

ANDREAS LANGENOHL 
Justus Liebig University Giessen, Germany
North-West University, South Africa

LEGACIES AND PROBLEMATICS OF MICROSOCIOLOGY IN THE SOCIAL STUDIES OF FINANCE

Abstract

Erving Goffman's work is often read as a quasi-anthropology of social interactions, disclosing the fundamental micro-processes of sociality. This paper argues that his work ought rather to caution sociologists against axiomatics regarding the micro-ontology of social order, and attempts to rescue from Goffman's work references to the vanishing and transformation of social order. An example of the relevance of this attempt is research in the social studies of finance (SSF), whose interactionist strand reconstructs financial processes in their quality of social order and normative micro-coordination. Yet precisely as these works, referring to Goffman and other analysts of social micro-processes, make financial markets legible for sociologists, a task arises for them: to represent not only the orderliness, but also the strains and transformations of the interaction order as envisaged by Goffman. Only this will enable SSF to analyze the translations of broader structural transformations in finance as they present themselves on the micro-level of financial interactions.

Keywords: Erving Goffman, interactionism, microsociology, social order, social studies of finance

INTRODUCTION¹

What does Erving Goffman have to do with the world of finance? His work, often referred to as a sociology of everyday life, covers economic issues only insofar as they appear as parts of everyday social settings, say, in consumption situations, such as in restaurants or shops. Financial issues and processes are very rarely mentioned by him, save for some considerations in *Interaction ritual* [1967: 170], where he categorized asset speculation as a practice of “practical gambles”, which according to him is characterized as a set of social situations in which actors find themselves confronted with chance developments that at the same time constitute high stakes for them. Mitchell Abolafia [1996], a pioneer of what was to become the interactionist branch of the social studies of finance (SSF), took this conception as a point of departure for interpreting financial traders’ practices as “hyper-rational gaming”, that is, as a subjective approach to financial risk that foregrounds risk-seeking attitudes as a precursor for active financial agency. 20 years later, in his monograph *Noise: Living and trading in financial markets*, Alex Preda [2017] highlighted a similar inspiration drawn from Goffman’s book, namely the reminder to “look for ‘where the action is’” and where “consequential chances are taken” in professional finance.

Yet, even given these prominent references, Goffman’s mentioning in passing of financial situations and social figures such as the speculator is not the main reason why Goffman is important for SSF. His work belongs to a set of micro-analytical approaches to social interactions and social coordination that are referred to in the interactionist branch of SSF, such as those of Edmund Husserl, George Herbert Mead, Alfred Schütz, Harold Garfinkel, and Jacques Lacan [see Abolafia 1996; Knorr Cetina, Bruegger 2000, 2002a, 2002b; Arnoldi 2006; Preda 2009, 2017; Langenohl 2021].² Authors in SSF refer to this body of micro-analytical social theory in order to demonstrate the fundamental social – in particular interactional – underpinnings of only seemingly exclusively financial issues. On this basis, they challenge economics and finance theory, which usually refer to economic and financial agency in the form of utilitarian and individualist agency models, such as rational choice theory. SSF is thus an attempt to wrest away the financial economy from finance theory, much like economic sociology tries to reclaim the economy at large for a sociological, as opposed to (neoclassical) economic, analysis [Beckert 1997, Fligstein 2002]. This paper discusses some

¹ I am very grateful for helpful and cooperative-minded suggestions by two anonymous reviewers.

² See for a summary characterization of this strand of SSF Langenohl [2018].

implications, including problematic ones, of that productivity of theories of social interaction and social coordination for the project of a sociological analysis of finance.

At the center of this paper are the following questions and interrogations: What are the consequences of deploying micro-analytical approaches to social interaction and coordination (among them Goffman's), usually held to uncover significant, general, and near-universal traits and features of social interaction, to a field of study like finance which is constantly undergoing significant changes? Is the problem perhaps that those theories of social interaction and coordination are *read* in SSF as articulating universals of sociality, while they might as well be read as theories of social change and transformation? What are the analytical risks of making financial markets legible for sociologists through their own analytical instruments, as SSF proposes to do and is quite successful at, if those instruments remain unhistoricized and thus inadvertently assume the quality of social ontologies? And how might a reading of Goffman help rectify this bias?

In order to tackle these questions, I will first describe the general ways in which SSF refers to theories of social interaction and coordination, among them Goffman's, in order to make sociological sense out of an only seemingly exclusively economic field of practice. Then, I will turn to what I perceive as those characteristics of Goffman's interactionism that lend themselves for an ontological reading. At the same time, it is necessary to complement this view on Goffman's work with another one which highlights moments of social instability, change, and transformation in that work. In conclusion, the paper makes a case for redefining the productivity of theories of social interaction and coordination for SSF into the direction of transformative impulses, and recommends Erving Goffman as a priority reference for that endeavor.

