facilities built in the 1990s were more efficient and less hazardous to workers than were older plants, MNCs and CMs in Guadalajara set little or no environmental standards for their suppliers, and enforcement of existing environmental regulations by the Mexican government was lax. Exceptions included a state-of-the-art facility built by Lucent Technologies, along with ISO-certified environmental management plans introduced by firms such as Hewlett-Packard, who also required ISO certification among their local CMs.

The authors’ institutional approach clearly unpacks the government’s role in guiding FDI towards more sustainable economic practices and harnessing knowledge, technological, and environmental spill-overs. And, their multimethod design – combining quantitative analysis of economic and industrial trends, as well as policy changes, with on-the-ground analytical interviews with key actors – provides a solid foundation for the authors’ conclusions. While Gallagher and Zarsky spend a significant time contrasting the Mexican case with that of early Asian tigers such as Taiwan and Korea, this comparison could have been enhanced by a more in-depth analysis of the regional relationships between state institutions and production networks. A comparison with the Japanese keiretsu, large vertically and/or horizontally integrated firms which nurtured regional production networks in East Asia, and the MNCs located in Mexico could prove insightful.

Gallagher and Zarsky’s contributes to our understanding of global economic integration by not only clarifying the role of the state in developing countries in guiding economic development, but also in conceptualizing the institutional interface of global and regional forces (MNCs, production chains, and trade regimes) with domestic economies and the corresponding economic, social, and environmental consequences of these relations as a prime subject for future scholarship. Their framework suggests opportunities for future analysis in other countries and industrial sectors, and may prove particularly useful in examining cases such as: the implementation of more stringent environmental standards required of CMs and suppliers to the European Union, the rise of global parts and component chains clustered in East Asia, or the economic transformation of China and its developmental contradictions. In the latter case, the authors’ framework would be particularly useful in explaining the costs to China’s environment and labor force as a result of the government’s aggressive pro-development stance toward FDI and MNCs (Burkett and Hart-Landsberg, 2005). Based on the evidence from the Mexican case, one might ask: In what ways are China’s struggles related to institutional deficiencies, regional market competition, or the structure of global production chains? Scholars who ask such questions, whether economic sociologists, political economists, or institutionalists, will find The Enclave Economy to be useful and insightful in their own examinations.

References:


Reviewer: Geny Piotti, Max Planck Institute for the Study of Societies, piotti@mpifg.de

It is the aim of the book by Giorgio Osti to close a gap in the literature on risk in modern societies. More precisely, Osti seeks to bridge the sceptical view supported by Lomborg and the pessimistic view by Ulrich Beck and Zygmunt Bauman – the former doubting the existence of an ecological problem, the latter emphasizing its negative consequences in terms of unpredictability and individual alienation. Due to the use of official statistical data – interview material and survey results – on the Italian case, the relevance of the ecological question is emphasized rather than downplayed. At the same time, this empirical approach gives an account of both strengths and limits of societal responses.

Given the growing societal awareness of the ecological crisis, the main issues Osti to address in the book are twofold. First, how does society respond to the ecological crisis? Second, why do its responses not necessarily translate into effective environmental improvement?

For the author, the ecological crisis arises from space being increasingly occupied by human activities. This, in turn, produces unintended consequences such as the material...
increase of waste and, following Bauman, the physical, cognitive and existential uncertainty for individuals. Both material waste and uncertainty are reinforced by the general macro processes of systemic differentiation described by Luhmann, which characterize modernity.

However, unlike more pessimistic views that point to the growing alienation of individuals resulting from modernity, Osti identifies important active responses of society to the crises in several spheres: in institutional and organizational practices, as well as consumption practices – similar to what Weber called *worldly asceticism*. In line with Greek etymology, Osti defines asceticism as exercise, simplification, and constant dedication directed to a slow and incremental self-improvement. Having been key to early development of capitalism, asceticism seems to become for the author a contemporary means to reduce its most detrimental effects today.

Public institutions have introduced mechanisms and techniques to avoid the negative environmental externalities caused by economic development. Regulatory changes and the adoption of certification practices, for example, are said to be measures that aim at reducing waste and encouraging procedural standardization and simplification.

Moreover, the ascetic response identified by Osti occurs at the firm level, whereby some companies have explicitly specialized in the niche of ecological products. Moreover, unions’ claims for the reduction of working time can also be interpreted as an ascetic kind of response to the acceleration of capitalism today and the uncertainty caused by the growing work precariousness. However, the most interesting emphasis of the book probably is on the role of new types of consumption inspired by asceticism. Reference to such practices helps the author to capture a further side of the general process of differentiation with regard to consumption in contemporary society without giving way to conceptions of extreme fragmentation, alienation, individual dissolution and narcissism that hinders the formation of collective identities.

Along with a process of meticulous selection of goods for consumption, ascetic behaviour presumes a process of individual and/or collective reflection or even protest against conventional styles of consumption. Although structural aspects like networks or group participation play an important role, moving towards asceticism presupposes for the author a peculiar cognitive frame and a particular sense of time. In order to give up something today, it is necessary to believe that this will bring greater benefits in the future, even if only the future generations will benefit from it. Osti argues, however, that young generations seem to be driven by short-term mentality, to be stuck in a never-ending present that cancels the awareness of the long-term effects of present behaviours.

