profit or wealth, and alternatively the minimization of costs and other 'disutilities'. At the end, in his work, the point of departure of this examination is the argument that rational choice broadly understood is not necessarily utilitarian-economic rationality, namely utility, -or profit optimizing behaviour.

Sociological investigations of economic exchange reveal how institutions and social structures shape transaction patterns among economic actors (Sorenson and Stuart 2001). Daniel (2002) giving the historical development of academics, says, theoretical work in linguistics, mathematics, and physics has created changes in academic problem formulation. This meta-analysis presents the nature of the new academic environment using precepts from "New Historicism" to suggest connections with "the New Economy". He calls for unification, which includes economics.

Arguments of the social aspects present in any interaction could be seen in various works. Le Clair and Schneider (1968: 44) say, when we talk of maximising the satisfaction, utility, etc., 'social conventions, religious beliefs, aesthetic conceptions, and ethical prescriptions all functions in shaping the wants of peoples and the times and places and circumstances in which they can be satisfied... It is rather a question of economic choice dictated by the drive to maximise satisfactions in terms of the traditional values of the culture.

Sociological and anthropological studies have raised serious questions about applying standard economic theory to this kind of marketing. Beals (1975) points out that, 'lacking a comparative perspective, (economists) rarely recognized the extent to which the economic processes they discussed were embedded in a modified by the cultural values, traditions, and social structures of the societies in which they lived. Hence, they were led to consider economics as an isolated system with its own internal dynamics'. Beals (ibid) notes that 'both (profit) maximization and competition... are influenced by long-range market considerations and by the restraints of continuing social relationships'. Therefore, it is essential to examine the goals of market traders and to examine the impact of cultural and social values on market behaviour.

Market as understood from the marketplace perspective is also explained in the institutional perspective. The production of market institutions, Geertz (1979) says, is a cultural project in several ways. Property rights, governance structures, conceptions of control, and rules of exchange define the social institutions necessary to make markets. Economic worlds are social worlds; therefore, they operate according to principles like other social worlds. Actors engage in political actions vis-à-vis one another and construct local cultures to guide that interaction. This is the 'market' says Coase (1988:8) 'a social institution which facilitates exchange'.

Plattner (1989:3) says, "economic activity is often explained relative to the social or political *constraints* of the social system". While explaining this phenomenon he finds it 'hard to limit focus to agriculture, and gives an instance, "when one lives with the farmer and tries to see his economic activities embedded in his other roles as father, church-member, community political actor, and so on".

Fligstein (1996) develops a conceptual view of the social institutions that comprise markets, discuss a sociological model of action in which market participants try to create stable worlds and find social solutions to competition, and discuss how markets and states are intimately linked. 'Markets are social constructions that reflect the unique political-cultural construction of their firms and nations. The creation of markets implies societal solutions to the problems of property rights, governance structures, conceptions of control, and rules of exchange. There are many paths to those solutions, each of which might promote the survival of firms. He has sketched how states and markets are interconnected and what actions produce various outcomes. The assumption, that, seller, professional or not, and buyers, no matter what their social position, must be free to go to the marketplace (Berthoud 1997). Is it possible? People who come to market will not or cannot forget their social status, identity, roles, and positions in the society which definitely influences the market transactions.

Characterization of the societal 'Reconstruction; involves understanding the continuities and changes inscribed in the interrelations so constituted. An analysis of these issues, in the light of the articles, shows the elucidation, expansion and redirection of current sociological perspectives and debates achieved by a constitution-centred method of understanding knowledge and transformation (Adhikari; 2001). Pareto stresses the non-logical parts of human life, and he provides empirical examples of this in his writing. He was occupied with the dynamics in society as a result mainly of non-logical actions (Aspers 2001).

Apart from the studies mentioned above broadly under different disciplines, several other studies have been made both at theoretical and empirical levels, on various other aspects of market particularly, concepts, and fields of market.

4. Embeddedness

The concept of embeddedness coined by Karl Polyani (1994) is very much in the academic atmosphere from the date of its inception. It is also more so when discussion is among the economic sociologists and especially, on 'market'. The central project of all researches in the 'new Economic Sociology' have been to demonstrate how economic institutions are embedded in a larger social structure and to illustrate how social factors influence the organizational forms that industries & firms take. Dore (1983) says the embeddedness of the economy in society can in fact be an opaque definition that needs refinement and a rigorous empirical approach. Odella (2002) says, Dore's (1983) suggestion was to re-define Polyani's concept of embeddedness and use it to interpret interrelations while considering the development of social patterns based on community bonds and in general on processes of social achievement.