SSF'S INTERACTIONIST BRANCH: SOCIAL COORDINATION UNDER CONDITIONS OF MARKET DYNAMICS

SSF's interactionist branch is foundationally interested in an analytical reconstruction of the sociality of financial meaning, or put differently, of the social constitution of meaning in financial processes [Langenohl 2018]. Consequently, it displays a strong affinity with the sociology of knowledge out of which it has grown. Important studies in SSF come from researchers formerly engaged in science and technology studies (STS), or what was formerly known as the sociology of scientific knowledge [Woolgar 1988]. This applies exemplarily to Michel Callon [1998] and Karin Knorr Cetina [2007], whose earlier work

was dedicated to processes of the constitution of natural-scientific knowledge in contested political terrains and in laboratories [Callon 1986; Knorr Cetina 1991]. But STS's ambitions to redefine the sociology of knowledge as also applying to scienticized fields of practice informs SSF much more broadly. The important debate about the 'performativity' of economic theories and models in the institutionalization of financial markets is a case in point. In it, SSF scholars tried to demonstrate that those economic theories and models do not so much describe as enable financial practices such as pricing, the commensuration of financial securities of different classes, and the externalization of factors from economic calculation that cannot be quantified [Callon 1998; MacKenzie et al. 2007; MacKenzie 2008].

The interest of SSF authors in micro-analytical approaches to social interaction and coordination has to be seen in the light of this genealogy that connects SSF to STS, and more broadly to the sociology of knowledge. For it was interactionist approaches that established a connection between an analysis of social coordination with the question of the knowledge-related prerequisites of such coordination. In SSF, the intrinsic connection between micro-sociology and the sociology of knowledge plays itself out in the deliberate attention that many researchers pay to financial circulation understood as social coordination and meaning making. SSF's question is how it is possible to orient oneself and act in an at once fleeting and powerful field like financial markets. This will be illustrated by examples of some key contributions to the field.

As mentioned, Abolafia [1996] provided an important impetus to the field through his ethnographic approach to the agency of financial professionals [see also Knorr Cetina, Bruegger 2000, 2002a, 2002b; Miyazaki 2003]. Observing traders' everyday ways of relating to the market and of reflecting on their own practices, he could observe how financial subjectivity is not so much a precondition for financial agency but rather its result. Financial agency – in the sense of rational calculative utilitarianism usually presupposed by economic theory – is the effect of a process of the cultivation of the self as a rational and cold-blooded risk taker. Abolafia refers to Goffman's notion of "practical gamble" in order to underscore the specificity of the field of financial trade, namely, as an example of "a series of occupations that routinely elicit practical gambles. These include market and real estate speculators, test pilots, soldiers, and some criminal occupations." [1996: 230]. Citing Goffman, he characterizes practical gambles as "extraordinary niches in social life where activity is so markedly problematic and consequential that the participant is likely to orient himself to fatefulness prospectively." [Goffman 1967: 171, quoted in Abolafia 1996: 230] In other

words, for Abolafia, Goffman is a theorist of micro-social order under conditions of extreme orientation challenges, such as those to be found in financial trade.

SSF's interest in the emergence of micro-social order from the overtly fluid and volatile world of financial markets consolidated after Abolafia's contribution. The most consequential, and most outspokenly micro-sociological, studies were conducted notably in the field of financial trading (as opposed, for instance, to financial analysis). The point of these studies is to demonstrate how in the "flow world" [Knorr Cetina 2007] of financial markets it is possible for individuals to find anchoring points for agency. According to the seminal studies of Karin Knorr Cetina and Urs Bruegger [2000, 2002a, 2002b], foreign exchange traders, whom they observed in departments of investment banks, find such anchoring points through the minute observation of financial markets as they emerge on traders' screens [see also Arnoldi 2006, Preda 2017]. The authors use a series of theories of micro-coordination, from phenomenology (Alfred Schütz) and symbolic interactionism (George Herbert Mead) to psychoanalysis (Jacques Lacan) to demonstrate that traders develop a sense of financial agency through confronting themselves on a continuous basis with a market that never fully reveals itself to them. Depending on the theoretical choice, financial agency can thus be sociologically understood as a process of temporally coordinating perspectives and perceptions with the market (Schütz), of aligning one's actions with the 'significant other' that traders see in the market (Mead), or of subjectivizing oneself through a 'lack' that the market displays as it unfolds yet never fully reveals itself (Lacan). The gist of the argument is that even outbursts of subjective disorder – when traders cannot make sense of market movements, i.e., when they are losing money – unfold in a 'postsocial' synchronization between market movements and subjective motions [Laube 2017].

When we consider contemporary uses of Goffman in interactionist SSF, Alex Preda's work must be mentioned. In the 2017 monograph, he identifies as his key question, "What conditions and restrictions does the interaction order [a conceptual reference to Goffman 1983] place upon competitions (among traders in electronic markets), and what affordances does the interaction order provide to competitors and to their audiences, so that competition itself can take place?", and contextualizes that question with the emphasis that Goffman and Garfinkel place on the conception "that interactions place moral obligations upon participants" [Preda 2017: 94]. This articulates the foundational gesture of SSF's interactionist branch, namely, that processes usually held to be strictly economic ones, like competition, are enabled through genuinely social processes operating on the social micro-level. Earlier on, Preda applied this analytical perspective

to lay financial traders and how they relate to their online trading interfaces, referring to Goffman in order to make an argument that can be regarded as equally generalizable for SSF's interactionist branch: "A participant's actions, then, cannot be seen as the implementation of a strategy, but as a situational reaction to the previous action turn." [Preda 2009: 679]

Thus, one can conclude that the interactionist branch of SSF uses micro-sociology in order to find, and explain, social order even amidst the most tumultuous segment of a capitalist economy: financial trade. Such order is conceptualized neither as emanating from the institutional structures of financial markets (as Saskia Sassen [1991] had argued) nor from actors' preoccupation with rational utilitarianism, but, in correspondence with Erving Goffman's analytical program as well as other micro-analytical strands in sociological theory, as the always preliminary yet non-contingent effect of the financial situation. That situation is characterized by a strong interdependence of market movements and individual behavior so that social order emerges from the interstices of that interdependence where non-contingent patterns of coordination can be observed.

