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Arthur Stinchcombe, *Economic Sociology*. Orlando: Academic Press, 1983, 269 Pp., \$12.95

Stinchcombe sets for himself the major task of developing a macroscopic sociology of the economy. He does this by focusing on the enterprise, the individual productive unit. It is through the actions of the individual enterprises that the overall economic structure of society is generated. The focus of the book is on the forces that shape the actions of the individual enterprise.

These forces include ecological and technological factors which constitute the "forces of production". These interact with the "structures of incentives" for capitalists and workers which constitute the "relations of production". These latter factors involve the social structures required to allocate resources and people necessary for an economically productive system. The economic structure composed of similar "relations of production" and "forces of production" constitutes a characteristic "mode of production", a concept rooted in the individual enterprise.

Stinchcombe argues that this approach is based on Marx's original analysis. He believes that Neo-Marxists have strayed from the original strength of Marx by focusing on the social impacts of economic activities without an adequate understanding of the economic activities themselves. He says that "the shaping of society and politics by the economy cannot be properly analyzed without a good analysis of the economy". His goal, a lofty one indeed, is "to outline and illustrate the economic sociology required to complete and unify the Neo-Marxist tradition".

He is only partially successful in achieving his goal. He does an admirable job in refocusing attention on the enterprise as the basic unit of economic analysis and the forces that shape the actions of these basic units. However, he is less successful in developing a theoretical connection between the individual firm and the overall economy and how the resulting economy shapes society and politics.

Stinchcombe illustrates the components of his thesis by applying them to three different cultures at different stages of development. These are the Karimojong a primitive herding society; eighteenth century France, characterized as a late feudal or early capitalist society; and the U.S., a modern industrial capitalist society. Although these case studies are useful for illustrating the effect of different forces on the enterprise, in the absence of a coherent theory connecting the enterprise to the overall economy and society they are only suggestive of these kinds of macro connections.

The first component of the "forces of production" is the environment within which the society operates. The important aspect of the environment is the resources it makes available. The use of the resources is governed by the available technology, the activities one wants to carry on, the access to the resource, which resource can be exploited most efficiently, and what other resources are available that may increase or decrease one's ability to exploit a resource. Stinchcombe emphasizes that the environment "limits but does not determine the activities that can go on at a given place". The appropriation and control of these resources is the basis for stratification within a society.

The other component of the "forces of production" is technology. Technology involves both knowledge and the means to use the knowledge to accomplish some activity. Technology plays an important role in determining what resources can be exploited, how effectively they can be exploited, which resources can be accessed and how easily, and how resources can be combined to more effectively or efficiently accomplish an activity.

Technology influences social structure because it allows individuals to achieve desired ends. The social structure is altered when new social arrangements are developed in order to use the new technology and thus pursue these ends. These new social arrangements are promulgated at the enterprise level when there are enough incentives present to induce the new relationships.

The economic organization necessary to amass the resources and human effort necessary to produce benefits and determine their distribution is the first component of the "relations of production". The productive system requires a system of property rights in resources and a means of exerting authority over humans, the combination of which Stinchcombe calls "the normative core of economic organizations". The engine behind this economic organization is the division of benefits, the structure of incentives, both for the capitalist and the worker. "The division of benefits must be so arranged so that there is sufficient motivation of the resource holders and the workers to continue to participate, or else the enterprise disappears."

The economic organization must create a "unity" between labor and the means of production. The structure of incentives is the means of creating this "unity". However, "the total incentives necessary to get all the work done need not add up to the total benefit produced" therefore an opportunity is present for the surplus benefits to be appropriated. This uneven distribution of the benefits, and the power to set up such a system, then becomes "the core of the class situation". Stinchcombe believes that

supervision can become a form of incentive thus reducing the amount of benefit that is required to be distributed to the worker. Thus "unity" is achieved "by different combinations of incentives and supervision."

The final component of the "relations of production" is the mechanism that produces and allocates people to the roles created by the economic enterprises. The social distribution of births and deaths of individuals, as well as the birth and death of social roles, influence this component. The educational system plays a key role in preparing individuals to accept their position in the economic organization. The exact determination of role allocations depends on "the concrete ecology, technology, and economic organization of particular industries".

This last statement brings us back to the main strategy of this book. That is "the idea that only deep analysis of the way goods are produced and divided up in a society suffices for understanding its economic dynamics". It might be added that the only way to understand the social impacts of economic structures is to understand these "economic dynamics". This deep analysis is done through an investigation of how individual enterprises are constrained by or use their environment, how they develop and exploit technology, how they establish economic organizations and structures of incentives, and how they create roles and are allocated occupants for those roles.

Stinchcombe's reexamination of the individual enterprise and the forces that shape its actions is long overdue in political economy. However, he has failed in this book to connect this theory of the enterprise to a theory of the economy. His theory of modes of production tends to balkanize the economy along different lines of similarity such as technology or economic organization. How these lines are chosen depends on the questions being asked. This is more a midlevel theory than a macro theory.

Despite the lack of a satisfactory theory connecting the firm to the economy Stinchcombe has provided a valuable jumping off place for a reexamination of economy and society from the basis of the individual enterprise.

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