The second call to 'reinvigorate' perspectives of analysis of social structure was expressed by Uzzi (1997), whose intervention stressed the relevance of socio-economic mechanisms that lead to the formation of social networks and homogeneous, stable and cohesive social groups. Uzzi's comment, specifically, focused on the methodological aspects of embeddedness and the need for the social sciences to approach its different dimensions (cultural, relational historical and structural) with specific instruments.... Particularly, as Uzzi underlined, the perspective in analysing economic behaviour, the market (or to be more precise the markets) and organizations has been enriched by introducing a mindful regard for interactions with social and cultural elements also in the comparative analysis of economies (Davern and Eitzen 1995).

Most key insights of the sociology of markets have been framed as reactions to neoclassical economic views of the functioning of markets. White (1981) suggested that stable production markets were only possible if actors took one another into account in their behaviour, contrary to the basic assumption of the neoclassical economic view, which stresses anonymity of actors. Granovetter (1985) extended this argument, suggesting that all forms of economic interaction were centred in social relations, what he called the embeddedness of markets. Various scholars have presented evidence that market embeddedness produced effects that economic models could not predict. Granovetter (1985) argues personal relations are more important than generalized, second hand knowledge of reputations. "Even better is information from one's own past dealings with that person".

Substantivists argue that all economies are 'embedded', which means that the economy is an *aspect* of social life rather than a segment of society (Gudeman 1986). Whereas, Grabowski (1999) opines that recently, several social scientists have taken issue with this dichotomy. They have argued that much exchange in modern capitalist economies is, in fact, strongly embedded in social relationships. Thus, the distinction between traditional and capitalist economies is somewhat artificial. This embedded perspective, while refreshing in its analysis, still leaves the problem of impersonal exchange unsolved.

Podolny (1993) has used networks as a cause and consequence of the creation of a status hierarchy. Fligstein (1996) proposed that the social relations within and across firms and their more formal relations to the state are pivotal to understanding how stable markets emerge. Institutional theory in the organisational literature has argued that institutional entrepreneurs create new sets of social arrangements in organizational fields with the aid of powerful organized interests, both inside and outside of the state. Granovetter (1992) asserts that the stance of building arguments almost entirely out of neoclassical materials cannot provide a persuasive account of economic institutions and suggest a broader foundation based on classical sociological arguments about the embeddedness of economic goals and activities in socially orientated goals and structures.

The element of embeddedness is being realised in various fields; manufacturing (Engstrand 2002) Socio-cultural (Chung 1999; Serpell 2002) market (Krippner 2001) foreign direct investment or international market (Nina 2002). Interestingly, it is being realised that human development cannot be assessed just by the economic indicators and parameters but with other factors with the embeddedness of socio-cultural aspects in a context (Serpell 2002). Interestingly, in demonstrating social embeddedness, economic sociologists have focused on how firms and industries organize production, management and other supply-side considerations (Fligstein 1996; Hamilton and Biggart 1988).

5. Reconstructing 'Rationality' in the Market Situation

All along these arguments, it is questioning the classical notion of maximisation of profit and utility, and also the position of economic factors in the market interactions. It seems 'market' is understood at 'a-contextual' situation and theorised and assumptions are presumed. It is essential at this juncture to 'de-contextualise' the rationality concept in the earlier sense and reconstruct rationality in market situation particularly in social context and witness the market activities.

The phenomenon that transactions are performed through and instantiated in communication, previously noted from a micro sociological perspective, is important here from the perspective of economic sociology; what must be recognised is that the markets studied take the form of a large, globally distributed conversation. In this conversation, deal making information exchange, and personal talk come together on one platform, with information exchanges and personal talk also filling gaps between economic transitions and supplying the background for deals that are made via electronic brokages. Thus, the ongoing conversation provides the market with social liquidity, which serves the market's economic liquidity (Cetina and Bruegger 2002:6).

One of the strategies used in the market is the market traders have employed is to focus on the sales transaction itself, making the transaction a personal rather than an impersonal one. The hypothetical 'perfectly competitive market' of classical economic theory is built on an assumption that atomized actors engage in impersonal transactions. This assumption is supported in the relationship between buyer and seller in a formally organized supermarket, where the transaction has no further meaning aside from exchange. In the informal marketplace, however, the risk minimizers attempt to establish long term buyer-seller relationships. Although all sellers use this strategy in selling their produce to some degree, it is much more important for risk minimizers to use personal and social aspects in transactions efficiently and effectively.

