



# **SOCIOLOGY 121: INNOVATION AND ENTREPRENEURSHIP**

## **SPRING 2011**

**INSTRUCTOR:** Szonja Ivester  
**OFFICE:** Room 468, Barrows Hall  
**EMAIL:** szonja@berkeley.edu

**LECTURES:** Thursdays 5:00 – 8:00 pm  
**LECTURE HALL:** Room 159, Mulford Hall  
**OFFICE HOURS:** Thursdays 2:00 – 4:00 pm

### **COURSE DESCRIPTION**

The basic premise of this class is that sociology has a great deal to offer not only to the theoretical understanding of innovation and entrepreneurship, but also to entrepreneurship as a practical enterprise. This perspective, while popular in the early twentieth century, has gotten steadily lost in the entrepreneurial fervor of the 1980s as the study of entrepreneurship was passed almost exclusively into the hands of people in and around the business-school community. The objective of this class is to (re-) incorporate critical social analysis into the field. Throughout the semester, we will explore various ways in which the social sciences have provided fresh new insights into entrepreneurial behavior by placing innovation in its broader social, cultural, and cross-national contexts. Additionally, we will also look at entrepreneurship from the perspective of a much wider range of actors (classes, genders, racial and ethnic groups) than is typically done by the business community. By the end of the semester, you should have a firm grasp of what entrepreneurs do (the usual purview of modern business schools), as well as the causes of entrepreneurship and its cumulative effects.

### **COURSE MATERIALS**

The literature on innovation and entrepreneurship is vast, and it continues to grow rapidly. Not surprisingly, then, there is not a single textbook currently available that covers all the topics that I would like for us to explore in this class. For this reason, we have handpicked a broad range of articles, book chapters, and opinion pieces for you to read during the semester. From time to time, we will also use movie fragments, as well as brief contemporary videos on our way to learning about innovation and entrepreneurship. Together, these will cover a nice array of topics and should provide us with a diverse set of insights. All of the course materials will be available to you online at our bSpace website.

## COURSE REQUIREMENTS

You final grade in this course will be based on your performance on two in-class exams, 10 weekly commentaries, as well as on your participation in class.

**Two In-Class Exams:** There will be two in-class exams in this class. The first one of these will take place on Thursday, March 1<sup>st</sup> and it will cover materials in Weeks 1-6. The second exam will be on the last day of class, on Thursday, April 26<sup>th</sup> and it will cover materials in Weeks 8-14. In the case of each exam, we will provide you with four or five possible essay questions one week before the exam and, on the day, we will select one of these for you to answer in a closed book setting. You will need to bring your own blue/green exam book with you to these exams. (You can buy small exam books for about 35 cents at the *Cal Student Store*, 108 Martin Luther King Jr. Student Union #4505; telephone: 510.642.9000). The exams will start at 5 pm exactly in our usual classroom; you will be given one hour to write your essay. These in-class exams will jointly contribute towards 50% of your overall grade (with each exam being worth 25%).

**Weekly Commentaries:** Beginning with the third week of classes, you will be asked to answer a weekly substantive question about the readings. Your commentary should be about a paragraph long. We will not give you feedback on these commentaries, but we will grade them on the basis of effort (not correctness). In order to earn full points on these, you will need to demonstrate that you have completed the readings for the week and that you have thought about the issues at stake. There will be ten (10) such commentaries during the semester; each will be worth 3 points (or 3% of your total grade).

The purpose of this assignment is to make sure that you read the required materials before coming to class. As a result, commentaries are going to be time-sensitive. We will post the week's question on Sunday night in your bSpace "Assignment" folder and ask that you submit your response electronically in the same folder by noon on Thursday. We will not accept late commentaries unless (1) you have a doctor's notice that you were prevented from doing the commentary, or (2) you have secured permission from Szonja (by email) in advance of the submission deadline that a late submission would be accepted. In either case, you will earn only 1 point for you excused commentary instead of the usual 3.

