As the first part of the dossier Money & Value, progressively published on Books&Ideas, this series of short essays offers a plurivocal analysis of the genesis of Viviana A. Zelizer's groundbreaking book, The Social Meaning of Money, the reactions it provoked and its enduring influence on both sides of the Atlantic.

My Money Obsession

Viviana A. Zelizer

Ten years ago, Jerome Bourdieu and Johan Heilbron introduced The Social Meaning of Money [La Signification sociale de l’argent, 2005] in France by including it in their Editions Du Seuil series with a wonderfully thoughtful preface. The first time I spoke about my money research here in Paris was twenty-four years ago, in June 1991. At the invitation of Pierre Bourdieu, I presented “L’Argent Vivant” at a seminar he directed at the École des Hautes Études en Sciences Sociales. Pierre was also one of the original book’s three blurbers along with Charles Tilly and Albert Hirschman.

So to my money obsession. I will focus here on three issues: first, how I “birthed” The Social Meaning of Money. Or at least how I remember the path to the book as well as some early responses to its publication. Second, the book’s link to the field of economic sociology, and finally what would I do differently if I was writing the book today.

It all began with death and children. My work on the social meaning of money grew out of my initial concern with the valuation of human lives rather than from general ideas about the nature of money. In my first study of life insurance, I became intrigued by strong resistance to what many saw as unholy “death money” and how that money gained legitimacy as it became part of new conceptions of death. Then, in my book on the changing valuation of children, I discovered heated debates over children’s money, in particular the invention of the allowance.

Working on these specialized monies inevitably raised more general questions about how money works. So I decided to investigate money’s multiplicity further, starting with the household. The original plan was to include a chapter on gifts, plus three chapters on
institutional monies: one on welfare and two others that never made it about college and prison monies. I also cut out a chapter on sacred or moral moneys. I only finished the book’s current first chapter at the end, when I finally understood the historical paradox that just as the U.S. state worked to achieve a single national currency, people were continually disrupting monetary uniformity by creating all sorts of monetary distinctions.

What about initial responses to the book? Despite the fact that the book went into production the very day my editor left Basic Books and at the start of a debacle within the press, it managed to get some notice, memorably a kind review by John Kenneth Galbraith. But a more fun visibility came some years later from an article in GQ magazine by the New Yorker’s economics writer James Surowiecki. He included the book in a list of 7 books he would recommend to Ben Bernanke as he took over the Federal Reserve. The book, he wrote, “tells you why the Fed’s job is even harder than it might seem to be.” That was a surprise!

Another surprise was the attention the book got in academic fields outside sociology, especially by legal scholars such as Cass Sunstein and Lawrence Lessig. In the mid-90s, both of them were spearheading what was called the New Chicago School critique of law and economics and discovering that norms and meanings mattered. The book also migrated to anthropology, history, feminist studies, and behavioral economics. On September 2014 , in a conference about the book (now on its way to becoming its own book) we witnessed some of that migration with participants from multiple disciplines. As we do here today.

It took longer for the book to cross national borders. Early on, for example, an Argentine publisher refused to translate it because he worried the book was too American. But that changed in 2004, with translations not just in French but Russian, Chinese, and finally in 2011 into Spanish, my native language. I can’t read the Russian and Chinese reviews, but in France I was fortunate to be reviewed among others by our panelist Andre Orlean as well as Philippe Steiner.

Although at first the book had less impact than I had hoped on general discussions of monetary processes, eventually my heterodox views brought me into dialogue, sometimes contentious, with advocates of a more universal and fungible understanding of money. In the course of such dialogues, I arrived at a clearer distinction among three components of money: accounting systems, media representing those accounting systems, and practices that govern people’s use of accounting systems and media. In all three regards, my distinctive contribution was to identify the great extent to which accounting systems, media, and practices vary with, respond, and inform people’s negotiation of interpersonal relations.

What about economic sociology? In 1994, the book’s focus on households, gifts, and welfare made it an anomaly for a field concentrated on capitalist firms and markets. Besides, I still thought of myself as a cultural historical sociologist, and therefore not a great intellectual match for the field. I entered the field through a side door and also a woman’s door in a specialty with a mostly male leadership.
All this has changed dramatically as economic sociology has embraced cultural approaches as well as expanded its field of investigation, and multiplied its investigating women.