In this strategy, the transaction proceeds via the manipulation of cultural norms and symbols. For instance, the trader welcomes the buyer by addressing him/her using kinship terms that mark respect or affection, such as 'sister', 'brother', 'uncle', or 'aunt'. These terms are often stated in an exaggerated form. The trader, for example, will call a relatively old man or woman 'father' or 'mother'. If a buyer does not have change to pay for her/his merchandise, the risk minimizer offers: 'do not worry, you can pay it after you complete your shopping or pay it next week'. Taking this risk that the buyer may not show up again and he will not get his money, the trader demonstrates that he trusts his customer and in return expects to establish a long term buyer-seller relationship. Such gestures go a long way toward establishing a mutual trust between the buyer and trader, especially in an environment where there is much suspicion about the price and quality of the produce. Market traders do not usually allow the customers to choose their produce at will. However, in the case of an established buyer-seller relationship, traders allow customers to choose their produce. In establishing long-term buyer-seller relationships, the trader stabilizes his income without engaging in intensive competition by lowering prices (Varcin 2000). In some cases the shop owner or helps in choosing the product, or educates about the product and gives tips regarding choosing the same. Sometimes they take extra initiative in informing the customer that such a product is latest, new etc.

The idea of a plan logically presupposes time. Hayek defines equilibrium as the correspondence between the expectations on which each individual bases his or her plans and the informational input which serves as feedback. The individual applies the 'pure logic of choice' to his or her own preferences and his or her perception of the environment when planning his or her behaviour (Birner 1999). Similarly, the concept of market logically presupposes actors, place and time. Further, the market activity can be defined as the interaction between the (potential) actors' (involved) expectations on which each individual bases his or her plans of action and the informational input which serves as feedback, in the market(place). The individual applies the 'pure logic of choice' to his or her own preferences and his or her perception of the environment when planning his or her behaviour (Birner 1999). In this context, each individual applied the 'pure logic of choice' to his or her own preferences based on information collected, and on the basis of environment (place or location, where market is placed/located) which logically presupposes a distinct context. Further, the context is obviously social in nature, and thus their way of behaving and interaction is based on the well set or established way of dialogue (interaction). Further, how does one explain the panic and emotions being present in the market and how is that rational?

- **Panic**

If an economic man is rational then why should stock markets stumble down as and when there is a death of some personality (of any field) why should there be an emotional change is reflected on the economic scenario? Is this rational? Is it 'homo economicus'. It is in fact, cultural and social than just being economical even small fluctuations are also part of culture. 'Degree of optimism proves unfounded and prices too high to sustain, a reversal of fortune ushers in distress that may inspire panic. A panic, contrary to implications of extent economic theory, does not necessarily follow a period of extreme speculative enthusiasm' (Visano 2001).

Most of the times it is being understood in common conversation that economical being saving whether time or money. In fact, now the concept of quality spending of time and money is talked off, which takes away literally the earlier notion of being economical.

- **Emotions**

During the last two decades, sociologists, among others, have become increasingly interested in the study of emotions, eschewing the cognitive bias of earlier generations and regarding the affective component of social life as worthy of study. It is often argued that the distinction between 'emotion' and 'rationality' is misguided and artificial; in a carefully reasoned analysis that draws partly upon James's striking insights, Barbelet shows us why this is so. (Hewitt 1999).

Generally, there is a saying that men are rational and women are emotional (Gray 1992). In what sense this statement is made needs to be checked or verified. In fact, women have proved to be more rational if 'rationality' is evaluated in terms of 'calculation', 'good bargaining capacity', and paying less to commodities. Further, it is these women and more particularly housewives (or married women) who are more calculative and they bargain a lot with the vendors and shopkeepers. It is also true that women keep a proper track of price variations in the market, in other words, they are well informed than men. In that sense, women are more rational, contrary to the statement –statistically it is argued in the 'analysis' chapter of this thesis.

To disprove this statement, from the other side, men do bargain, but relatively less or in some cases significantly less. In some other cases, men did not bargain at all. They feel bargaining is below their dignity and respect, it is cheap, not a standard practice etc. Men don't even check the prices before purchases are made. They are found generally asking for a commodity, and they pay the price demanded by the shop owner. Coming down to the concept of loyalty, which in fact, a major area in the field of management studies, it was found that men are more 'loyal' to a particular shop than women. Loyalty speaks or should speak the concept of rationality of (economists) {loyalty means one is blind, doesn't check with other shops for variety, quality and prices etc.} this is not true in case of women. They keep enquiring with many shops, and while discussions with neighbours, colleagues, and friends. Loyalty on the other side also means binding people (customers) emotionally. Which is against the economic man 'homo economicus'?