SOCIAL INTERACTION AND COORDINATION AS AXIOMATICS IN SSF

From the characterization just given of SSF's interactionist branch and how it refers to microsociology, it follows that those micro-analytical approaches are mobilized in order to support the claim that financial processes are fundamentally socially enabled and instituted. SSF thus confronts economics and finance theory with an alternative *ontology* of finance. Instead of basing the analysis on axiomatic assumptions that claim a utilitarian rationality for conceptions of market actors and market agency, as in economics and finance theory, SSF argues that finance constitutes itself fundamentally through the same social processes and interactional routines that can be observed in other areas of social coordination too, while at the same time these processes and routines are configured in context-specific ways. To come back to Abolafia's [1996] work referred to above, he argues with Goffman that financial actors are not per se rational but that they operate in a social environment that enables, and urges them to become financially rational: "They train to become more effective risk takers." [Abolafia 1996: 230] Their "local rationalities" cannot be axiomatically presupposed, but are strictly local ones, that is, ones that are specific to the field of financial trading [Abolafia 1996: 248].

Thus, the challenge to the axiomatics of economics and finance theory that SSF derives from micro-sociological approaches to social coordination is twofold.

First, the axiomatic gesture as such is refuted, as financial coordination is seen not as the consequence of a generalized assumption of rational utilitarian action but as an achievement that arises out of the interactional processes in finance. Second, the universalism implied in economic and financial axiomatics is questioned on the grounds that such achievements are seen as field-specific, not as mere manifestations and exemplars of a more general actor rationality. Accordingly, it is not surprising to see SSF at times dealing with its research objects almost like classical anthropologists dealing with their subject communities: financial analysts, traders, compliance officers, and portfolio managers are ethnographically described as quasi-tribes within financial organizations that fashion not a uniform but rather diverse rationalities [see e.g. Wansleben 2013].

However, it is my suggestion that in this double rejection of the economic and financial axiomatics of financial coordination, another axiomatics is ushered in. This is the axiomatics of locating the reproduction of social order not on the macro-level, but on the micro-level, that is, in social interactions. In this respect, the interactionist branch of SSF suggests a situationist approach: It analyzes social order as being performed and upheld by the constituents of social situations. In the area of the financial economy, this constituency includes not only humans but also technology, as the influential analyses of how traders refer to ‘the market’ via their screens impressively demonstrate.

This tendency can be demonstrated precisely where SSF argue for necessary changes to classical sociological interactionism in order to grasp the global dimension of financial markets. Referring to Goffman, Knorr Cetina [2009] argues that his definition of a social situation as deriving from a “‘body-to-body starting point’” [Knorr Cetina 2009: 62, quoting from Goffman 1983: 2] requires a rearticulation, to the effect that in financial encounters, like in other encounters enabled through distance media, the physical co-presence of actors is no longer necessary.

A central question I wish to ask is how we rethink Goffmanian and other interactional assumptions to deal with situations that are genuinely global in scope and yet appear not well served by the existing world system and global institutional paradigms. [Knorr Cetina 2009: 62]

However, precisely through this claim that situations can no longer be exclusively seen as pinned to a certain place, the overall situationist approach of interactionist SSF is reproduced, even strengthened. After all, that argument makes it possible to conceive of translocality and globality as situational processes, as in Knorr Cetina and Bruegger’s [2002] argument of “‘global microstructures’”. While the place-boundedness of social situations is abandoned, its micro-analytically

situated sequential order, crucially modulated by technology, becomes all the more crucial. What results is a vision of social order *as such* as increasingly based on situational processes and their order-making capacities even beyond classical social situations.

I contend that this tendency to valorize a situational approach to social order that can be found in interactionist SSF tends to reproduce an approach to the micro-analysis of financial markets that fundamentally underwrites the notion of order, as opposed to change and transformation. True, as mentioned before, many empirical studies in interactionist SSF pinpoint processes of financial turmoil, hectic trading dynamics, extraordinary stress, and even the sense of physical assault among traders when they are losing money. However, they analyze these dynamics as being socially constituted on the micro-level through the participants themselves, who “feel that they need to be where the action is” [Preda 2017: 127] – that is, to expose themselves to moments where financial opportunity sides with risk and uncertainty. In other words, ‘the action’ is part of the game whose rules are known. My question to this situationist approach is how the ‘interaction order’ can be analytically opened to include societal contingency, transformation and crisis beyond situational chance, yet without reducing the interaction order to a mere manifestation of societal transformation.

In order to articulate this question more clearly, I want to discuss, by utilizing the example of Goffman, how certain aspects of sociological interactionism may actually lend themselves to a static notion of micro-social order, while other aspects might contradict this view, instead highlighting irritation, change, and societal transformation. This involves distinguishing between two classes of conceptual elements in Goffman’s analyses that are actually tightly interwoven. The exercise will help depict more clearly current key analytical challenges for the interactionist branch of SSF.

