



APPLIES TO ACADEMIC YEAR 2014/2015

ELE 3754 Market, network and power

Programme

Elective

Responsible for the course

Tore Bakken, Peder Inge Furseth

Department

Department of Innovation and Economic Organisation

Term

According to study plan

ECTS Credits

7,5

Language of instruction

Norwegian

Introduction

The finance crisis showed us that economic theory was not able to predict the crisis before we were in the middle of it. The market economy must therefore be understood from other angles than just the purely economic angle, i.e. sociological and psychological aspects. This is a course in how company and societal structures affect economic activity and in particular how companies are influenced by market, social networks and formal and informal forces. To some extent the course supplements and challenges the assumptions and behavioral hypotheses on which the conventional economic understanding is based.

Learning outcome

Acquired knowledge

The students shall learn basic concepts and knowledge of how the market function, how networks have become a crucial part of the economy, and how power function in market and network.

Acquired skills

The students shall be able to account for essential concepts, processes and theories: how they create problems for markets, networks and power relations, and suggest how these problem areas can be dealt with by supplementing economic theory with other theories and perspectives on market, networks and power relations..

Reflection

The students shall develop an understanding of how informal circumstances and other behavioral hypotheses than those we usually encounter in economic theory are very important for a better understanding of how markets, networks and power function. After having completed the

course the students shall be able to pose critical questions to the application of economic theory and be able to reflect on how important assumptions and behavioral hypotheses affect the answers given by economic theory.

Prerequisites

None

Compulsory reading

Books:

Tranøy, Bent Sofus. 2006. Markedets makt over sinnen. Aschehoug. Kap 1,2,3,4,5,6

Journals:

Granovetter, M. 1985. Economic Action and Social Structure: The Problem of Embeddedness. *American Journal of Sociology*. 91 (3). ss 481-510

Håkansson, H., Olsen, P.I., Bakken, T. 2013. Agency and Economizing in interacted Economies. *The IMP Journal*. 7 (2). ss 106-111

Kahneman, D., Knetsch, J. L. & Thaler, R. 1986. Fairness and the Assumptions of Economics. *Journal of Business*. 59 (4), part 2. ss 285-300

Kahneman, D., Knetsch, J. L. & Thaler, R. 1986. Fairness as a Constraint on Profit Seeking: Entitlements in the Market. *American Economic Review*. 76 (4). ss 728-741

Other:

Andersen, S.S. og Austvik, O.G. 2002. Norge som Petroleumsland – modent for endringer, i Tranøy og Østerud (red.). ss 373-404

Annet: Dobbin, F. 2004. *The Sociological View of the Economy*. I: Dobbin, F.: *The New Economic Sociology: A Reader*. ss 1-46

Bauman, Zygmunt. 2007. Forbrukersamfunnet. I: Schjelderup, G. E. og M. W. Knudsen, red. *Forbrukersosiologi: Makt, tegn og mening i forbrukersamfunnet*. Cappelen akademisk forlag. ss 229-251 (22 s)

Furseth, Peder Inge. 2004. *Social influences on competition: A study of retailing in Norway*. Oslo: Unipub. Kap 7, ss 66-79 og kap 9, ss 99-112

Granovetter, M. 1993. *The Nature of Economic Relationships*. Swedberg (red), *Explorations in Economic Sociology*. New York: Russell Sage Foundation. ss 3-41

Hernes, G. 1978. Makt, Blandingsøkonomi og Blandingsadministrasjon, i G. Hernes, *Forhandlingsøkonomi og Blandingsadministrasjon*. Universitetsforlaget, Oslo. ss 11-61

Hveem, H., Heum, P. og Ruud, A. 2002. Norske selskapers transnasjonalisering og demokratiet, i Østerud, Tranøy (red.) *ibid.* ss 334-373

Håkansson et al. 2009. *Analysing Business Interaction*, I Håkansson et al. *Business in Networks*. Wiley, UK. ss 27-45

Håkansson, H et al. 2009. *A Jungle or a Rainforest?*. ss 1-11

Haavelmo, T. 1981. Hva kan statiske likevektsmodeller fortelle oss?. Memo ved Økonomisk institutt, UiO. ss 138-145

Tranøy, B.S. 2002. Politikk i spekulasjonens tid, i Tranøy, Østerud (red.) *Mot et globalisert Norge*. ss 303-324

Weber, M. 1971. *Makt og Herredømme*. Gyldendal, Oslo. Kap 3 og 4, ss 71-105

Recommended reading

Course outline

- Market – functions
- Networks – basic concept
- Networks and influence
- Power – basic concept
- Power and influence
- Societal variation and societal changes based on markets and networks

Computer-based tools

Internet, various websites, selected podcasts.

Learning process and workload

The students must be prepared to present in class at least one of the assignments given in the course and to discuss it in class together with the other students.

Recommended use of hours:

Activity	Workload
Lectures	36
Work on assignments	18
Preparation of presentations in class	9
Read relevant newspapers, follow selected podcasts	36
Read the syllabus	101
Total recommended workload	200

Use of hours

36 hours – lecture

4 hours – assignment solutions presented by students

4 hours – supervise groups

1 hour – manage the learning process

45 hours in all

HOURS: 1. Classroom: 36. Local process: 8 3. Other: 1 Sum: 45

Coursework requirements

Examination

The course ends with a five-hour individual written examination.

Examination code(s)

ELE 3754 - Written exam which accounts for 100% of the final grade in the course ELE 3754 Market, Network and Power – 7.5 ECTS.

Examination support materials

No aids are allowed.

Re-sit examination

A re-sit examination is held in connection with the next scheduled course.

Additional information