Emotions have long been recognized in Sociology as crucially important, but most references to it are generalized and vague. The individualized treatment of shame in psychoanalysis and psychology, and the absence of social context will not have meaning. Hence, it is essential to understand shame in the market interaction. The contributions to the social dimensions of shame by six sociologists (George Simmel, Charles Cooley, Norbert Elias, Richard Sennett, Helen Lynd, Erving Goffman) and a psychologist/psychoanalyst (Helen Lewis) is important in this direction. It shows that Cooley and Lynd, particularly, made contributions to a theory of shame and the social bond. Lewis's idea that shame arises from

threats to the bond integrates the contributions of all six sociologists, and points toward future research on emotion, conflict, and alienation/integration (Scheff 2000). The concept of **shame**, especially as the premier social emotion is very important in understanding bargaining, quarrel, cheating and such other attitudes being examined, though not many studies have been made it is also having research worthiness.

- **Culture**

When we talk of maximising the satisfaction, utility etc., 'social conventions, religious beliefs, aesthetic conceptions, and ethical prescriptions all function in shaping the wants of peoples and the times and places and circumstances in which they can be satisfied... It is rather a question of economic choice dictated by the drive to maximise satisfactions in terms of the traditional values of the culture (LeClair and Schneider 1968:44). As a matter of fact, it is found in the Jains/Marwaris community, people help their own community people by giving almost 0% interest or interest free loans for almost 3 times. It is also said further that they allow their people to come up and support the same to make a good business and to be established. Which unfortunately is absent in other communities. The local culture plays a very significant role than the global phenomena. Several parameters determine while establishing the relationship between the actors of market both in a place and institution. The market relationships are built on the elements of trust, faith, understanding; including cultural dimension matter (Rajesh 2010).

6. Ethics/Codes/Rules and Regulations

Economic self-interest has acquired a new social legitimacy, and the force of traditional moral authorities has waned. In these circumstances the work of Emile Durkheim on the problematics of business ethics and the impact of a culture of self-interest on the stability of society, work that has hitherto been neglected by the business ethics community, acquires a new relevance (Hendry 2001).

Rationality and profit making are not the only factors which rule the market. In fact, various codes like ethics, values, trust, faith, honesty, belief have played very important role in shaping/ moulding the market time and again as entrepreneurs (actors) are also likely to be 'bad' actors (Machan 1999) to what is well known as 'maximise' in each transaction. Further, disciplines also have taken positions of both modernity (in the form of markets and states) and morality (in the form of strongly inscribed norms and community obligations) (Wolfe 1989).

The exogenous and endogenous types of relationships between ethics and economics are explained in neoclassical and non-neoclassical frameworks. Market consequentially, deontological preferences and polity-market (ecology) interactions are brought out to configure the theoretical perspectives of the endogenous theory underlying the interface between ethnics and economics. The principle of ethical endogeneity is treated in an institution-economy interface by addressing the issue of sustainability (Choudhury 1995).

With its philosophical emphasis on the frame of reference, which is always normative in nature, the paper contributes to the new emerging approach of integrative economics ethics (integrative Wirtschaftsethick), introduced by Peter Ulrich. After touching the interrelationship of (descriptive) theory and (normative) ethics, the outlines of a brief and, as is claimed, complete theory of the basic structure of the market is sketched. Central to this theory is the view of the market as a system (Thielemann 2000). The present study goes beyond two principles of economic action, which is broadly identified by Polyani, Exchange and Reciprocity. Exchange is the basic activity in any transaction and in economic transaction particularly money and products. Also explained and supported by social exchange theorists the theory of principle of reciprocity. Further, the theory of reciprocity works with the exchange of gifts and not commodities with money. Further, the social exchange theory is built on the rational choice theory, which by itself gets defeated.

7. Conclusion

Economists' premises that the exchange between 'economic actors' ends with maximisation of profit or utility and that being rational is continual on the principles of reciprocity also. If economists' presume, that an individual/ 'economic actor' is losing today is because of reciprocity and long term benefit. This research from here goes one step ahead to identify the relationship of exchange and reciprocity does not confine only to economic aspects but more to do with social components. Because the relationship demands frequent visits, meeting and exchanging that includes ideas, notions, thoughts, or joy/sorrow or goods/products etc. So as to sustain the relationship economic exchange/ transaction is used as a pretext.

