The Sense of Dissonance: Accounts of Worth in Economic Life.
David Stark, with Daniel Beunza, Monique Girard, and János Lukács. Princeton, NJ: Princeton University Press, 2009. 245 pp. $35.00.

"Search" says David Stark in the beginning of his book, "is the watchword of the information age." Yes. It is also the basic orientation of the book itself. Stark starts his search by examining the basic tenets of economic sociology. What counts? What is valuable? How can questions of value be settled when incommensurable frameworks of valuation are at play? Insisting that such questions are not addressed under the established paradigm of economic sociology, Stark proposes to bring them in through a new basic approach, a sociology of worth. For such an approach, "search" serves as the lead metaphor. Worth is a concept that brings together value and values, the economists' preoccupation with economic calculation, and the sociologists' concern for relational issues involved in economic life. Stark wants to undo Parsons' pact, the mutually agreed peace pact between economics and sociology, by which economists claimed the study of the economy as their own while sociologists settled for the study of the social relations in which economies are embedded. "Although Parsons's Pact suggests that we must choose a single vantage point—value *or* values, economy *or* social relations, I adopt an analytic strategy of fusing the two notions across this divide" (p. 7).

How to undo Parsons' pact? Though Stark recognizes other attempts to bridge the value/values divide—Boltansky and Thévenot (2006) is mentioned—he opts for a different approach. An important reason is the item with which we started, search. By allowing systematic examination of the search processes in the overlap between calculation and valuation, the sociology of worth provides insight into entrepreneurship and innovation, which is not what Boltansky and Thévenot are after. The key concept here is heterarchy: "an organizational form of distributed intelligence in which units are laterally accountable according to diverse principles of evaluation" (p. 19). By mobilizing multiple performance principles, heterarchy facilitates organizations that can reorganize themselves and perpetually redefine what might constitute value.

The conceptual pair of heterarchy and dissonance is mobilized in three case studies, described separately in chapters 2, 3, and 4 of the book. Inspired by the population ecology idea that diversity of organization creates adaptability, these chapters are dedicated to the search for situations in which worth comes about, but the focus is not, as in organizational ecology, on the diversity of organizational forms within a field. Instead, the three cases feature situations in which contending frameworks of valuation are mobilized within specific organizations.

In chapter 2, Stark takes us back to Hungary in the second half of the 1980s, to the ambiguous times when the east block is about to open up to reform, but before the collapse of communism in 1989. The specific setting is a large machine tool factory. Although the firm still operated under the old command-and-control structure, with bureaucratic and moral strictures that dampened productivity, the workers under "second-economy" legislation were allowed to set up partnerships and use the firm's facilities to pursue semi-private enterprises during off-hours. These partnerships were allowed to bid on contracts within the market domain of the parent company. Because such contracts could be completed unbridled by the bureaucratic rule system under which the workers normally operated, the results were highly satisfying for those involved in terms of the utilization of their skills as well as monetary rewards. At the same time, of course, these gains came at least partly at the expense of those excluded from the partnerships and the host company itself. The partnership system hence generated a great deal of friction. To keep the partnership going, its members had to engage in active negotiations for its terms of acceptance from company leaders as well as crafting accounts that could make it justifiable from a worker's perspective.

Chapter 3 brings us to Manhattan's Silicon Alley. The time is the end of the 1990s, and the setting is a new-media start up. With the rapid expansion of the Internet, every company with ambition wanted to establish a presence on the Web. This created a surge in demand for programmers and designers. At the same time, there was a huge gap between producers and clients in terms of technical know-how and culture. The focus of Stark's case study is a fast-growing firm designing Internet sites for retail companies. The work was organized in projects, typically lasting five or six months. The project group would be multidisciplinary and comprise business strategists, interactive designers, programmers, and information architects, as well as specialists on the product line in question. Adding to the complexities were the ambiguities with regard to the boundary between the project group and the client. This concerned not only the gap in terms of skills and culture but also the more basic question of the division of work and responsibilities between the Web site designer and the client. The case thus represents a setting rife with tension and possibilities of dissonance. The processes could not avoid being innovative. At the time, no one knew what a successful Internet site would look like; this was exactly what had to be worked out. The organizational form was heterarchical, and the search process was of the kind "in which you don't know what you're looking for but will recognize it when you find it" (p. 34).

In chapter 4, we are still in Manhattan but have moved from Silicon Alley to Wall Street. The case features a group of arbitrage traders in the hedge fund of a major investment bank. Arbitrage trading seeks profit by taking advantage of a price differential between two or more markets. In the age of quantitative finance, such trading is highly skilled and heavily computerized. For Stark, the key question revolves around search: How can traders identify trade opportunities that are not already discovered and exploited by other traders? In answering this question, Stark describes the trading room as an ecology of knowledge. The different "desks" specialize in a particular financial instrument, like bond arbitrage, merger arbitrage, or statistical arbitrage, each of which engages in continuous development and testing of its own evaluative principles. But these principles are not deployed separately from each other. The execution of particular trades—at least the more “complex” ones—requires cooperation across desks. Arbitrage trading locates real value through heterarchical search by combining insights across a diverse set of values and principles.

In the concluding chapter, the attention shifts back to the analytical tools of economic sociology. In which direction can the concepts of heterarchy and dissonance—and the economic realities they allow us insight into—move economic sociology, the research field Stark wants to contribute to? Heterarchy is actually a good descriptor of the analytical approach he recommends. Stark’s work lies in the trading zone between network analysis and institutionalism and organizational ecology, with inspiration from science and technology studies thrown in for extra zest. Just as arbitrage traders can find worth through mobilizing different financial instruments, economic sociology can find new insight by combining analytical instruments in new ways. Instead of abiding by the dictates of the masters of the field, of which Parsons is iconic, Stark recommends that scholars violate established boundaries. This is not only to break with the path-dependent vision that comes with established fields, even though that may be important in itself. In addition, it takes on urgency because there is a real change in the economy. The twenty-first century firm is different from the firm of yesterday. Whereas the archive could serve as a metaphor for the bureaucratic logic of the past, the search engine is a fitting metaphor for a new age in which worth increasingly is created by combining things that used to be kept apart.

The Sense of Dissonance is a great book, and I recommend it warmly. The ethnographical cases are interesting in themselves. They also serve as a solid foundation for understanding how economies are being reformatted and how the field of economic sociology can be reconfigured to keep pace with its own subject. Like most great achievements, Stark’s book opens up more questions than it answers and leaves its readers with important puzzles. One that returned to me as I was reading concerned the boundary between dissonance and noise. That is, what are the conditions under which the interaction of different evaluation principles shifts from contributing to productive search and starts facilitating strife? Though Stark insists that heterarchy must be principled and disciplined within some common framework of justification, I felt a need for more development on this point. If I were to recommend heterarchy for business leaders or others, I would do it with greater confidence if I also could give some instruction on the dosage and a regimen to shut it down when the dissonant chords become deafening.

Petter Holm
University of Tromso
N-9037 Tromso
Norway

REFERENCE

Boltanski, L., and L. Thévenot
2006 On Justification: The Economies of Worth. Princeton, NJ: Princeton University Press.