UNIT 3: FUNCTIONALIST APPROACH TO ECONOMIC SOCIOLOGY

UNIT STRUCTURE

3.1 Learning Objectives
3.2 Introduction
3.3 Economic Sociology
3.4 Functionalist Approach to Economic Sociology
3.4.1 Definition
3.4.2 Background
3.4.3 Criticisms
3.5 Let Us Sum Up
3.6 Further Reading
3.7 Answers to Check your Progress
3.8 Model Questions

3.1LEARNING OBJECTIVES

After going through this unit, you will be able to -

- understand the concept of functionalist approach in sociology,
- know about Economic Sociology
- know about the significance of the social system

3.2 INTRODUCTION

By now, we have learned that there are different approaches in sociology to understand the society. Some of the approaches are Structural approach, Functional approach, Marxist approach, Interactionist approach to deal and understand different dimensions of the society and its aspects. Some of the major thinkers of Functionalist approach are R. K. Merton, Emile Durkheim, Herbert Spencer, and Talcott Parsons. In this unit, emphasis will be laid on the functionalist approach to understand society.

3.3 ECONOMIC SOCIOLOGY

Economic sociology is an attempt by sociologists to redefine in sociological terms questions traditionally addressed by economists. It is thus also an answer to attempts by economists to bring economic approaches to the analysis of social situations that are not obviously related to production or trade.

In simple words, Economic sociology can be defined as the study of the social dynamics of cause and effect of various economic phenomena in a society. The specific term "economic sociology" was first coined by William Stanley Jevons in 1879, which was later used in the works of scholars like Emile Durkheim, Max Weber, Georg Simmel, amongst others. There are two types of economic sociology:

- Classical Economic Sociology: Economic sociology arose as a new approach to the analysis of economic phenomena; emphasizing particularly the role economic structures and institutions play upon society, and the influence a society holds over the nature of economic structures and institutions.
- Contemporary Economic Sociology: Contemporary economic sociology focuses particularly on the social consequences of economic exchanges, the social meanings they involve and the social interactions they facilitate or obstruct.

3.4 FUNCTIONALIST APPROACH TO ECONOMIC SOCIOLOGY

3.4.1 Definition

The functionalist approach perceives the society as a complex system whose different constituent parts work together to promote unity and stability in the system. This approach looks at society through a macro-level orientation and broadly focuses on the social structures that shape society as a whole. The functionalist perspective attempts to explain social institutions as collective means to meet individual and social needs. It is

sometimes called structural-functionalism because it often focuses on the ways social structures (e.g., social institutions) meet social needs. Functionalism interprets each part of society in terms of how it contributes to the stability of the whole society. Society is more than the sum of its parts; rather, each part of society is functional for the stability of the whole. Scholars like Herbert Spencer, Emile Durkheim actually envisioned society as an organism, and just like within an organism, each component plays a necessary part, but none can function alone, and if one experiences a crisis or fails, other parts must adapt to fill the void in some way.

3.4.2. Background

Functionalism is the oldest and still the dominant theoretical perspective in sociology and other social sciences. In functionalist approach, a social phenomenon is analyzed in terms of its functions towards maintaining the social unity. Functionalism as a theoretical perspective has drawn heavily from the biological theories and functioning of human bodies. This perspective is built upon twin emphases: application of the scientific method to the objective social world and use of an analogy between the individual organism and society. The functioning of a human body is analyzed in terms of the functioning of the various human organs in relation to each other as well as the organism as a whole. Functionalism adopts a similar perspective. It is considered that the society is made up of various parts and the various parts of the society are seen to be interrelated and taken together, they form a complete system. Like biologists, the functionalists analyze any part of the society, such as family or religion etc. in terms of its contribution to the maintenance of the whole system. Thus, according to functionalist perspective society is regarded as a system, which is made up of interrelated or interconnected parts and each part has a function to fulfill for the maintenance of the whole system (Turner 1987).