**Class Participation:** This class meets once a week for 3 hours. In terms of its basic format, it will be a mixture of lectures and discussion. We will keep attendance starting in Week 3. This will be monitored through a series of one-minute papers. At some point during the lecture, we will ask you to take out a piece of binding paper, put your name (legibly!) on top, and write down a short answer to a question that relates to our class discussion. We will then collect these responses and use them to assign class participation grades. There will be ten (10) such one-minute papers during the semester, with each counting 2 points (or 2%) towards your overall grade.

We do not give credit for missed attendance unless (1) you have a doctor's notice that you were prevented from being present, or (2) other valid excuse, for which you informed the

instructor in advance of class. (It goes without saying that family/friends visiting you during the lecture, a birthday celebration, or a quick trip to Las Vegas will not be acceptable excuses.) In any case, excused absence will earn you only 1 point for attendance, as opposed to the full 2 points.

**Course Grades:** Your final grade in this class will be based on your performance on the two in-class exams (25% each), your weekly commentaries (30%), and the weekly one-minute papers to monitor class participation (20%). In assigning final grades, we do not “curve” the class. It is, therefore, entirely possible for everyone to get an A. Needless to say, it is also possible (although quite unlikely) for everyone to fail. In assigning final grades, we will use the following basic scheme:

A	95 – 99%	C	73 – 76%
A-	90 – 94%	C-	70 – 72%
B+	87 – 89%	D+	67 – 69%
B	83 – 86%	D	63 – 66%
B-	80 – 82%	D-	60 – 62%
C+	77 – 79%	F	00 – 59%

In this grade-inflated world of ours we are not opposed to the idea of awarding students an A+ for exceptional work. However, in order to earn such a grade, you will have to earn 100 points in this class. There will be no extra credit work assigned in Sociology 121, so your only way to secure these points is to turn in superior work throughout the semester.

## **CLASS WEBSITE**

We have set up a bSpace website for the class. You can find here a copy of the syllabus, an electronic version of our class schedule, PDF files for all the readings (under “Resources”), handouts and lecture notes (also under “Resources”), as well as a place for you to submit your weekly commentaries (under “Assignments”). This is also where you will find announcements from us, and your grades. It is essential that you gain access to our class website as soon as possible because (1) all of our required readings reside at our class website and (2) your first assignment is an online assignment and it is due during the third week of classes.

How do you log in to bSpace? Log in to <http://bspace.berkeley.edu> with your CalNet ID and Passphrase. If you are enrolled through Telebears, you should see a tab at the top of the screen for our course when you log in. If you are enrolled in more than one course using bSpace you will, of course, see a tab for each course.

If you are a concurrent enrollment student you cannot be assigned bSpace access until the status of your application is “Approval Completed.” It is your responsibility to make sure that your application is reviewed and approved in a timely fashion. If you have questions about this, please email [concurrent@unex.berkeley.edu](mailto:concurrent@unex.berkeley.edu).

## COURSE TIMELINE

Thursday, January 19	Innovation and Entrepreneurship: Introduction & Overview
Thursday, January 26	A Rogue Sociologist Explores the Hidden Side of Capitalism
Thursday, February 2	What is Innovation and Why Does it Matter? <i>We begin taking class attendance. First commentary is due by noon.</i>
Thursday, February 9	The Social and Cultural Contexts of Innovation. <i>Second commentary is due at noon.</i>
Thursday, February 16	The Role of Social Networks in the Process of Innovation. <i>Third commentary is due at noon.</i>
Thursday, February 23	Innovation Cycles, National Innovation Systems, and the Global Innovation Divide. <i>Fourth commentary is due at noon.</i>
Thursday, March 1	First In-Class Exam (covering Weeks 1 – 6) <i>Exam begins at 5 pm in our usual classroom. You will have one hour to complete your work. Don't forget to bring your own blue/green exam book with you.</i>
Thursday, March 8	Who is an Entrepreneur? <i>Fifth commentary is due at noon.</i>
Thursday, March 15	Class, Entrepreneurship, and the Underground Economy. <i>Sixth commentary is due at noon.</i>
Thursday, March 22	The Role of Gender in Entrepreneurship. <i>Seventh commentary is due at noon.</i>
Thursday, March 29	No Class: Spring Break
Thursday, April 5	Race, Ethnicity, and Entrepreneurship. <i>Eighth commentary is due at noon.</i>
Thursday, April 12	Social Entrepreneurship. <i>Ninth commentary is due at noon.</i>
Thursday, April 19	Radical Innovation and Creative Destruction: Can Capitalism Survive? <i>Tenth commentary is due at noon.</i>
Thursday, April 26	Second In-Class Exam (covering Weeks 8 – 14) <i>Exam begins at 5 pm in our usual classroom. You will have one hour to complete your work. Don't forget to bring your own blue/green exam book with you.</i>