On another line, it was observed that most of the customers are permanent and regular to particular shops. Similarly few more were found to be visiting other shops and verifying for certain reasons. This phenomenon or way of functioning of people can be understood from two dimensions. One the exclusively permanent customers are loyal to the particular shop and owner who have built and are sustaining and maintaining relationship. On the other side, the other set of customers who visit other shops also, are having relationships not with one (shop and/or owner) but with more. Here the thinking can be explained in a different manner. They might be thinking the relationship with one person might not suffice and hence there is a need for a substitute/ or a reserve in case of emergency or a situation. The present study proposes that relationship exists beyond reciprocity of exchange of goods, commodities and money. It is commonly observed in the society that people feel comfortable with people who are alike. It may be culture, education, religion, political field, caste, community, ethnicity, class, nativity, region, gender and so on. It is very well established that elections are won on these lines. Similarly, various institutions like religion, education, political field, marriage, family and others all get together on the same lines. It is a well known fact that organisations and associations are formed and run on the basis of these factors which are alike or likeminded people, then people love to work, marry, enjoy, share, stay (residence) with their own people. When all other sub systems are working systematically on these lines, why is it that economic activity is secluded and treated separately? Economic activity is also just like any other activities around. So, where is the necessity of

giving the economic activity a 'pseudo or quasi secular' position. Economic activity is carried out in a secular atmosphere; it seems no barrier but monetary aspect. One could raise apprehensions and find it completely not correct.

8. References

1. Adhikari, Kamini and Sales, Arnaud (2001) "Introduction: New Directions in the Study of Knowledge, Economy and Society", *Current Sociology*, July, vol. 49, no. 4, p 1-25.
2. Akerlof, George A (1970) "The Market for 'Lemons': Quality Uncertainty and the Market Mechanism", *Quarterly Journal of Economics*, Vol. 84, issue 3, August, p488-500.
3. Akerlof, George A (1976) 'The economics of Caste and of the Rat Race and other woeful tales', *Quarterly Journal of Economics*, XC; 4, November.
4. Akerlof, George A (1980) 'A Theory of social custom, of which unemployment may be one consequence', *Quarterly Journal of Economics*, XCIV; 4; June.
5. Akerlof, George A (1984) 'Gift exchange and efficiency-wage theory: four views'. *American Economic Review* 76 : 79-83.
6. Akerlof, George A (1984a) 'Labor contracts as partial gift exchange'. *Quarterly Journal of Economics* 47 : 543-69.
7. Albrow, Martin (1990) *Max Weber's Construction of Social Theory*, St. Martin's Press, New York.
8. Armour, Leslie, (1995), 'Economics and social reality' Professor O "Neil and the problem of culture", *International Journal of Social Economics*, vol. 22, no. 9, 9; 79-87.
9. Aspers, Patrik (2001) "Crossing the Boundary of Economics and Sociology: The Case of Vilfredo Pareto", *American Journal of Economics and Sociology*, vol. 60, issue 2, p 76-93.
10. Beals, P. (1995). *The hotel management contract: Lessons from the North American experience*. In P. J. Harris (Ed.), *Accounting and finance for the international hospitality industry*. Oxford: Butterworth-Heinemann.
11. Becker, Gary S (1971) *Economic Theory*, New York. Knopf.
12. Becker, Gary S (1975) *Human Capital*, 2nd Edition, National Bureau of Economic Research, New York.
13. Becker, Gary. S (1965) 'A Theory of the Allocation of Time'. *Economic Journal* 75