So what if I was writing the book today? Two main changes: First, I would include a chapter on what the mainstream might label “real money” in contrast to households, gifts and welfare moneys. In fact, in retrospect, it was at mistake to subtitle my 1989 AJS article “Special Monies”. Which I had also intended to be the book’s subtitle.

Why was that problematic? Because special monies suggest that the areas I discuss were anomalies or exceptions to value-free market money. Although the book explicitly disputes that conclusion, still its argument has often been misunderstood as applying only to marginal phenomena and not to the allegedly colorless monies exchanged in commercial or professional market transactions.

That is why for the project I had intended as follow up to the book, Payments and Social Ties, I planned a comparative study of three forms of payment: routine compensation for work according to time, effort, or result; intermittent, discretionary forms of payment, such as bonuses, prizes, commissions; and morally controversial compensation systems, especially within the sexual economy. For various reasons too long to explain, I ended up with part 3 of the project that later became Purchase of Intimacy.

Second, if writing the book today, I would expand the last chapter’s prediction of the paradoxical ways in which new electronic technologies would facilitate rather than blot out the sort of monetary differentiation and personalization the book documents. Consider what is happening with mobile money and multiple payment systems, from Bitcoin to Venmo, Apple Pay, Square, M-Pesa, local currencies, and more.

Finally, what about future monies? It is a delight to watch younger scholars energizing the study of money, here in France with Jeanne Lazarus and others, in my native Argentina with Alexander Roig, Ariel Wilkis’ book, La Sospechas del Dinero, now being translated into English, and Mariana Luzzi, in Chile, Jose Ossandon, Federico Neiburg in Brasil, and many more. Of course, Nigel Dodd’s book The Social Life of Money marks an important theoretical advance. In the US, several of Marion Fourcade’s students are bringing new insights into economic transactions within institutions such as hospitals and hospices.

Meanwhile, the concept of earmarking is being applied to policy areas, most recently Kathryn Edin and her collaborators in a book about how low-income working class recipients of the income tax credit refund spend that income differently than other sources of money. And also by Frederick Wherry, who is involved in an important project investigating how low-income populations without access to credit can be helped to enter the financial mainstream. Wherry’s study draws on the concept of relational earmarking, advancing an astute comparison with the influential mental accounting literature.
So we have every reason to be optimistic about money’s sociological future. Maybe my money obsession was contagious!

How People Think About Money, Love and Economy

Florence Weber

Viviana Zelizer has opened new paths in the field of “economic sociology”, as it is labeled in the United States, but also in “socio-economics,” as it is called in France. She also fostered an enduring dialog between sociologists, historians, anthropologists and mathematician economists (with Agnès Gramain), which makes it possible today to open a new discussion between scholars already engaged in various forms of cooperation with experimental and cognitive economists (for instance with Sacha Bourgeois-Gironde).

These cooperative projects have taken different directions. For instance, Agnès Gramain (economist) and myself (anthropologist) have focused on numbers because they circulate among and between different kinds of people: economic actors, producers and consumers, who are more or less skilled in business and calculation; scientists, mostly mathematicians and statisticians, who use calculus to think, rank and calculate; politicians and involved citizens, who use scientific numbers to argue and contest; and social engineers, who use scientific theories of behavior based on social beliefs concerning the role of calculation in everyday life. In order to tackle the question of the social circulation of numbers, we have agreed with André Orléan and Sacha Bourgeois-Gironde and chose money as a common object which can be studied by different disciplines. Indeed, we supposed that money, as a medium of economic and symbolic interactions, allows and sometimes imposes a specific use of numbers, in scientific, political, professional, as well as everyday social settings.