ERVING GOFFMAN, AN UNRELIABLE NARRATOR OF SOCIAL ORDER

To what extent can Goffman’s work be held responsible for a certain statism in sociological micro-analysis? First, throughout his fine-grained analyses of interactional processes, Goffman portrays agency as an instrumental focus on potential difficulties that one’s own and others’ face-work might get into. Actors have an interest in supporting others in keeping face because they know that they in turn depend on those others for their own face-work [Goffman 1967: 5–45; see also Goffman 1959, 1961]. This portraying of social order as emerging from

the mutually reflexive support of face-keeping tilts toward an idea of a social equilibrium. It shares with neoclassical understandings of market equilibrium crucial aspects such as the understanding of individual motivation as instrumental drive and of order as being the effect of interdependencies, mainly adding to it the conceptual element that actors actually take those interdependencies into account, which overall results in “an ‘egocentric’ model of social interaction” [Posner 1978: 70]. However, even that notion of expected expectations as key parameters of action orientation, which explains “man’s attempt to present himself in a favorable light in that man... has a vested interest in social relations and interaction” [Posner 1978: 70], is conceptually close to models of agency in economics, especially in behavioral finance [cf. Froot et al. 1992]. In other words, Goffman’s model of social coordination through reflexive interdependencies is close to economic theory’s models of agency, and shares with the latter the weak side of hardly being able to account for the development of dynamics, which figure almost exclusively as individual aberrations from social norms.

Second, especially in his earlier work, Goffman entertains a notion of laws of the social that he, in accordance with Chicago school theorists like Robert Park [1923], terms “natural history”. In *Stigma* [Goffman 1963: 44], the notion of natural history serves to convey an understanding of a stigmatized person’s career through society in which he or she will be inevitably confronted with difficulties to keep face, to control information about him- or herself, and to sovereignly interact with others. Although Goffman’s investigation into “spoiled identity” [Goffman 1963: 1] is clearly reflective of the historical circumscription of stigmatizing processes, his descriptions and analyses can be interpreted as carrying a sense of the inevitability of stigmatization as a necessary side effect of social order.

Third, Goffman analytically separates interaction orders from other devices of societal structuration. In his presidential address to the American Sociological Association published posthumously [Goffman 1983] that aimed at laying the grounds for an analysis of “interaction orders”, Goffman argued that such orders are only loosely coupled to social classifications that define the macro-structures of societies, such as race or class. The character of interaction orders *as* orders becomes sociologically visible and definable by dint of an analysis of their situational irritations and the ways that participants respond to these, not through an analysis of the ways that social classification structures a society’s population into relatively stable segments. In other words, the notion of order is derived from a certain resilience against situational irritations and disturbances, not from an analysis of the stableness of social classifications. This gives Goffman’s notion

of “interaction order” a self-consolidating, almost tautological twist, as that order is defined as a situation’s capacity to neutralize aberrations and irritations, with the effect that any ‘successful’ – that is, ordinary or at least expectedly non-ordinary – situation can be interpreted as an evidence of the presence of order.³

The affinity of Goffman’s work to the underscoring of social order on the level of interactional dynamics can thus be summarily characterized as follows. Individuals enter into social situations with a self-centered attitude toward their own and others’ face-keeping, effectively producing a social equilibrium in which, as a rule, all involved actors have an interest in keeping the situation an ordinary one. To this functional end, they are equipped with mostly implicit knowledge about how to present themselves, how to support others in their self-presentation, and what to do in cases of situational occurrences that threaten the mutually consolidating practices of face-keeping. Even in situations like ‘practical gambles’ (‘where the action is’), where individuals find themselves exposed to situational dynamics beyond their control or even beyond the possibility of successful interdependent social coordination, they cultivate attitudes that functionally match the high stakes character and the potential volatility of the situation, for instance, through fashioning themselves as ‘players’. Given these proclivities in Goffman’s notion of “interaction order” to conceptualize order as something that regularly emerges from interactions, even against the odds, it is understandable that they are attractive for interactionist SSF’s program to reinterpret the financial economy, amidst its volatile dynamics and opaqueness, as an instance of how social order reigns into seemingly purely economic affairs (even as Goffman’s tendency to conceive of individuals as face-calculative agents runs against the grain of SSF’s refutation of rational actor theories).

Nevertheless, Goffman may also be read as an analyst of social orders in change. Although he makes it clear that the “interaction order” is of a different ontological quality than other aspects of social and societal order, we find in this lecture some hints regarding the possibility of social and societal change. This particularly concerns Goffman’s argument that “our experience of the world has a confrontational character.” [Goffman 1983: 4] By this he refers to an underlying conviction that individuals may experience social situations as threats to themselves simply because it is in such situations where individuals enter into direct mutual reach, which crucially includes the possibility of transgression and violence – a feature of social situations that he contrasts with their “necessity”

³ Ethnomethodology has self-consciously transformed this near-tautology into the axiomatic statement of ‘Order at all points’ in an interaction.

[Goffman 1983: 3] regarding social coordination. I wish to show that it is these non-functional aspects of social situations, where individuals experience tension and stress in the face of one another, from where it becomes possible to conceptualize social change within the conceptual perspective of sociological interactionism.