Functionalism begins with the pretext that the human behaviors in a society are structured. The relationships between the members of the society are organized in terms of rules. Social relationships therefore are patterned and recurrent, which form the basis of the social structure. The structure of

the society is viewed as the sum total of the social relationships that are governed by norms. The various institutions of the society such as the family, religion, economy, educational and political systems etc. are the various aspects of the social structure. Thus, the institution can be seen as a structure made up of interconnected roles or interrelated norms. As said earlier, like biologists, the basic consideration of the functionalists is with regard the functioning of the various parts of the social structure. This involves an examination of the relationship between the different parts of the structure and their relationship to the society as a whole or the function of that part to the maintenance of the whole system. Thus, in practice, function means the contribution an institution makes to the maintenance and survival of the whole system. Like, for instance, the function of the family is socialization of the new members of the society. This analogy between society and an organism focuses attention on the homeostatic nature of social systems: social systems work to maintain equilibrium and to return to it after external shocks disturb the balance among social institutions. According to them societies have some basic requirements or needs, known as functional prerequisites, which have to be met for the survival and maintaining the equilibrium of the social system. A primary concern of functionalist is the survival of the social system and they assume that a minimal degree of integration between its parts and certain degree of order and stability is essential for its survival. The major concern of the functionalists thus, is to explain the origin and the maintenance of stability of the social system. Functionalism draws its inspiration from the ideas of Emile Durkheim. Durkheim was concerned with the question of how societies maintain internal stability and survive over time. He sought to explain social stability through the concept of solidarity, and differentiated between the mechanical solidarity of primitive societies and the organic solidarity of complex modern societies. According to Durkheim, more primitive or traditional societies were held together by mechanical solidarity; members of society lived in relatively small and undifferentiated groups, where they shared strong family ties and performed similar daily tasks. Such societies were held together by shared

values and common symbols. By contrast, he observed that, in modern societies, traditional family bonds are weaker; modern societies also exhibit a complex division of labour, where members perform very different daily tasks. Durkheim argued that modern industrial society would destroy the traditional mechanical solidarity that held primitive societies together. Modern societies however, do not fall apart. Instead, modern societies rely on organic solidarity; because of the extensive division of labour, members of society are forced to interact and exchange with one another to provide the things they need.

Durkheimian Functionalism: The stream of functionalism that Durkheim developed is known as structural functionalism. He is one of the founders of structural functionalism. Whereas in functionalism the social structures are studied in terms of its functions for fulfilling the biological or individual needs, in structural functionalism the functions of social structures for maintaining the social unity is concentrated more. For Durkheim society is an entity in itself (sui-genris), which consists of several constituent parts. Durkheim rejected reductionist arguments. He argued the society has its own identity different from its constituent parts. His focus was on studying the functions of social facts, social structures, cultural norms, and values, all of which he argued are external to the individual (Kenneth 1982).

Durkheim was more concerned about the social solidarity or cohesion and how a social unit holds its members together. Durkheim stressed the importance of studying social phenomena as they function to maintain the solidarity of social structures (Broce, 1973). He used concepts such as organic solidarity and collective conscience to address this question. Society must be studied by studying social facts, which are parts of the shared awareness in a society. He tried to explain the apparent stability and, internal cohesion of societies, which are necessary to ensure its continued existence over time. Societies are seen as coherent, bounded and fundamentally relational constructs, who function like organisms, with their various parts (social institutions) working together to maintain and reproduce them. The various parts of society are assumed to work in an

unconscious, quasi-automatic fashion towards the maintenance of the overall social equilibrium. All social and cultural phenomena are therefore seen as being functional in the sense of working together to achieve this state and are effectively deemed to have a "life" of their own. They are then primarily analyzed in terms of this function they play. Individuals are significant not in and of themselves but in terms of their status, their position in patterns of social relations, and their role, the behavior(s) associated with their status. The social structure is then the network of statuses connected by associated roles (Layton 1997).

Later Durkheim added another explication of social solidarity: that which centers around conscience collective. The meaning of this phrase in English is something like "shared awareness" or "common understanding". For Durkheim social facts are what anthropologists understand to be culture. An example of this can be seen in the Elementary Forms of the Religious Life where Durkheim claims that the totem, the sacred object, is a representation by which society symbolizes itself. The totem is the society rationalized through religion. Such a belief implies that a totem, like any other symbol, is a collective representation. This value is given to the representation by the society itself. This results in an epistemology that claims that individual knowledge results neither from the "mind" nor from the senses; rather, we know what we know because we learn socially devised "collective representations".

The functionalist perspective emphasizes the interconnectedness of society by focusing on how each part influences and is influenced by other parts. The functionalist perspective is based largely on the works of Herbert Spencer, Emile Durkheim, Talcott Parsons, and Robert Merton. According to functionalism, society is a system of interconnected parts that work together in harmony to maintain a state of balance and social equilibrium for the whole.