Beyond money analysis, intimate transactions and circuits of commerce, Viviana Zelizer’s work gives us a powerful synthesis of the existing literature on economic exchanges: her distinction between Hostile Worlds theories, Nothing But theories, and Connected Lives approaches has proved very helpful in making sense of existing work on the topic. This historiography of the ways in which our different disciplines think about the intellectual connections between love relations, power relations, and market relations sheds light on the evolving balance of power between economics, economic sociology (specially in the US), economic history, and economic anthropology (specially in Europe
and South-America). Hostile Worlds theories promoted a stable jurisdictional divide between economics, which specialized in “economies”; sociology, which examined “the rest” of the social world in the West; and history and anthropology, which studied remote worlds “before” and “abroad”, where economies were “embedded” in societies. Economists were the first to refuse this peaceful separation: when Gary Becker invaded the calm territories of sociology, history and anthropology, he argued that affective and political relations were “Nothing But” economic interactions. After a while, scholars countered this approach and argued that economic phenomena were in fact “Nothing But” the effects of emotions and politics, failing to understand the specific nature of market interactions. More recently, many scholars – American and European cultural sociologists but also French and South-American economic historians and ethnographers – drew on Zelizer’s framework of “Connected Lives” theories to study in a fine-grained way how individuals behave, think and decide within and between the worlds of love, emotions, politics, and economic calculations.

Whereas Hostile Worlds theories separate the purity of love from corrupting influence of money and interest, we have been able to overpass such boundaries, conducting connected studies (in economics and in sociology, anthropology, history) of connected worlds, i.e. worlds of people living in a constant flow of intertwined “interest and love”. Yet the world we study also evolves. In our different research projects, we have discovered a transformed world without boundaries between love and interest, where new codes of conduct bring out new losers and winners, where a growing financial literacy gradually leads to new forms of social mobility. In this new world, some people are desperately in need of moral boundaries between social settings where calculation is allowed and social settings where calculation is forbidden.

Of course, as scholars, we are allowed to investigate, by observation and by calculus, interconnections between love and interest. But we didn’t expect that this observation and this modeling activity would parallel the objective destruction of social and moral boundaries currently under way. Social boundaries between “worlds” or, I would say, between social settings defined by social routines of interaction and by social norms of conduct, are a protection against exploitation and abuse, even if scientific boundaries between disciplines are an scientific aberration.

After a period when we criticized how we scientists define Hostile Worlds, time has come to examine how human beings ritually separate different social settings and how these social settings are shaped by institutions. For an anthropologist, it means that we have to carefully separate etics and emics, and observe their articulation. For an epistemologist like Gilles-Gaston Granger, we have to better discriminate epistemic and native rationalities, without giving up the first and without disqualifying the second.
Earmarking, Matching and Social Order

Marion FOURCADE

One of Viviana Zelizer's most useful analytical contributions is to have made us painfully aware of how hard it is to avoid the pitfalls of what she calls the "nothing but" and the "hostile worlds" approaches to intimate transactions (Zelizer 2000). "Nothing but" mistakes are typical of academics, who often reduce intimate economic arrangements to the one single dimension they have expertise on (e.g., self-interest, power, culture) – in some ways, this is what Pierre Bourdieu (2000) calls the "scholastic fallacy:" taking one’s intellectualized view of the world for the real thing. "Hostile Worlds" approaches, on the other hand, refer to the analytical and prescriptive mistake of considering that personal relations and money are radically incommensurable and should not be allowed to mix. But fears of commodification and pollution through money are deeply misguided, Zelizer argues: empirically, life is both more complex and less clear-cut than that: people contest these boundaries all the time in their everyday lives. Maintaining normative distinctions between personal relations and money at all costs leads to all kinds of contradictions and, often, to bad policies. Money, Zelizer reminds us time and again, does not uniformly dry up social ties. Rather, it organizes them by revealing how people perceive and relate to one another.