To substantiate this argument, let me revisit a debate about Goffman's later works that unfolded in the 1970s. For most of the time, Goffman, although his books were widely read and publicly debated, was a marginal person for the sociological profession in the U.S. Judith Posner [1978] linked the sociological disinclination to engage with his work with a conservatism that sociologists tended to see in his work, that is, the tendency to reproduce normative patterns through ostentatiously 'mere' observation and description. However, Posner contended that this reproach also revealed the deeper unease that Goffman's all-too-realistic depictions of U.S. social reality *as* conservative caused in some of his colleagues: "If things stay the same, and if Goffman's descriptions are correct, it is because *we* chose to maintain the *status quo*." [Posner 1978: 76] For her, the crucial question was thus how one read Goffman – as a symptom of his society, in which case he would be susceptible to his colleagues' critique of contemporary U.S. society, or as an analytical mirror of this society, in which case he might reveal even more troubling news about that society.

What was it in Goffman's work that sociologists got worried about in particular? In a review of the two monographs *Strategic interaction* [1969] and *Relations in public* [1971], Alan Dawe [1973] noted his impression that these two books drew a picture of contemporary U.S. society as an "underworld". Unlike earlier studies, which, according to Dawe, revealed a rather ironic or even amused attitude of the author to micro-social reality, the two newer books appeared to him as deadly serious. They were concerned with individuals in high stakes interactions with other participants with much to lose in them, or with individuals being confronted by others' intrusions into their everyday positions. "The controlling image is no longer that of the social gamesman and his victim. It is that of predator and prey. [...] In moving through the crowd, the danger now is not of mere collisions, but of the quick, unobserved plunge of the knife in the kidneys." [Dawe 1973: 314] For Dawe, Goffman's new tone reflected changes going on in American society, which became increasingly alienated from any positive notion of the public. A similar conclusion was drawn by Richard Sennett [1973], who criticized Goffman's allegedly overly rigid and inflexible concept of social role as mere execution of scripts, and linked this to the deterioration of the public sphere as a space of social experimentation in U.S. cities. Already taking issue

with an earlier contribution of Goffman's, namely, the concept of dramaturgic action, Alvin Gouldner [1970] blamed him for uncritically reproducing moral deteriorations in U.S. society, namely, the demise of any adherence to substantial collective values and their replacement with impression management with the sole aim of increasing one's own social exchange value.

Looking at the texts in question – in particular, *Strategic interaction* [1969] and *Relations in public* [1971] – one might indeed arrive at the conclusion that Goffman's utilitarian individuals become both more reflectively utilitarian, more instrumental, and more anxious regarding other participants in interactions. In *Strategic interaction*, Goffman presents a distinct type of interaction that he characterizes as 'games' in which participants have incentives to manage their impression so as to manipulate other participants. He uses material from "popular literature on intelligence and espionage" [Goffman 1969: 4] in order to detail the interactional specifics of situations characterized by the role of an information seeker and of an informant. Also, he draws on the register of game theory [Goffman 1969: ix–x], whose defining characteristic is the modelling of social interdependencies in the absence of the possibility to directly communicate or to trust in direct communication [see Amadae 2015]. This approach was mirrored by Dawe [1973: 314] as follows: "In Goffman's world now, acting normal itself becomes a ground for suspicion that something is up." *Relations in public*, in turn, is characterized by an interest in individuals' responses to 'transgressions' of their 'territories' by social intruders, effectively rendering social interactions as a contested terrain by definition. Again, Dawe: "When your home can be bugged, you can no longer trust it as your «informational preserve»." [Dawe 1973: 315]

However, one may also read these texts as instances of a growing interest in the "confrontational character" that Goffman [1983: 4], in his last public lecture, argued was characteristic for the experience of social interactions by their participants. In this regard, Laurie Taylor [1968] noted early on, before the publishing of the most controversial monographs *Strategic interaction* and *Relations in public*, that already with *Interaction ritual* [1967], the world that Goffman described turned more into a "frightening place": "What started out as an extended commentary upon the mannerisms of individuals in social interaction has become, over the years, a disturbing vision of humanity." [Taylor 1968: 244] One might even argue that the world Goffman represented in his writing had been a "frightening place" all along, at least for those, for instance, who were regarded as stigmatized by society or who had to fear that their stigma might be revealed. What, in other words, made that place so frightening was the absence of a functional match between individuals' perceptions of self and the situations and

interactions they were confronted with. Seen from that angle, the utilitarianism one might criticize in Goffman ought to be seen not as a universal social ontology but as constitutive part of a critical social diagnosis, that is, as an attitude that individuals are forced into through interactions.

According to this reading, the conceptual architecture of Goffman's work (especially his later work), like the calculating individual, was not so much merely symptomatic of developments in social reality, as the critics referred to above implied (thus contributing to the stereotype that Goffman's work was merely descriptive and atheoretical). Instead, they fleshed out certain aspects of those developments at the level of sociological conceptualization. This does not necessarily mean that Goffman morphed from an analyst of "social order" into one of "public disorder", as Dawe [1973: 315] presumed. But it might mean that, for Goffman, the mismatch between individual and society, early on theorized by Emile Durkheim, became more important in the course of his work, while having been present in it all along [see Burns 1992: 25 on how Goffman drew inspiration from Durkheim]. And like in Durkheim, from this mismatch there arises the possibility to question static notions of social order and to conceptualize social change.

