

planation. Given these patterns, Clark sardonically notes that middle- and upper-class parents should stop worrying too much about their children's career prospects: even the most expensive kindergarten will have a limited effect on future success (p. 281).

It is one of the strengths of *The Son Also Rises* that the author anticipates many criticisms and provides additional empirical evidence to address them. Still, there are a few points of contention. First, even if the intergenerational coefficient is as high as 0.75, more than 40 percent of the variance cannot be explained. Education, income, wealth or social and cultural capital may still matter systematically. These partial indicators could turn out to be significant variables in a multivariate analysis that controls for social competence. If this was the case, there would be no reason to dismiss political attempts to ameliorate social mobility out of hand. Second, the book focuses on traditional elites such as attorneys and physicians or Oxford and Cambridge students. But perhaps new pathways into the elite have emerged and a Master of Business Administration from a lesser school is more valuable today than an MA in Art History. Are traditional elite surnames also overrepresented among the current business elite? One might imagine that children from distinguished families opt for traditional careers but less frequently pursue a career in venture capital firms.

The most far-reaching question concerns the almost universal "persistence rate." Clark discusses why some groups deviate from this rate as they display even lower rates of social mobility. Some religious groups (Jews, Copts) have maintained their high status because low status members have been more likely to convert to other religions while other privileged groups, like the Indian Brahmins, have rarely married outside their own caste. Thus self-selection and endogamy have helped to defy the otherwise inescapable regression to the mean. However, if endogamy "preserves the initial advantage of elites" (p. 239) and creates an unusually high persistence rate, it follows that societies with higher degrees of intermarriage between different groups must experience higher social mobility, as Clark himself notes (p. 139). It seems hard to believe that societies as diverse as medieval and modern England, Chile, China, Sweden, and the United States should have similar degrees of endogamy. In fact, choosing the "genetically right" partner in non-segmented societies is exceedingly difficult, as visible measures such as income, education, or wealth do not reveal much about the underlying competences. In egalitarian

Sweden, earnings are a poor predictor of true social status (p. 114). If this is the case, assortative mating should be much lower there than elsewhere, which would have to translate into faster regression to the mean of both low status and high status groups. Conventional measures of social mobility and Clark's figures would have to correlate, but they don't (Figure 1.6).

Despite these quarrels, the empirics of the study are fascinating. I greatly enjoyed reading the book and have told many friends about it. The findings are in line with the observation that even the most egalitarian countries have only redistributed income but have hardly touched the distribution of wealth. Socialism, for better or worse, has always been socialism in one class and has not touched the truly rich. The book also raises an important question about what distributive justice means. If societies are far more rigid than we thought, it seems inadequate to reduce justice to equal opportunity – for opportunities will not become equalized. Hence, if social status is strongly influenced by inheritance, there is no need to reward those who succeed and to punish the poor. In just societies, status differences and the quality of life between elites and lower classes should not dramatically differ.

Book: Herzog, Lisa, 2013: *Inventing the Market. Smith, Hegel and Political Theory*. Oxford University Press.

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In a satirical song about the lifeworld of academia German rap artist Danger Dan notes that students "read books about books and write texts about texts," which – according to him – points to a lack of creativity. If we assume that he is right, the fact that a dissertation about the writings of Hegel and Smith around three centuries after their first publication has attracted significant attention – and has won a number of awards – must seem at least a little surprising. A closer look at Lisa Herzog's book shows us that *Inventing the Market* is more than just a text about texts. It is a book about ideas and their impact on social life. And that is what makes it so interesting.

The writings of Adam Smith and Georg Wilhelm Friedrich Hegel have long been the objects of theoretical inquiry, from a number of standpoints, not least their understanding of the economy. Two distinctive features of *Inventing*

the Market can serve as a rationale to revisit these topics from the perspective of social theory. First, the systematic comparison of the two approaches and second, the application of the insights to a range of topics from the field (mainly political philosophy). Accordingly, the first part of the book (Chapters 2 and 3) serves the purpose of reconstructing the authors' understandings of the market as a part of their broader theoretical frameworks.

As probably the key reference for modern economics, Adam Smith highlights the potentials and capacities of the market as the locus of organizing the economy. Ordering the economy by means of the market enables individuals not only to arrive at an efficient principle of coordinating economic activities, but moreover to develop certain human characteristics. The human condition of engaging in the exchange of products (or services) is thus the root not only of economic development but also of cultural evolution. In addition to this anthropological notion, Smith's explicit reference to the structuring impact (and necessity) of social institutions makes his approach more comprehensive than its cooption by mainstream economics over the following centuries would suggest.