And so, to capture the fluid, constructed-in-the-relationship nature of intimate economic transactions, Zelizer offers a different vocabulary. The concept of "differentiated ties" modernizes, in a way, the old sociology of roles by acknowledging how thickly embedded, problem-solving individuals develop different but stable personas depending on the form and content of the intimate transactions they carry out. The concepts of "earmarking," so central to The Social Meaning of Money (1994), and that, more recent (e.g., Zelizer 2011), of "good matches," point to a form of intentionality in these processes, sometimes more habitual and pragmatic, sometimes self-conscious and strategic. These concepts mark an important analytical point: people and institutions work hard to find means of payments that are suitable and appropriate to the relationships they are involved in. Together they form a theoretical stance that is very consistent with the core tradition in American sociology, from pragmatism to interactionism.
This theoretical stance inevitably raises the question of where people get their nearly instinctive knowledge about the "good matches" they habitually make between modes of payments and personal relations—i.e., matches that "sustain the relationship" and "get the economic work done." In its original form, the Social Meaning of Money was more silent about bad matches—the gaffes, faux-pas, and calls to order that Erving Goffman (1967) studied in another context. But the interview data from the college economy that Zelizer reported on at this conference raised precisely the possibility of uncertainty and social blunders in the earmarking and matching process (also see Zelizer 2006). College students worry tremendously about making mistakes when offering in-kind or in-cash gifts to their less privileged classmates, for instance. Is their generosity over-the-top and patronizing? Is the medium appropriate? And if they are on the receiving end, should they accept it and how? Will the gift put them in debt, and undermine the presumed equality in the relationship? The students seem to be aware, in a confused sort of way, that the delicate equilibrium that their cross-class friendships have achieved may be at stake in such exchanges. At stake, too, are their feelings about themselves, their social persona, their place in the broader Princeton society.

So how do they know the unwritten rules for navigating these treacherous social situations? Where does their sense of what is appropriate come from?

The form that people’s expressive economic transactions take, the meanings they ascribe to exchange, are articulated not only with their location in the social structure but also with the structural features of the relation that is being expressed that way. Thus the enormously involved interational work that people do around their personal relations—their choice of tender, of course, but also their choice of words, and all the unspoken aspects of the interaction: the placement of the body, the gestures, the looks that accompany the transactional moment—all of this is a powerful reminder that individuals differentiate because they (and their personal relations) are themselves differentiated: by class, gender, age, ethnicity, nationality, and much more.

Thus the systematic differentiation of ties and the complicated symbolic dances we all do necessarily brings the analytical focus back on to social hierarchies, inequalities, and power relations. As Zelizer suggests, the differentiated modes of payment of a prostitute, a mistress, or a wife contributes to the reproduction of a certain kind of gender order—in fact it is through these processes of symbolic differentiation that the order truly takes shape.

In other words, people certainly produce meanings through the symbolic use of goods and money, but (to paraphrase Karl Marx) they do so out of circumstances not of their own choosing: the institutional order they navigate and negotiate in their everyday economic transactions comes powerfully structured. Erving Goffman, again, highlighted a similar point, when he referred to the "institutional
order" that always stands behind the "interaction order" in his Presidential address to the American Sociological Association: "It is in these processing encounters, then, that the quiet sorting can occur which, as Bourdieu might have it, reproduces the social structure." (Goffman, 1983, 8) Prices, tenders, and special monies not only differentiate: they hierarchize. They exclude or include, stigmatize or honor, humiliate or glorify.

Managing social difference in a democratic society is a delicate exercise. But it is an exercise that happens everywhere and all the time. First, as Mauss (2000) reminds us, the cycle of social life depends on people being in debt to others, and thus on the marking of a difference, even if it is temporary. But it is that very difference, when counteracted by reciprocation --however clumsy or lopsided--which allows for the establishment and maintenance of the social bond. Olav Velthuis's collectors and artists understood that better than anyone, who created a market out of a cycle of gift and countergift. We can recognize in their actions a most general rule of social life --that it arises out of exchange, not the other way around. Second, if exchange is primary, then how exchange is performed matters a lot too. Laurence Fontaine's aristocrats understood that, too, who paid their creditors through gifts rather than money, a surer way of maintaining their place in a formally unequal social hierarchy. And so do Viviana Zelizer's undergraduate students, except that, living in a society committed to formal, if not economic equality, they are much more conflicted about it --as are their counterparts in the gift relationship. The effect, however, is quite the same. A social order is being performed and constructed (or reconstructed) in the exchange process, very confidently in the first case, and more obliquely in the second.