BEYOND THE INTERACTIONAL ORDER: A GOFFMANIAN VIEW ON THE FINANCIAL ECONOMY IN CHANGE

So what *does* Erving Goffman have to do with the world of finance? Seminal pieces of SSF argue that financial orders and social orders are co-constitutive. MacKenzie and Millo [2003] have famously detailed how the emergence of a spot market for futures at the Chicago exchange was brought about by financial peers agreeing to engage in mutual trading in order to produce liquidity that would then attract further trade. The initial scene, however, was one of genuinely social coordination, notably, persuasion. Since then, SSF has demonstrated on many occasions that financial markets hinge on social coordination as theorized by Goffman, such as interactional insider-outsider relationships, the stylization of appropriate financial faces, or the calibration of relationships between groups and their audiences. In a later piece, however, MacKenzie and Pardo-Guerra [2014] argued that the financial economy, described as constituted through micro-social orders, was no longer apparent. This applied, in particular, to the rise of automated trading processes, which contributed to a fragmentation of U.S. financial markets along the lines of different markets that would, in turn, compete with each other – a diagnosis that is, as it were, performatively opposed to the SSF notion that

the financial economy is based on a social order that is *not* competition in the economic sense.

There are more instances that render SSF's reliance on micro-sociological approaches to explain financial dynamics questionable. The acceleration in the development of digital technologies impacts financial markets in terms of making them much more opaque even to financial professionals. This applies, for instance, to algorithmic trading and high frequency trading, which is an almost fully automated array of financial practices overseen mostly not by financial professionals but by physicists, mathematicians, information scientists, and other professions specializing in the development of software code. The more or less smooth interlocking of human and non-human financial agency in markets, theorized by Knorr Cetina and others, thus seems to be increasingly compromised. Any account that restricted the role of technology to a quasi-Goffmanian scene of "face-to-screen situation" [Knorr Cetina, Bruegger 2002b: 923] would dramatically miss out on these developments in which 'the action' is performed almost exclusively on an invisible and incomprehensible back stage. Perhaps even more fundamentally, recent political-economic developments and crises – especially the much more active role of central banks [see for a reconstruction Braun 2020] – are prone to destabilize interactionist SSF's confidence in the self-regulating, now much discredited capacity of financial markets that SSF, precisely through their insistence on the microsocal constitution of markets, had unwittingly affirmed.

Thus, technological innovations and political-economic developments in tandem render SSF's interactionist strand increasingly precarious. It is not accidental that prominent representatives of SSF, such as Leon Wansleben [2013, 2022], in their monographs broaden out their research horizon from a micro-analytical take on the work of different professional groups in bank departments to a historical analysis of the shift in macro-institutional financial arrangements. The question is thus how SSF can, or indeed ought to, still make recourse to micro-analysis given these significant changes on the political-economic macro-level and the increasing role of black-boxed calculative routines that operate apart from any visible stage.

One obvious answer is that processes of financial micro-coordination have not become less important or constitutively relevant in the meantime. Increasing numbers of lay investors trade on the markets via trading platforms, and furthermore, the advent of 'decentralized finance' [see Caliskan 2020] – most prominently, blockchain-based cryptocurrencies – is ushering in a dynamics in which the traditional institutions enabling the financial economy – such as central banks, stock exchanges, and regulatory authorities – are becoming replaced

by modalities of coordination whose ‘peer to peer’ approach promises to shift the problem of social order entirely to the micro-level [Langenohl 2022]. Still, these empirical developments do not per se actualize the conceptual potential of interactionist SSF to account for societal, rather than just social, phenomena. I want to close this paper with the argument that that potential might be rescued via Goffman’s argument that the structural components of society at large follow a different logic than those of the social situation: “A translation is required, then, from structural to interactional terms, even while the key to the sociological method, the focus on rules and normative understandings, is retained.” [Goffman 1967: 144] And while Goffman envisaged that ‘translation’ as one within sociological theory, I would argue that it is also required within the design of micro-analytical work in SSF.

At the end of “The interaction order”, Goffman [1983] introduces the example of everyday service transactions in order to argue that the micro-dynamics of these interactions modulate, and to a certain degree neutralize, general markers of social status, which Goffman identifies as “age-grade, gender, class, and race” [Goffman 1983: 14]:

Externally based attributes are in fact given routine, systematic ‘recognition,’ and various local determinisms apart from first come first served are systematically disattended. ‘Equal’ treatment, then, in no way is sustained by what in fact goes on—officially or unofficially—during service transactions. What can be sustained and routinely is sustained is the blocking of certain externally based influences at certain structural points in the service forework [sic]. Out of this we generate a sense that equal treatment prevails. [Goffman 1983: 16].

Goffman’s analysis of service transactions implies that the “sense that equal treatment prevails” may not necessarily be based on factual equal treatment (as an example, he mentions “priority courtesy” in service queues), and that “[a] sense of equal treatment in such cases speaks not to the determinants of priority that are employed but to those that are explicitly excluded” [Goffman 1983: 16]. Concerning interactionist SSF, we might thus ask what kind of exclusions are necessary in order to constitute finance on the micro-level and imbue it with a sense of normalcy (including expected uncertainty and ‘action’). Also, to analyze finance as constituted through social micro-processes would imply an analysis of how “certain externally based influences” that are located at another social-analytical level – such as political economic or technological developments – become referenced, blocked, or taken up in situational dynamics.