14. Becker, Gary. S (1968) 'Crime and Punishment: an economic approach'. *Journal of Political Economy* 76
15. Becker, Gary. S (1976) *The Economic Approach to Human Behaviour*. Chicago: Chicago University Press.
16. Berthoud, Gerald (1997) "Market" [in Wolfgang Sachs (1997) 'The Development Dictionary: A Guide to Knowledge as power', Orient Longman], page 94-117.
17. Birner, Jack; Ege, Ragip (1999) "Two Views on social Stability: An Unsettled Question", *American Journal of Economics and Sociology*, October, vol. 58, issue 4, p 749-781.
18. Bossenga, Gail (2000) (Review) *Mastering the Market: The State and the Grain Trade in Northern France 1700-1860*, (by Judith A Miller, Cambridge University Press, Cambridge) *Social History*, May, vol. 25, no.2, p 238.
19. Bunzel, R. (1938) *The Economic Life of Primitive Peoples*, in F. Boas (ed.), *General Anthropology*. Boston: D.C. Heath.
20. Cetina, Karin Knorr and Bruegger, Urs (2002) "Global Microstructures: The Virtual Societies of Financial Markets", *American Journal of Sociology*, Jan, vol. 107, issue 4, p905, 46p.
21. Choudhury, Masudul Alam (1995) "Ethics and Economics: A View from Ecological Economics", *International Journal of Social Economics*, Vol. 22, no. 2, p 61-80.
22. Chung, Ed; Eileen Fischer (1999) "Embeddedness: Socialising the 'social' construction of ethnicity", *International Journal of Sociology and Social Policy*, Vol. 19, no. 12, p 34-55.
23. Coase, Ronald H (1988) (ed) "The firm, the market, and the law", in (Baker, Wayne E; Robert R Faulkner and Gene A Fisher (1998) "Hazards of the market: the continuity and dissolution of interorganisational market relationships", *American Sociological Review*, April, vol. 63, issue. 2, p147).
24. Daniel F Daniel (2002) "Hands: Visible and Invisible", *Sociological Practice: A journal of Clinical and Applied Sociology*, vol.4, No. 3; 9; p225-243.
25. Davern, Michael E and Eitzen, D. Stanley (1995) "Economic Sociology: An Examination of Intellectual Exchange", *American Journal of Economics and Sociology*, January, vol. 54, issue 1, p 79-89.
26. Dore, R. (1983) 'Goodwill and the spirit of market capitalism'. *British Journal of Sociology* 34 : 459-82.
27. Duesenberry, James (1960) (in Macy, Michael W; Flache, Andreas (1995) "Beyond Rationality in Models of Choice", *Annual Review of Sociology*, vol. 21, p73).
28. Durkheim, Emile (1984) *The Division of Labour in Society*, Free Press, New York.
29. Engstrand, Asa-Karin, Erick Stam (2002), 'Embeddedness and Economic Transformation of Manufacturing: A Comparative Research of Two Regions', *Economic and Industrial Democracy*, vol. 23, no. 3; 8. , 357-388.
30. Fang, Hanming (2001) "Social Culture and Economic Performance", *American Economic Review*, vol. 91, (issue 4, p924-937.
31. Fligstein, Neil (1996) "Markets as Politics: A Political-Cultural Approach to Market Institutions", *American Sociological Review*, August, vol. 61, issue 4, p 656.
32. Fligstein, Neil (1996) "Markets as Politics: A Political-Cultural Approach to Market Institutions", *American Sociological Review*, August, vol. 61, issue 4, p 656.
33. Fligstein, Neil (1996) "Markets as Politics: A Political-Cultural Approach to Market Institutions", *American Sociological Review*, August, vol. 61, issue 4, p 656.
34. Frank, Joshua (1999) "Applying Memetics to Financial Markets: Do Markets Evolve Towards Efficiency?", *Journal of Memetics*, vol. 3, http://jom-emit.dfpn.org/1999/vol3/frank_j.html
35. Geertz, C., H. Geertz, and L. Rosen (1979) "Meaning and Order in Moroccan Society", Cambridge University Press, Cambridge [in North, Douglass C (1991) "Institutions", *Journal of Economic Perspectives*, vol 5, no 1, winter, p 97-112.]
36. Genovese, Frank C (1997) "A Different Way of Thinking About Economic Affairs", *American Journal of Economics and Sociology*, January, vol. 56, issue 1, p 16.

