

the twenty-first century is to find a balance among these differing functions.

*On Being Nonprofit* is an excellent volume for the beginner, as well as a provocative volume for the experienced scholar. I hope this well-written book will stimulate more theorizing about the nature, functions, and contributions of such third sectors in various societies.

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*Advancing Socio-Economics: An Institutional Perspective*, edited by **J. Rogers Hollingsworth, Karl H. Müller, and Ellen Jane Hollingsworth**. Lanham, MD: Rowman and Littlefield, 2002. 450 pp. \$85.00 cloth. ISBN: 0-7425-1176-6.

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The study of economic phenomena outside a neoclassical framework has boomed in the past two decades. Along with the Economic Sociology section in the ASA, one of the principal organizational manifestations of this boom is the Society for the Advancement of Socio-Economics (SASE), founded in 1989. SASE is a group of mainly sociologists, economists, and political scientists with a roughly equal mix of American and European scholars. It holds an annual conference and sponsors a journal, *Socio-Economic Review*. The authors of most of the chapters in *Advancing Socio-Economics* have been active participants in SASE. They include some of the leading scholars in the field.

Within socio-economics there is a great deal of diversity in the substantive topics addressed and in the theoretical and methodological approaches used. Given this heterogeneity, it is tempting to try to establish some order. That is the chief aim of this volume. In the first six of the book's seventeen chapters, Rogers Hollingsworth, Amitai Etzioni, Robin Stryker, and Karl Müller suggest core concepts or assumptions that scholars working in the field of socio-economics can agree on and take for granted, though they themselves do not necessarily agree on precisely what those should be. Etzioni emphasizes the notion that individual behavior is guided both by the desire for pleasure and by moral obligations. Hollingsworth and Stryker each

focus on institutionalism as a theoretical framework for analyzing economic issues. Müller concentrates on the idea that all economic transactions are embedded in social relations. Some practical suggestions for advancement are also offered: Hollingsworth recommends interdisciplinary work teams that focus on particular substantive issues, and Etzioni urges a push for graduate departments and degrees in socio-economics.

Contributions in the second part of the book focus on research strategies or themes the study of socio-economics might usefully pursue, such as making socio-economic analysis multi-level (Hollingsworth); clearly defining the boundaries of concepts such as markets and networks (Hodgson); emphasizing the way in which nonmarket institutions are key to the existence and functioning of markets themselves (Van Waarden); analyzing the utility of varying combinations of market, state, and community (Offe). Several chapters explore the relationships between a society's "social system of production" (norms, rules, habits, conventions, and values), its "institutional arrangements" (markets, hierarchies, networks, associations, the state, and others), and its "business system" (financial system, industrial relations, education and training, and so on).

The third part of the book consists of applications of a socio-economic approach to substantive issues. Most of the chapters emphasize the impact of country-specific institutional arrangements on various economic processes: the impact of globalization in coordinated versus liberal market economies (Hall); the influence of Germany's institutional structure on its biotechnology industry (Casper); the influence of financial markets on other economic institutions (Vitols); the influence of firms' institutional environments on worker cooperatives in Israel (Russell and Hanneman).

Many of the arguments presented in the book's conceptual chapters and the conclusions drawn in the substantive chapters will be familiar to researchers working in this area. For example: institutions structure the behavior of individuals, firms, and other actors by providing incentives and constraints; institutions such as financial systems and employment systems tend to be relatively (though by no means fully) coherent within countries and differ notably across

countries; institutions change slowly. Yet virtually all of the chapters are thoughtful and offer something new. The book should prove useful, either in its entirety or in selected parts, for graduate and upper-level undergraduate courses in economic sociology.

I am skeptical about the likelihood of reaching agreement on a socio-economic "paradigm." I share Robin Stryker's sentiment that "we should assume that for the foreseeable future, socio-economics will be a multi-paradigm and pluralistic field with somewhat shifting boundaries" (p. 56). At the same time, efforts to identify commonalities can only help enhance communication among scholars in different disciplines and substantive areas. This book contributes effectively to that aim.

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*Trust and the Health of Organizations*, by **John G. Bruhn**. New York: Kluwer Academic/Plenum Publishers, 2002. 234 pp. \$78.00 cloth. ISBN: 0-306-47265-1.

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As a management professor, I value research and writing that advance theoretical knowledge and that, importantly, are demonstrably effective in improving organizational performance. *Trust and the Health of Organizations* is a rich source of suggestions for elevating trust in organizations.

Bruhn begins by presenting evidence that average trust levels in the United States regarding various facets of life have declined: for example, business, government, religion, healthcare, and education. Presciently, this chapter apparently was written before the crop of recent accounting scandals, the Clinton pardons, and the egregious sexual abuse cases involving priests. However, the narrative description of some of the survey data cited is a bit disconcerting. For example, the proportion of survey respondents who trust other people, which dropped from 54 percent in the 1960s to 47 percent in the late 1990s, is hardly a "massive decline" (p. 1), and conversely, the 53 percent of respondents who lack trust in others might more accurately be described as one-half, rather than "nearly two in three Americans" (p. 3).

Although Bruhn cites eight factors that potentially have contributed to declining levels of trust, he repeatedly attributes the phenomenon to individualism and self-interest. Yet, no evidence is provided that individualism has heightened, or that it is particularly implicated in declining trust levels in all facets of society.

Chapter 2, *Trust in Persons*, offers numerous definitions of trust and notes that there are various types of trust: simple, blind, authentic, natural, fragile, resilient, situational, and in a later chapter, swift. The psychosocial distinctions among these types of trust are not clearly delineated. Although it is noted that distrust is not the opposite of trust, the dimensionality of the trust construct is not addressed, notwithstanding extensive psychological research. The chapter concludes by faulting American individualism for declining trust.

Chapter 3, *Trust in Organizations*, lists the characteristics of leaders and the behaviors of employees in high trust and in low trust organizations. In high trust organizations, leaders are charismatic and inspiring, and they provide trustworthy information; employees in these organizations are loyal to the organization, highly productive, and share a sense of pride in their work. These claims are reasonable and likely valid, but no direct evidentiary support is provided.

Chapter 4, *Trust and the Lifecycle of Organizations*, provides lists as to what leaders can do to maintain trust during early, midlife, and the maturity and decline stages of an organization's life. Ten characteristics of trustful organizations are discussed: for example, respect for persons, adherence to explicit values, employee participation, people-centered leadership, consistent accountability, risk-taking, trusting leaders, and collective pride. This is one of the better chapters insofar as practical suggestions for enhancing trust are provided. The evidentiary basis for these suggestions, though, largely rests on logic, personal observations, and secondary research.

Chapter 5, *How Trust and Distrust Work in Organizations*, describes the "building blocks" that enhance trust (e.g., leader openness, consistency) and some of the indicators of trust (e.g., low conflict, high loyalty, product/service quality). Parallel lists of the building blocks and indicators of distrust are