References


The Force of the Social Meaning of Money

Nina BANDELJ

“Viviana Zelizer has a genius for detecting hidden order in everyday practices.”

“[This book is] a wonderfully enterprising journey through the roles played by money in consumer life and culture, convincing us that most sociological generalizations about the role of money hitherto accepted – stand in need of fundamental reconsideration.”

“Superbly written and vividly illustrated… the Social Meaning of Money is a model of rigorous and innovative scholarship, not only for economic sociology but for all of the social sciences.”

These are the endorsements of Viviana Zelizer’s (1994) The Social Meaning of Money, from Charles Tilly, Albert Hirschman, and Pierre Bourdieu, respectively. I am convinced that if we could have these gentlemen with us today, they would have most vigorously and joyously celebrated the 20th anniversary of the book’s publication with us, and the 10th anniversary of its translation in French. At a conference convened to mark this happy occasion, I want to take us 20 years back and ask, what was American economic sociology like in the mid 1990s when the Social Meaning of Money was published?

It surely was a field dominated by structural analyses, of what can be called White-Granovetter academic family. Harrison White grandfathered the focus on social structures in markets in the late 1970s, and Mark Granovetter published a seminal statement on embeddedness in 1985. Indeed, around the time of Viviana’s Social Meaning of Money publication, the structural economic sociology was flourishing: network analyses of garment industry by Brian Uzzi (1996, 1997), Dimaggio and Louch (1998) on social ties in consumer purchases, studies of organizational alliances and inter-firm relations by Gulati and Gargulio (1999). Viviana Zelizer’s book, however, cemented a perspective that social meaning and variations in cultural understandings of money are key to understanding this seemingly uniform and homogenous medium of exchange.

Indeed, almost single handedly, Viviana Zelizer has become known as the central contributor to cultural analyses of the economy in American sociology. Richard Swedberg (1997) in his review lists only two contributors to the cultural perspective in economic sociology: Viviana Zelizer and Paul DiMaggio. Paul DiMaggio primarily because he authored the “Culture and Economy” chapter in the first edition of the Handbook of Economic Sociology (Swedberg and Smelser 1994), which provided a central statement of the new economic sociology in the USA. But it is really Viviana
Zelizer that is most closely associated with cultural economic sociology in the USA today (Aspers and Dodd 2015). Her genuine, felt, resonant force has been truly transformative of the field of economic sociology.

However, what is remarkable is that Viviana Zelizer did not set out to champion the field of economic sociology as her principal area of expertise. Viviana wrote in the introduction to her anthology of writings (Zelizer 2010: 1), “When I started my academic journey during the 1970s, I never imagined that I would arrive at the center of a field called economic sociology.” Rather, Viviana positioned her initial work in cultural social history, which used economic phenomena as fruitful research sites. It was not until 1998 that Viviana offered a graduate seminar in economic sociology at Princeton, and she was first pulled into more theoretical debates in the field when invited to participate in an interdisciplinary conference on the study of economy and society co-organized by a sociologist, Roger Friedland, and an anthropologist, A. F. Robertson, in the spring of 1988 (Friedland and Robertson 1990).

Indeed, it was in 1988 that Viviana published, “Beyond The Polemics of the Market,” where she argued against both structural and cultural reductionism in the study of economy. She advanced a “multiple markets” model, in which the market is viewed “as the interaction of cultural, structural, and economic factors.”

This previewed, I believe, her most recent conceptual advances on relational work (Zelizer 2012), or the effort of individuals to match social ties, meanings, economic transactions and media of exchange, in which I am most happy to partake myself (Bandelj 2012, 2015), and which I believe continues to avoid the structural and cultural reductionism in economic sociology. It is this work, in fact, that has its origins in the analysis of the earmarking of monies, central to the book we celebrate today, the Social Meaning of Money. The book’s meaning is multiple, its value is priceless; evident in citations and scholarly reputation, of course, but also in concrete relations and productive exchange that it builds with many scholars across continents.
Zelizer’s Approach in the American Academies