37. Goffman (1983) "The Interaction Order," *American Sociological Review* 48, 1-17.
38. Goffman (1983a), "Felicity's Condition" *American Sociological Review*, 89; 1-53, p 5
39. Goffman, E. (1976) *Gender Advertisements*. London: Macmillan
40. Grabowski, Richard (1999) 'Market Evolution and Economic Development: The Evolution of Impersonal Markets', *American Journal of Sociology*, Oct issue
41. Granovetter, M. (1985) 'Economic action and social structure: The problem of embeddedness'. *American Journal of Sociology* 19 (3): 481-510.
42. Granovetter, M. (1985) 'Economic action and social structure: The problem of embeddedness'. *American Journal of Sociology* 19 (3): 481-510.
43. Granovetter, Mark (1992) "Economics Institutions as Social Constructions: A Framework for Analysis", *Acta Sociologica*, vol. 35, issue 1, p 3-12.
44. Gray, John Ph. D (1992) *Men Are From Mars and Women Are From Venus*, Thorsons; An Imprint of Harper Collins Publisher, London.
45. Gudeman, Stephen (1986) *Economics as Culture: Models and Metaphors of livelihood*, New York, Methuen [in Plattner, Stuart (1989) (ed.), *Economic Anthropology*. Stanford, CA: Stanford University Press].
46. Hamilton, Gary G; Biggart, Nicole-Woolsey (1988) 'Market, culture, and authority; a comparative analysis of management and organization in the Far East', *American Journal of Sociology*, 94 (??) s52-s94.
47. Hendry, John (2001) "After Durkheim: An Agenda for the Sociology of Business Ethics", *Journal of Business Ethics*, Dec, vol. 34, issue 3/4., 209-218.
48. Hewitt, John P (1999) (Review) *Emotion, Social Theory, and Social Structure: A Macro sociological Approach*, (by J M Barbalet) *Contemporary sociology*, January, vol. 28, issue 1, p 64-65.
49. Kern, William S (1997) "The Heterodox Economics of 'The most orthodox of orthodox economists': Frank H Knight", *American Journal of Economics and Sociology*, July, vol. 56, issue 3, p319-331.
50. Knight, Frank H (1933) *The Economic Organisation*, Chicago p40-44 [in Edward E. LeClair, JR and Harold K Schneider, *Economic Anthropology: Readings in Theory and Analysis*, Holt, Reinehart and Winston, INC, New York].
51. Knight, in (Kern, William S (1997) "The Heterodox Economics of 'The most orthodox of orthodox economists': Frank H Knight", *American Journal of Economics and Sociology*, July, vol. 56, issue 3, p319-331.)
52. Krippner, Greta R (2001) "The Elusive Market: Embeddedness and the Paradigm of Economic Sociology", *Theory and society: Renewal and Critique in social Theory*, Vol. 30, No. 6 issue 12, p775-810.
53. LeClair, JR Edward E. and Schneider, Harold K (1968) *Economic Anthropology: Readings in Theory and Analysis*, Holt, Reinehart and Winston, INC, New York.
54. Machan, Tibor R. (1999) "Business Ethics in the Global Market",
55. Malinowski, B (1922) *The Argonauts of the Western Pacific: An Account of Enterprise and Adventure in the Archipelagoes of Melanesian New Guinea*, London: G Routledge and Sons.
56. Marshall, A. ([1890], 1920, [1961]) 'On markets', in A. Marshall (ed.), *Principles of Economics*. London: Macmillan.
57. Miller, Danny; Chen, Ming-Jer (1996) "Nonconformity in Competitive Repertoires: A Sociological view of Markets", *social Forces*, vol. 74, issue 4, p 1209.
58. Nelson, Robert H (2002) "Religion, Economics, and The Market Paradox", *Religion and Liberty*, January and February, vol. 12, no. 1.
59. Nina, Bandelj (2002) 'Embedded Economies; Social Relations as Determinants of Foreign Direct Investment in Central and Eastern Europe', *Social Forces*, vol. 81, no. 2, 12.
60. North, Douglass C (1991) "Institutions", *Journal of Economic Perspectives*, vol.5, no 1, winter, p 97-112.
61. Odella, Francesca (2002) "Joint Princeton-Northwestern Junior Scholars' Workshop on Embedded Enterprise in Comparative Perspective", *Economic Sociology-European Electronic News letter*, vol. 3, no. 3. June.
62. Parsons, T. and Smelser, N.J. (1956) *Economy and Society: A study in the Integration of Economic and Social Theory*.
63. Peoples, James; Robinson, Rhoda (1996) "Market Structure and Racial and Gender Discrimination: Evidence from the Telecommunication Industry", *American Journal of Economics and Sociology*, July, vol. 55, issue 3, p 309-326.
64. Platteau, Jean-Philippe (1994) "Behind the Market Stage Where Real Societies Exist- Part I: The Role of Public and Private Order Institutions", *The Journal of Development Studies*, Vol. 30, No. 3, April, p 533-577.
65. Plattner, Stuart (1989) "Markets and Marketplaces" article in Plattner, Stuart (1989) (ed.), *Economic Anthropology*. Stanford, CA: Stanford University Press.
66. Podolny, Joel M (1993) "A Status-Based Model of Market Competition", *American Journal of Sociology*, vol. 98, no. 4, January, p829-872.
67. Polanyi, K. (1944 {1957}) *The Great Transformation: The Political and Economic Origins of Our Time*. Boston: Beacon Press.
68. Polanyi, K. (1977) *The Livelihood of Man*. New York: Academic Press.
69. Polanyi, K. (1992) 'The economy as an instituted process', [in M. Granovetter and R. Swedberg (ed.), *The Sociology of Economic Life*. Boulder: West view Press.]
70. Polanyi, K., Arensberg, C.M., and Pearson, H.W. (ed.) (1957) *Trade and Market in the Early Empires*. Glencoe: The Free Press.
71. Powell, Walter and Paul Dimaggio, eds. (1991) "The new institutionalism in organisational analysis", University of Chicago press, Chicago, [in --Vogel, Steven K (2002) "How Do Market Systems Evolve? Theoretical Perspectives and The Japanese Case", in Wolfgang Streeck and Koza Yamamura, eds., "Germany and Japan; The Future of Nationally Embedded Capitalism in a Global Economy".]
72. Raiklin, Ernest and Yousefi, Mohmood (1994) "A Note on Misconceptions about Market and Non-Market Economies", *International Journal of Social Economics*, vol. 21, no.5; 5 p 56-60.