The author identifies two possible effects of such asceticism. The first one is posited as the reduction of subjective uncertainty; the other is posited as a potential improvement of environmental conditions (environmental uncertainty). In line with what has been emphasized by the new sociological institutionalism in economic-sociology, routine practices are, for Osti, means of reduction of uncertainty for individuals. But, whether or not collective effects will materialize in terms of environmental improvement is less clear.

The book begins with a short preface and is further composed of six chapters. In chapter I the author introduces the general topic of the book: the relationship between ecological crisis and ascetic responses. In chapters II, III and IV he deals with forms of asceticism practiced (or potentially practicable) by companies, and by public institutions. Chapter V is focussed on the role of sustainable consumption as a form of ascetic consumption and on the identification of types of consumers oriented to such forms of asceticism. Finally, chapter VI deals with the relationship between consumption and sense of time.

By underlining structural and above all cognitive factors, the book offers an interesting perspective on current consumption behaviours. However the reader might have the impression that the main concepts used in the book like that of ecological crisis or asceticism are too broad. Consequently all kinds of uncertainties are explained by the ecological crisis and every kind of sustainable consumption becomes ascetic independently from a concrete reduction in consumptions. The author could choose each time what kind of meaning was fitting better the sphere he is analysing, thereby leading to some “forced consistency” throughout the book. Finally, there is a distinct lack of a conclusive chapter that synthesises and systematically brings together the results of the different fields of analysis. For example, what synergies or potential conflicts can be identified among ascetic behaviours in different spheres? Can asceticism as a means of reduction of individual uncertainty even prevent from more effective forms of engagement for environmental improvement – such as the participation in associations, the support to collective movements? If this is
the case, is a favourable long-term cognitive orientation of individuals a sufficient condition for environmental improvement? What is the role played by the local/national institutions?


**Reviewer:** Alex Preda, University of Edinburgh, a_preda@ed.ac.uk

A sociological lecture I recently attended opened with copious quotes about complexity from two prominent physicists, quotes intended by the lecturer as hard evidence about complex systems in the natural world. Later on, while talking to another sociologist, she said to me: “Do you remember yesterday’s lecture by [sociologist]? Well, [the physicists] are my husband’s good friends and they told me once, every time they are asked to write about a topic like complexity, they look to what sociologists have said about it.”

In other words: for conversational purposes, professionals can take over and reproduce abstract notions generated within the sociological discourse, without such notions necessarily playing a direct role in the practitioners’ field.

This also seems to be the case with the interview excerpts presented in this book, which purports to examine a series of highly relevant topics: abstract and general conversations about the “psychology of the market,” “long and short term expectations,” “irrationality,” and the like. A typical question can be found on p. 47: “what do you think characterizes investor behavior on the stock exchange”? (One might think that there is no such thing as a monolithic “investor behavior,” and that the best way of identifying features of market behaviors is to look at them close up.) The respondents, investment fund managers and analysts, do not discuss any concrete instances of behavior but, taking their cues from the interviewer, accept the premises of his question and dish out a series of general statements, relevant not to the actual, concrete activities of fund managers or of analysts, but rather to the interaction dynamics of the conversation with the sociologist. Since the excerpts have been transcribed according to conversation-analytical conventions, this game of engaging in the production of abstract and self-referential terms is made explicit.

Of course, finding out more about the relevant, concrete activities of the said managers and analysts would have been quite useful: these professions have been rather neglected by qualitative economic sociologists until now, in favor of the more glamorous traders. It would have required good old participant observation, combined with conversation and discourse analysis, supported by a background of well-crafted interviews. This book, however, is not the place to gain such knowledge. Nor is its aim to shed new light upon financial markets by investigating these activities.

In order to find the rationale for this volume, one has to turn to the slices of theory between which the interview excerpts are sandwiched. Organized into three main chapters and a short conclusion, with most excerpts in the second chapter, the book opens with a tour of theory which should formulate the leading question, as well as the methodological rationale for the entire enterprise. The book continues with a hermeneutic analysis of the excerpts from the interview transcripts, and ends by going back to theory (albeit a different set of theories than that used in the first chapter). This reader was somewhat confused by this rather unorthodox arrangement, even more so since the theoretical questions addressed in the third chapter do not appear as an evident continuation of those formulated in the first chapter.

The first slice of this sandwich-like construction (“Recursivity and Reflexivity on Financial Markets”) takes the reader through Anthony Giddens’ notion of reflexivity, Ulrich Beck’s reflexive modernization, Talcott Parsons’ norm-based system, Karin Knorr Cetina’s notion of temporal coordination, as well as Luc Boltanski and Eve Chiapello’s “new spirit” of capitalism.

There is a general question on p. 7: how are financial markets possible? On p. 15, however, a different question appears. The author wants to identify representations of the market hidden in the subconscious of actors, representations which can be retrieved only by asking participants to reflect upon “the market,” independent of and posterior to their practical actions in the market. It seems to this reader that such a methodology purports to retrieve something which is actually produced within the conversation,