In short, Erving Goffman reminds interactionist approaches that social situations are related to what goes on beyond them. Social situations become stabilized and legible for their participants through a work of boundary-drawing – but

what is beyond the situational boundary can be depicted at least indirectly in the ways that the boundaries are being drawn. This, then, would be the proposal to interactionist social studies of finance: to reconstruct the transformative dynamics in finance from the ways that financial situations perform the exclusions, deferrals and displacements that constitute them.

BIBLIOGRAPHY

- Abolafia Mitchell Y.** 1996. "Hyper-rational gaming". *Journal of Contemporary Ethnography* 25: 226–250.
- Amadae S.M.**, 2015. *Prisoners of reason: Game theory and neoliberal political economy*. Cambridge: Cambridge University Press.
- Amoore Louise.** 2020. *Cloud ethics: Algorithms and the attributes of ourselves and others*. Durham/London: Duke University Press.
- Arnoldi Jakob.** 2006. "Frames and screens: The reduction of uncertainty in electronic derivatives trading". *Economy and Society* 35(3): 381–399.
- Beckert Jens.** 1997. *Grenzen des Marktes. Die sozialen Grundlagen wirtschaftlicher Effizienz*. Frankfurt a.M./New York: Campus.
- Braun Benjamin.** 2020. "Central banking and the infrastructural power of finance: The case of ECB support for repo and securitization markets". *Socio-Economic Review* 18(2): 395–418. <https://doi.org/10.1093/ser/mwy008>.
- Burns Tom.** 1992. *Erving Goffman*. London/New York: Routledge.
- Caliskan Koray.** 2020. "Platform works as stack economization: Cryptocurrency markets and exchanges in perspective". *Sociologica* 14(3): 115–142. <https://doi.org/10.6092/issn.1971-8853/11746>.
- Callon Michel.** 1986. Some elements of a sociology of translation: Domestication of the scallops and the fishermen of St Brieuc Bay. In: *Power, action and belief: A new sociology of knowledge?* Sociological Review Monograph 32, J. Law (ed.), 196–233: London/Boston/Henley: Routledge & Kegan Paul.
- Callon Michel.** 1998. An essay on framing and overflowing. In: *The laws of the market*, M. Callon (ed.), 244–269. Oxford: Blackwell.
- Dawe Alan.** 2000 [1973]. The underworld-view of Erving Goffman. In: *Erving Goffman*, G.A. Fine, G.W.H. Smith (eds.), 312–319, Volume 1. London, Thousand Oaks, New Delhi: Sage.
- Fligstein Neil.** 2002. Agreements, disagreements, and opportunities in the "new sociology of markets". In: *The new economic sociology: Developments in an emerging field*, M.F. Guillén, R. Collins, P. England, M. Meyer (eds.), 61–78. New York: Russell Sage Foundation.
- Froot Kenneth A., David S. Scharfstein, Jeremy C. Stein.** 1992. "Herd on the street: Informational inefficiencies in a market with short-term speculation". *The Journal of Finance* 47(4): 1461–1484.
- Garfinkel Harold.** 1967. *Studies in ethnomethodology*. Englewood Cliffs: Prentice-Hall.
- Goffman Erving.** 1959. *The presentation of self in everyday life*. Garden City, New York: Anchor.
- Goffman Erving.** 1961. *Encounters: Two studies in the sociology of interaction*. London: Allan Lane / Penguin Press.