Within functionalist theory, the different parts of society are primarily composed of social institutions, each of which is designed to fill different needs, and each of which has particular consequences for the form and

shape of society. The parts all depend on each other. The core institutions defined by sociology and which are important to understand for this theory include family, government, economy, media, education, and religion. According to functionalism, an institution only exists because it serves a vital role in the functioning of society. If it no longer serves a role, an institution will die away. When new needs evolve or emerge, new institutions will be created to meet them.

The functionalist perspective attempts to explain social institutions as collective means to meet individual and social needs. It is sometimes called structural-functionalism because it often focuses on the ways social structures (e.g., social institutions) meet social needs.

According to Functionalist Perspective religion is a social institution. Functionalist analyze religion in terms of its functions or contributions that the religion makes for meeting the functional pre-requisites or basic needs of the society such as social solidarity, value consensus, harmony and integration between different parts of the society etc. According to them religion is functional and ensures the survival of the social system (Haralambos, 1981). Functionalists argue that religion is an integrating force in the society, a means of ensuring that people feel that they belong to the society. It gives the people the feeling of having something in common with others in the society. It is a means for the people to express collective beliefs concerning the social commitment and social solidarity. It provides a way for the people to affirm common values, beliefs and ideals. It is collective consciousness. It also serves as the central value system (Sell, 2003).

The functionalist perspective continues to try and explain how societies maintained the stability and internal cohesion necessary to ensure their continued existence over time. In the functionalist perspective, societies are thought to function like organisms, with various social institutions working together like organs to maintain and reproduce them. The various parts of society are assumed to work together naturally and automatically to maintain overall social equilibrium. Because social institutions are functionally integrated to form a stable system, a change in one institution will precipitate

a change in other institutions. Dysfunctional institutions, which do not contribute to the overall maintenance of a society, will cease to exist.

Let us consider the relationships between and functions of some core institutions. In most societies, the Government or State provides education for the children of the family, which in turn pays taxes on which the State depends to keep itself running. The family is dependent upon the school to help children grow up to have good jobs so that they can raise and support their own families. In the process, the children become law-abiding, tax-paying citizens, who in turn support the state. From the Functionalist perspective, if all goes well, the parts of society produce order, stability, and productivity. If all does not go well, the parts of society then must adapt to produce new forms of order, stability, and productivity.

Functionalism emphasizes the consensus and order that exist in society, focusing on social stability and shared public values. From this perspective, disorganization in the system, such as deviant behavior, leads to change because societal components must adjust to achieve stability. When one part of the system is not working or is dysfunctional, it affects all other parts and creates social problems, which leads to social change.

The Functionalist perspective would assume that the continued health of the economy is vital to the health of the nation, as it ensures the distribution of goods and services. For example, we need food to travel from farms (high-functioning and efficient agricultural systems) via roads (safe and effective trucking and rail routes) to urban centres (high-density areas where workers can gather). However, sometimes a dysfunction--a function with the potential to disrupt social institutions or organization (Merton 1968)--in the economy occurs, usually because some institutions fail to adapt quickly enough to changing social conditions. This lesson has been driven home recently with the bursting of the housing bubble. Due to risky lending practices and an under-regulated financial market, we are recovering from the after-effects of the Great Recession, which Merton would likely describe as a major dysfunction.

Functionalists use the terms functional and dysfunctional to describe the effects of social elements on society. Elements of society are functional if they contribute to social stability and dysfunctional if they disrupt social stability. Some aspects of society can be both functional and dysfunctional. For example, crime is dysfunctional in that it is associated with physical violence, loss of property, and fear. But according to Durkheim and other functionalists, crime is also functional for society because it leads to heightened awareness of shared moral bonds and increased social cohesion. Sociologists have identified two types of functions: manifest and latent (Merton 1968). Manifest functions are consequences that are intended and commonly recognized. Latent functions are consequences that are unintended and often hidden. Although Functionalism was at one time considered the most typical expression of contemporary American sociology, it did not originate in the United States since we can find its earliest formulations in British anthropology.

In particular, Malinowski, a Polish-born British anthropologist, proposed the functional analysis as a solution to the tendency of interpreting social situations through intuition rather than through observation. The functional analysis, according to Malinowski, brings a scientific attention in the study of cultures that have to be different from the ones of observers. Therefore, according to this school of thought, before analyzing a social phenomenon that is typical of a given culture (an institution, a material object, an idea); you must first think of what function the phenomenon fulfills within this culture.