Frederick Wherry

Money has proliferated along with controversy. From *Pricing the Priceless Child* to *The Social Meaning of Money*, Viviana Zelizer has demonstrated money to be a plurality of differentiated entities reliant on and generative of cultural meanings and social ties. These insights have been taken up inside and outside of the academy. Within we have challenged the fundamental assumption of money as fungible. Behavioral economics and cognitive psychologists have identified how people act as if they are differentiating a mathematically undifferentiated entity. Whereas behavioral economists like Richard Thaler (1999: 184) define mental accounting as “a set of cognitive operations used by individuals and households to organize, evaluate, and keep track of financial activities,” Zelizer (2012: 161) counters that the norms and practices of individuals should be examined as constituted by their relationships and the overarching cultural meanings ascribed to those relationships. Referring to George Akerlof’s (2007) presidential address at the American Economic Association, Zelizer indicates that the attention Akerlof pays to norms provides the possibility for improved dialogue between sociological and economic approaches to accounting.

But in studies by experimental philosophers and cognitive scientists, we also find the possibility to explore how moral codes shape decision pathways. In other words, what sometimes looks as if it is a choice between two feasible options is sometimes no choice at all. Moral “bads” are not weighed in the same way as moral “goods,” and these weights are pre-reflexive. This subtle distinction provides greater clarity to the moral codes Zelizer has long identified and forces us to re-think just how moralized our patterns of economic behavior are (even when we don’t recognize them as such).

Outside of the academy, financial technology firms have tried to capture the genres, personalities, and meaningful contours of money to design new products for purchase. Rather than rob money of its color, its biography, and the biographies of its adherents, the financial sector has embraced its de-materialized and diversified media of exchange. Payment methods have proliferated from Bitcoin to Google Wallet, and the diverse logics of money management have come to light. Thankfully, social scientists (take a look at Bill Maurer’s new book) are studying this, too.

So what’s the problem? Economists like Jonathan Morduch will tell you that the non-fungibility assumption more easily mentioned than modeled. Worse, if individuals are not the units of analysis (because relationships are), the typical datasets run in the economic

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1 These comments are based on contributions to *Money Talks* (under contract, Princeton University Press), edited by Viviana Zelizer, Frederick Wherry, and Nina Bandelj.
sciences are not up to the task. Morduch and his collaborators initiated the US Financial Diaries Project to begin to address this. Too often the non-fungibility premise and the social relationships upholding it were presented as special patterns of behavior; more challenging, cultural codes and related moral concerns remained difficult to specify empirically beyond gross detection (e.g., a dummy variable or the manipulation of a single topic in an experiment).

Recent work from cognitive science identifies how the assignment of blame and the moral valence of an action structure the geometry of a decision (Nahmias, Morris et al. 2005, Knobe 2010, Knobe, Buckwalter et al. 2012). By geometry of a decision, I mean the shape of different decision points where at least two courses of action should be possible (engage or not in the action) and where the individual takes the action (or not) for a reason (the why). A decision tree represents how an actor calculates a course of action, understanding that A is done in order to achieve B and that A is done “by” something or someone.

Work by such scholars as Joshua Knobe (2010) and others reject the one-stage view of morality showing up after a decision tree is constructed. This is the old view that people have options and that some courses of action are deemed inappropriate as an option but are nonetheless seen as options. In this one-directional view, Knobe argues: “People’s representations of the structure of the action tree would affect their moral judgments, but their moral judgments would not have any effect on their representations of the structure of the action tree itself” (556). Instead, Knobe and others find that moral deliberations happen before the decision tree forms its branches, and sometimes one branch of tree collapses onto another. In other words, when a branch collapses or contracts severely, people act as if one of the intentions of their action (a branch) cannot be considered as distinct from, or exclusive of, another intention.

These complexities are not “special cases” of monetary practice. Instead, they are some of the many patterns of practice, including that which we call “standard.” When we are able to see the particular versus the standard as a false dichotomy, we open ourselves up to seeing monies for what they are in empirical practice, and our studies of money, of ranking and pricing practices, of economic decision-making can root ourselves more firmly in the economy as it is practiced rather than in how our modelers have imagined its dynamics.

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