- Goffman Erving.** 1963. *Stigma: Notes on the management of spoiled identity*. London: Penguin.
- Goffman Erving.** 1967. *Interaction ritual. Essays in face-to-face behavior*. Chicago: Aldine.
- Goffman Erving.** 1969. *Strategic interaction*. Philadelphia: University of Pennsylvania Press.
- Goffman Erving.** 1971. *Relations in public*. New York: Basic Books.
- Goffman Erving.** 1983. "The interaction order: American Sociological Association, 1982 Presidential Address". *American Sociological Review* 48(1): 1–17.
- Gouldner Alvin.** 2000 [1970]. Other symptoms of the crisis: Goffman's dramaturgy and other new theories. In: *Erving Goffman, G.A. Fine, G.W.H. Smith (eds.), 245–255, Volume 1*. London, Thousand Oaks, New Delhi: Sage.
- Knorr Cetina Karin, Urs Bruegger.** 2000. "The market as an object of attachment: Exploring postsocial relations in financial markets". *Canadian Journal of Sociology* 25(2): 141–168. <https://doi.org/10.2307/3341821>.
- Knorr Cetina Karin, Urs Bruegger.** 2002a. "Traders' engagement with markets: A postsocial relationship". *Theory, Culture & Society* 19(5/6): 161–185. <https://doi.org/10.1177/026327602761899200>.
- Knorr Cetina Karin, Urs Brügger.** 2002b. "Global microstructures: The virtual societies of financial markets". *American Journal of Sociology* 107(4): 905–950. <https://dx.doi.org/10.1086/341045>.
- Knorr Cetina Karin.** 1991. *Epistemic cultures: How the sciences make knowledge*. Cambridge, Mass.: Harvard University Press.
- Knorr Cetina Karin.** 2007. "Economic sociology and the sociology of finance". *Economic Sociology: The European Economic Newsletter* 8(3): 4–10.
- Knorr Cetina Karin.** 2009. "The synthetic situation: Interactionism for a global world". *Symbolic Interaction* 32(1): 61–87. <https://doi.org/10.1525/si.2009.32.1.61>.
- Langenohl Andreas.** 2018. Financial markets as interpretive economies: An overview of the meaning of financialized money. In: *Screening economies: Money matters and the ethics of representation*, D. Cuonz, J. Metelmann, S. Loren (eds.), 125–140. Bielefeld: transcript.
- Langenohl Andreas.** 2021. "Algorithmic reflexivity: The constitution of socio-technical accountability in financial pricing". *Historical Social Research* 46(2): 106–125. DOI: <https://doi.org/10.12759/hsr.46.2021.2.106-125>.
- Langenohl Andreas.** 2022. "Making uncertainty operable: Social coordination through game theory in decentralized finance". *Journal of Cultural Economy* (online first). <https://doi.org/10.1080/17530350.2022.2085146>.
- Laube Stefan.** 2017. "«Dax! Der Dax! Hooooi!» Zur praxeologischen Fundierung finanzkapitalistischer Dynamik". *Mittelweg* 36 26(1) special issue: 66–80.
- MacKenzie Donald, Millo Yuval.** 2003. "Constructing a market, performing theory: The historical sociology of a financial derivatives exchange". *American Journal of Sociology* 109(1): 107–145. <https://doi.org/10.1086/374404>.
- MacKenzie Donald, Fabian Muniesa, Luca Siu.** eds. 2007. *Do economists make markets? On the performativity of economics*. Princeton: Princeton University Press.
- MacKenzie Donald.** 2008. *An engine, not a camera: How financial models shape markets*. Boston: MIT Press.
- MacKenzie Donald, Juan Pablo Pardo-Guerra.** 2014. The politics of fragmentation: Liberalism, market equality, and the technological re-configuration of American finance. Trabalho apresentado na conferência da Society for the Advancement of Socio-Economics.

- Miyazaki Hirokazu.** 2003. "The temporalities of the market". *American Anthropologist* 105(2): 255–265. <https://doi.org/10.1525/aa.2003.105.2.255>.
- Park Robert E.** 1923. "The natural history of the newspaper". *American Journal of Sociology* 29(3): 273–289.
- Posner Judith.** 1978. "Erving Goffman: His presentation of self." *Philosophy of the Social Sciences* 8(1): 67–78.
- Preda Alex.** 2009. "Brief encounters: Calculation and the interaction order of anonymous electronic markets". *Accounting, Organizations and Society* 34: 675–693. <https://doi.org/10.1016/j.aos.2008.06.005>.
- Preda Alex.** 2017. *Noise: Living and trading in electronic markets*. Chicago/London: University of Chicago Press.
- Sassen Saskia.** 1991. *The global city: New York, London, Tokyo*. Princeton: Princeton University Press.
- Sennett Richard.** 2000 [1973]. Two on the aisle. In: *Erving Goffman*, G.A. Fine, G.W.H. Smith (eds.), 320–328. Volume 1. London, Thousand Oaks, New Delhi: Sage.
- Taylor Laurie.** 2000 [1968]. *Erving Goffman*. In: *Erving Goffman*, G.A. Fine, G.W.H. Smith (eds.), 239–244, Volume 1. London, Thousand Oaks, New Delhi: Sage.
- Wansleben Leon.** 2013. *Cultures of expertise in global currency markets*. London/New York: Routledge.
- Wansleben Leon.** 2022. *The rise of central banks: State power in financial capitalism*. Cambridge, Mass.: Harvard University Press.
- Woolgar Steve.** ed. 1988. *Knowledge and reflexivity: New frontiers in the sociology of knowledge*. London: Sage.

Andreas Langenohl

DZIEDZICTWO I PROBLEMATYKA MIKROSOCJOLOGII W SPOŁECZNYCH BADANIACH FINANSÓW (SSF)

Abstrakt

Prace Ervinga Goffmana są często odczytywane jako quasi-antropologia interakcji społecznych, ujawniająca fundamentalne mikroprocesy w ramach społecznych relacji. Niniejszy artykuł argumentuje, że prace Goffmana powinny raczej przestrzegać socjologów przed aksjomatami dotyczącymi mikroontologii ładu społecznego i próbuje ocenić z dzieł Goffmana odniesienia do kwestii zanikania i transformacji ładu społecznego. Przykładem trafności tej próby są badania w ramach społecznych studiów finansów (SSF), których interakcjonistyczny nurt rekonstruuje procesy finansowe w aspekcie ładu społecznego i normatywnej mikroordynacji. Jednak właśnie dlatego, że dzięki tym pracom, odwołującym się do Goffmana i innych analityków mikroprocesów społecznych, rynki finansowe stają się czytelne dla socjologów, pojawia się dla nich zadanie: przedstawić nie tylko uporządkowanie, ale także napięcia i przekształcenia porządku interakcyjnego w rozumieniu Goffmana. Tylko to pozwoli SSF analizować translację szerszych przemian strukturalnych w dziedzinie finansów w ich uwidocznieniu na poziomie mikro-interakcji finansowych.

Słowa kluczowe: Erving Goffman, interakcjonizm, mikrosocjologia, porządek społeczny, społeczne studia nad finansami