In the 1950s, Robert Merton elaborated the functionalist perspective by proposing a distinction between manifest and latent functions. Manifest functions are the intended functions of an institution or a phenomenon in a social system. Latent functions are its unintended functions. Latent functions may be undesirable, but unintended consequences, or manifestly dysfunctional institutions may have latent functions that explain their persistence. For example, crime seems difficult to explain from the functionalist perspective; it seems to play little role in maintaining social

stability. Crime, however, may have the latent function of providing examples that demonstrate the boundaries of acceptable behavior and the function of these boundaries to maintain social norms. Functionalism emphasizes the consensus and order that exist in society, focusing on social stability and shared public values. From this perspective, disorganization in the system, such as any kind of deviant behaviour, leads to change because societal components must adjust to achieve stability. When one part of the system is not working or is dysfunctional, it affects all other parts and creates social problems, which leads to social change.



CHECK YOUR PROGRESS

1. Mention some of the prominent thinkers of Functionalist approach/perspective.
2. Explain Functionalism.
3. Define Economic Sociology
4. Mention two features of Economic Sociology

3.4.3 Criticism

Functionalism has been critiqued by many sociologists for its neglect of the often negative implications of social order. Some critics, like Italian theorist Antonio Gramsci, claim that the perspective justifies the status quo and the process of cultural hegemony, which maintains it. Functionalism does not encourage people to take an active role in changing their social environment, even when doing so may benefit them. Instead, functionalism sees agitating for social change as undesirable because the various parts of society will compensate in a seemingly natural way for any problems that may arise.

Functionalism has been criticized for downplaying the role of individual action, and for being unable to account for social change. In the functionalist perspective, society and its institutions are the primary units of analysis. Individuals are significant only in terms of their places within social systems (i.e., social status and position in patterns of social relations). Some

critics also take issue with functionalism's tendency to attribute needs to society. They point out that, unlike human beings, society does not have needs; society is only alive in the sense that it is made up of living individuals. By downplaying the role of individuals, functionalism is less likely to recognize how individual actions may alter social institutions.

Critics also argue that functionalism is unable to explain social change because it focuses so intently on social order and equilibrium in society. Following functionalist logic, if a social institution exists, it must serve a function. Institutions, however, change over time; some disappear and others come into being. The focus of functionalism on elements of social life in relation to their present function, and not their past functions, makes it difficult to use functionalism to explain why a function of some element of society might change, or how such change occurs.



3.5 LET US SUM UP

- Functionalism is a macro view of society, meaning that it takes society as a whole and analyzes it from a distance, rather than on an individual basis.
- Functionalism emphasizes the consensus and order that exist in society, focusing on social stability and shared public values. From this perspective, disorganization in the system, such as deviant behavior, leads to change because societal components must adjust to achieve stability.
- When one part of the system is not working or is dysfunctional, it affects all other parts and creates social problems, which leads to social change, accordings to this perspechive.
- Functionalism interprets each part of society in terms of how it contributes to the stability of the whole society. Society is more than the sum of its parts; rather, each part of society is functional for the stability of the whole.



3.6 FURTHER READING

- Swedberg, R. (2003). The Classics in Economic Sociology, Principles of Economic Sociology, Princeton University Press, pp. 1-31.



3.7 ANSWERS TO CHECK YOUR PROGRESS

Answer to Q No. 1 Some of the major thinkers of Functionalist approach are R. K. Merton, Emile Durkheim, Herbert Spencer, and Talcott Parsons.

Answer to Q No. 2 The functionalist approach/perspective sees society as a complex system whose parts work together to promote solidarity and stability. This approach looks at society through a macro-level orientation and broadly focuses on the social structures that shape society as a whole. The functionalist perspective attempts to explain social institutions as collective means to meet individual and social needs.

Answer to Q No. 3 Economic sociology is an attempt by sociologists to redefine in sociological terms questions traditionally addressed by economists. It is thus also an answer to attempts by economists to bring economic approaches - in particular utility maximization and game theory - to the analysis of social situations that are not obviously related to production or trade.

Answer to Q No. 4

a) It is the study of the social causes and social effects of various economic phenomena.

b) It studies all aspects of the economic activities of individuals and groups; the sociology of organizations, markets and other economic institutions.