73. Rajesh, R (2010) Understanding the Process of Market Relationship: The Indian Experience, *International Journal of Sociology and Anthropology* Vol. 2(5), pp. 71-76, May 2010
74. Rajesh, R (2014) Gender Justice in Advertisements: Study of Indian Commercials, *International Research Journal of Social Sciences*, Vol. 3(1), 17-20, January.
75. Ritzmann, Franz (1999) "Money, A Substitute for Confidence" Vaughan to Keynes and Beyond (N1)", *American Journal of Economics and Sociology*, Aril, vol. 58, issue 2, p 167-193.
76. Robbins, L. (1935) *An Essay on the Nature and Significance of Economic Science*. London: Macmillan.
77. Robbins, Lionel (1932) "The Subject Matter of Economics", in 'An Essay on the Nature and Significance of Economic Science', London: Macmillan.
78. Scheff, T J (2000) "Shame and the Social Bond: A Sociological Theory", *Sociological Theory*, March, vol. 18, no. 1, p 84-99.
79. Schroeder, R (2000) "Towards An Understanding of the Global Market System: A new Perspective for Economics", *Theory and Society*: 1; I luicode: <http://www.icaap.org/>
80. Serpell, Robert (2002) "The Embeddedness of Human Development within Sociocultural Context: Pedogogical, and Political Implications", *Social Development*, vol. 11, no. 2, issue 4, p 290-295.
81. Simmel, G. (1990) *The Philosophy of Money*. London: Routledge.
82. Simon, Herbert A (1991) "Organisations and Markets", *Journal of Economic Perspectives*", vol 5, no. 2, spring, p25-44.
83. Sirico, Rev. Robert A (1996) "The Universality of the Market", *Religion and Liberty*, May and June, vol. 6, no. 3.
84. Sirico, Rev. Robert A (1996) "The Universality of the Market", *Religion and Liberty*, May and June, vol. 6, no. 3.
85. Sirico, Rev. Robert A (1998) "The culture of life, the culture of the market", *Religion and Liberty*, March and April, vol 8, no. 2.
86. Smelser, N.J. (1963) *The Sociology of Economic Life*.
87. Smith, A. (1986 {1776}) *The Wealth of Nations*. London: Penguin.
88. Sorenson, Olav and Stuart, Toby E (2001) "Syndication Networks and the Spatial Distribution of Venture Capital Investments", *American Journal of Sociology*, May, vol. 106, issue 6, p 1546-1589.
89. Thielemann, Ulrich (2000) "A Brief Theory of the Market – Ethically Focused", *International Journal of Social Economics*, Vol. 27, No. 1, p 6-31.
90. Uzzi, Brian (1997) "Social Structure and Competition in Interfirm Networks: The Paradox of Embeddedness", *Administrative Science Quarterly*, 42, p 35-67.
91. Varcin, Recep (2000) "competition in the Informal Sector of the Economy: The case of Market Traders in Turkey", *International Journal of Sociology and Social Policy*, Vol. 21, #3/4.
92. Veblen, Thorstein (1898) "Why is Economics Not an Evolutionary Science", *The Quarterly Journal of Economics*, vol. 12.
93. Veblen, Thorstein (1899) "The Preconceptions of Economic Science", *The Quarterly Journal of Economics*, 13.
94. Visano, Brenda Spotton (2001) 'A Socioeconomic Perspective', *The American Journal of Economics and Sociology*, Vol. 61, Issue 4, p801-827.
95. Wang, Ning (1999) "Transaction Costs and the Structure of the Market: A Case Study", *American Journal of Economics and Sociology*, Oct, vol. 58, issue 4, p 783, 23p.
96. Wang, Ning (1999) "Transaction Costs and the Structure of the Market: A Case Study", *American Journal of Economics and Sociology*, Oct, vol. 58, issue 4, p 783, 23p.
97. Watier, Patrick (1993) "Simmel and the image of individuality", *Current Sociology*, Autumn, vol. 41, issue 2, p69-76.
98. Weber, Max (1978) *Economy and Society: An Outline of Interpretative Sociology*, Vol. I and II, Berkely, C. A University of California, Press,.
99. White, H.C. (1981) 'Where do markets come from?'. *American Journal of Sociology* 87: 517-47.
100. Winship, Christopher (1988) 'Sociological and economic approaches to the analysis of social structure; introduction', 94(??), s1-s16.
101. Winship, Christopher (1983) (Review) *The Economic Theory of Social Institutions*, [by Andrew Schoter, Cambridge University Press, Cambridge, 1981] *American Journal of Sociology*, Vol. 88, p 786.
102. Wolfe, Alan (1989) "Market, State and Society as Codes of Moral Obligation", *Acta Sociologica*, vol. 32, issue 3, p 221-237.
103. Zafirovski, Milan Z (1999) "Unification of Sociological theory by the rational choice model; conceiving the relationship...", *Sociology*, August, vol. 33, issue 3, p 495-515