

**Book:** Cheris Shun-Ching Chan, 2012: *Marketing Death. Culture and the Making of a Life Insurance Market in China*. Oxford University Press.

**Reviewer:** Dominic Akyel, Max Planck Institute for the Study of Societies, [akyel@mpifg.de](mailto:akyel@mpifg.de)

Inquiries into the relationship between moral values and the economy have been at the center of research in economic sociology for the last three decades. One of the most important milestones in this field is Zelizer's study (1979) on the emergence of the life insurance market in the United States during the 19th century. Zelizer argues that life insurance was initially rejected because it was seen as the merchandizing of life and became established as a commodity only after its meaning had been culturally reinterpreted in the latter part of the 19th century. According to her, the emergence of the life insurance market in the United States was mainly a result of changing cultural responses to the idea of evaluating human life in monetary terms.

Similarly, Chan's book on "Marketing Death" explores how and why the Chinese life insurance business reemerged in the 1990s despite the presence of strong cultural barriers. In contrast to Zelizer's study, her analysis focuses on the recent transition of the life insurance business from a monopolistic industry to a dynamic and international market. Chan accounts for this profound transformation on the one hand by pointing to various economic, institutional, and cultural changes that increased people's receptivity to life insurance. On the other hand, she links the rapid growth of the life insurance market since the mid-1990s to strategic modifications in entrepreneurial activities. According to her, the life insurance business prospered among other things because sales agents adapted their marketing strategies to the local cultural knowledge, symbols, and practices which allowed them to circumvent those cultural barriers that had prohibited market development in the past. Chang concludes from her findings that culture mattered in two ways for the reemergence of the Chinese life insurance market: first as a set of shared values and ideas that composed the resistance to life insurance; second as a practical toolkit used by entrepreneurs to circumvent this resistance allowing them to frame life insurance into a locally sensible entity.

The book is divided into six chapters, each of them dealing with a different aspect of the Chinese life insurance market. The first chapter is dedicated to the history of life

insurance in China and the economic, institutional, and cultural characteristics of this particular market. Chan discusses various socio-economic developments, such as rising purchasing power, increasing job insecurity, eroding state provision of welfare, and the decline of traditional mutual help systems as well as different cultural factors that were congenial to life insurance. However, she also points to serious cultural obstacles such as the taboo against thinking and talking about death that remained unfavorable to the emergence of the life insurance market. Drawing on these considerations, she derives several hypotheses about how culture might have mattered in the Chinese case, claiming that existing concepts of culture are unable to explain its specific trajectory.

In the second and third chapter, Chan analyses in detail the disparities in organizational strategies of life insurance companies. She starts by examining the strategic differences between transnational and domestic firms. The former defined life insurance as a form of modern risk management, which diverged sharply to local ideas and beliefs. The latter, in contrast, presented life insurance to their customers as a money management strategy and launched products for savings and investment purposes. While transnational insurance companies tried to change buyer demand in order to make profits, domestic firms deviated from the conventional business model by accommodating local preferences. Chang concludes that this pattern of strategic disparity was a result of firms' different market positions and their specific historical legacy. Following up on these findings, she analyses the labor-management techniques that insurers employed in order to produce a productive sales force. By comparing four large Chinese companies, she finds remarkable differences in management practices, occupational culture, and training focus. Chang attributes these variations on how firms operate mainly to differences in top executives' cultural and occupational backgrounds.

The fourth and fifth chapters of her book are dedicated to the actual market exchange between buyers and sellers. At first, Chan addresses the question of how sales agents prompt people to buy life insurance. She shows that sales agents' selling strategies usually capitalize on local practices of interpersonal relationships and interpersonal obligations allowing them to circumvent the cultural taboo of premature death. Following up on this, Chan examines the multiple motives and preferences of life insurance clients. She finds that Chinese buyers display a large variety of motives, but commonly define life insurance as a strategy

for money management rather than a form of risk management. However, she also observes that this common perception has changed in recent years. While clients bought life insurance products in the past to observe cultural norms of interpersonal reciprocity, saving and investing has become more important since the mid-1990s. After the millennium, even profit making and managing risk became more common motives, alongside savings. Chang attributes this development to changes in institutional demands that influenced individuals' motivation for buying life insurance.

In the sixth chapter, Chan presents her theoretical argument and proposes a general model of how new cultural practices are adopted by market actors. According to her, it was the interaction of culture as a set of shared ideas and culture as a practical toolkit which allowed the Chinese life insurance market to emerge. Moreover, she draws generalizations by comparing the life insurance markets in Hong Kong and Taiwan. She concludes her study by speculating about possible future directions of market development.

In general, Chan's study is a fascinating piece of sociological work that is eminently readable. Drawing on expert interviews and extensive ethnographic fieldwork, she presents the first sociological analysis of the forming of a life insurance market outside of a European or American context and addresses well the empirical gap left by existing research. From a theoretical perspective, however, Chan's study is most useful as a demonstration that cultural barriers do not necessarily need to be removed through cultural reorientation before a market can emerge, but might be strategically circumvented by entrepreneurial activities. Moreover, the Chinese case strikingly points to the cultural and moral preconditions for the emergence of capitalist markets. Her study shows that researchers analyzing business institutions must also pay attention to the broader cultural context in which these institutions are enacted.

However, her study also has some minor shortcomings. While her main argument seems quite plausible to me, the structure of her book is not. Chan's study is evidently a story about market development, but fails to put the trajectory of the Chinese life insurance business at the center of attention. Most of her work examines the specific characteristics of the market while giving considerably less space to the actual transformation of the Chinese life insurance business. It seems that this imbalance is a direct result of her methodological approach, which included

large periods of field research that were used to gather data on market structure. Considering the aim of her study, it would probably have been better to put stronger emphasis on data sources that generate information about market development, allowing a more detailed and elaborate picture of her case. Theoretically, Chan's study is well-rooted in the "Morals and Markets" literature, but pays only little attention to existing works on market emergence. While she implicitly talks about various other mechanisms that can constitute markets, such as technical inventions, business diversification, and political entrepreneurship, these mechanisms are not reflected upon systematically for the Chinese case. Moreover, only little attention is given to the role of state regulation, especially its influence at different stages of market development. Despite these few shortcomings, her study is a very valuable piece of scholarly work that will surely find a readership among economic sociologists.

**Book:** Münnich, Sascha (2010): *Interessen und Ideen. Die Entstehung der Arbeitslosenversicherung in Deutschland und den USA*. Frankfurt a.M.: Campus Verlag.

**Reviewer:** Sebastian Kohl, Max Planck Institute for the Studies of Societies, [kohl@mpifg.de](mailto:kohl@mpifg.de)

Sociologist Sascha Münnich pursues both a theoretical and an explanatory aim in his thesis-based study about the origins of German and American unemployment insurance in the 1920s and 1930s.<sup>1</sup> The theoretical contribution is to provide a framework for more sufficient explanations of welfare state phenomena; the empirical goal is to apply this model to the specific insurance reform case. On the explanatory level, he wants to fill two gaps that have haunted research on the topic: What ultimately caused the three labor market actors – the state, employers' associations and labor unions – to be in favor of unemployment insurance? What was the implicitly shared consensus position that made them do so? These questions are notably addressed by the Swenson-Pierson-Hacker controversy about the role of employers in welfare reforms (cf. Swenson 2004), a controversy that Münnich aims to solve (p. 252ff). The main chapters 3 and 4 of the 400-page book give empirical answers to these questions, presented using a historic-sociological approach and based on a selection of historical sources ranging from interest group writings to Congressional hearings (cf. chapter 2). Before turning to the author's empirical findings, I will address his theoretical