While aware of the writings of Smith, Hegel arrived at a similar insight from a different point of departure. According to him, the interplay of a range of social institutions (such as the family), together with the overall framework of the state and civil society, enable the market to serve not only as a distribution mechanism, but, similar to Smith, as the locus of cultural development. By pointing out how subjective freedom of the individual can be realized through (labor-)market transactions, Hegel (much more strongly than Smith) highlights the meaning of economic processes for subjective identity construction.

To Herzog, the comparative perspective reveals several parallels and differences. As she (11) summarizes, a "guiding theme of this study is the contrast between seeing the market as a natural 'problem solver', as Smith does, broadly speaking, and seeing it as a specific historical achievement made possible by human institutions, which embodies certain valuable principles, but also creates problems, as Hegel does." Based on this, she highlights that for Hegel "the economic sphere is not as harmonious as it is for Smith" (55). This seems (at least in part) to be caused by a perspectival bias. While Smith (under the impression of productive development) focuses on cooperation (dynamics), Hegel (under the impression of mass pauperization) also takes into account inequality and ex-

clusion (stability). Comparing the two chapters about the authors, one might get the impression that the arguments about Smith are presented a bit more clearly (or are they just less complex in themselves?)

While the general innovation of Herzog's work lies in this systematic comparison, the insights are related to a range of topics stemming from contemporary philosophy, namely Self and Identity (Chapter 4), Justice in the Market (Chapter 5), and different conceptions of freedom (Chapter 6).

Drawing on their conception of the identity of employees in the labor market, Herzog identifies the work of Hegel and Smith as a source of proto-sociological considerations. With regard to the topic of justice, Herzog shows how Smith's conception of the market presumes a genuine tendency to produce adequate outcomes under the right conditions, whereas the Hegelian idea derives just outcomes from the interplay of external institutions with the market. This slight difference is later taken up in many subsequent discussions, framing different approaches across the social sciences (including economics).

Drawing on a concept adapted in contemporary discussions of the economy from the work of Karl Polanyi (1957), Herzog manages to show early references to this in the works of the two authors. By stating that "the scale from 'embedded' to 'unembedded' must have a lower and an upper boundary" (55), she deduces that complementary institutions such as the family have already been acknowledged to provide the framework conditions necessary for market exchanges. In order to maintain the basic freedoms of a modern liberal society, such institutions may, however, not completely determine market transactions. Moreover, references made to identical positioning of individuals in the labor market lead Herzog to draw a parallel to the Varieties of Capitalism approach in comparative political economy (79). Whereas Smith, coming from the context of a liberal market economy, highlights the voluntary and dynamic character of labor relations, the Hegelian (that is, coordinated market economy-inspired) perspective is focused on the stability of labor market arrangements.

Despite the complexity of the arguments presented in the study (both by Hegel and Smith, and by Herzog herself), the text is very clear and well-written. Departing from the intersection of philosophical, social and historical science, Herzog manages to establish a comprehensive perspective on a multidimensional object (the emergence and recep-

tion of classic texts in time and their impact on contemporary debates).

While the author relates her insights to some of the core writings of political economy, explicit references to the field of economic sociology are hard to find. Therefore, the question arises of how far it can serve as a disciplinary contribution. In addition to the general value of a comparison of market accounts in the work of Smith and Hegel for further scientific usage, I see the study's main contribution as the reconstruction of the theoretical and practical impact of ideas. Against the background of the rise of neoclassical economics – and its impact on practices in the field of the economy and beyond – the genealogy of such systems of belief promises to be an interesting and important field of research. The strongest contribution deriving from the study thus lies, I would argue, in the sociology of science. While the reconstruction of these implications is very illustrative throughout the book, the concrete

impact is, however, rather on a conceptual level. What is missing with regard to the argument that Smithian and Hegelian ideas have shaped academic discussions in social science and economics is a systematic illustration of the reception processes underlying this development. Accordingly, it is interesting to see how the consensual model of Smith, in which workers voluntarily (and without any control measures) engage in their work, translates into a bias in, for example, the field of international business studies, which focuses almost exclusively on management operations (Sitkin/Bowen 2010). But that could also be a case for subsequent research.

References

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