## **COURSE SCHEDULE AND WEEKLY READINGS**

In order to obtain the greatest benefit from classroom discussions, we strongly encourage you to complete the reading assignments before our class meets and definitely before the in-class exams.

### **Week 01: Introduction and Overview**

Barringer, Felicity. 1993. "Pride in a Soundless World: Deaf Oppose a Hearing Aid." *The New York Times*, May 16, 1993.

Rao, Hayagreeva. 2009. "From the Invisible Hand to Joined Hands." Pages 1-17 in *Market Rebels: How Activists Make or Break Radical Innovations* by Hayagreeva Rao. Princeton, NJ: Princeton University Press.

### **Week 02: Innovation and Entrepreneurship: A Rogue Sociologist's Guide to the Hidden Side of Capitalism**

Mark Dowie. 1977. "Pinto Madness." *Mother Jones* September/October. (Source URL: <http://motherjones.com/politics/1977/09/pinto-madness>)

Marion Fourcade and Kieran Healy. 2007. "Moral Views of Market Society." *Annual Review of Sociology* 33: 285 – 311

Albert O. Hirschman. 1982. "Rival Interpretations of Market Society: Civilizing, Destructive, or Feeble?" *Journal of Economic Literature* 20 (4): 1463 – 1484.

### **Week 03: What is Innovation and Why Does It Matter?**

Peter F. Drucker. 1998. "The Discipline of Innovation." *Harvard Business Review* (Nov/Dec): 3-8.

Paul Johnson. 2006. "Picasso and Walt Disney: Room for Nature in a Modern World?" Pages 247-275 in *Creators* by Paul Johnson. New York, NY: Harper.

Ken Robinson. 2001. "Being Creative." Pages 111-137 in *Out of Our Minds: Learning to be Creative* by Ken Robinson. West Sussex, UK: Capstone.

James Surowiecki. 2008. "The Open Secret of Success." *The New Yorker*, 12 May, 2008: 48.

#### **Week 04: The Social and Cultural Contexts of Innovation**

Monica Lindh de Montoya. 2000. "Entrepreneurship and Culture: The Case of Freddy the Strawberry Man." Pages 332-355 in *Entrepreneurship: The Social Science View*, edited by Richard Swedberg. Oxford University Press: New York, NY.

Dava Sobel. 1995. "The Story of John Harrison," selections from *Longitude*, pages 41 – 110 from *Longitude: The True Story of a Lone Genius Who Solved the Greatest Scientific Problems of His Time*. New York, NY: Walker and Company.

Robert Westwood and David R. Low. 2003. "The Multicultural Muse: Culture, Creativity, and Innovation." *International Journal of Cross-Cultural Management* 3 (2); 235-259.

#### **Week 05: The Role of Social Networks in the Process of Innovation**

Pino G. Audia and Christopher I. Rider. 2005. "A Garage and an Idea: What More Does an Entrepreneur Need?" *California Management Review* 48 (Fall): 6-28.

Emilio J. Castilla, Hokyung Hwang, Ellen Granovetter and Mark Granovetter. 2003. "Social Networks in Silicon Valley." Pages 218-147 in *The Silicon Valley Edge: A Habitat for Innovation and Entrepreneurship*, edited by Chong-Moon Lee, William F. Miller, Marguerite Gong Hancock, and Henry S. Rowen. Stanford University Press, Stanford, CA.

Lee Fleming and Matt Marx. 2006. "Managing Creativity in Small Worlds." *California Management Review* 48 (4): 6-27.

Mark Granovetter. 1985. "Economic Action and Social Structure: The Problem of Embeddedness." *American Journal of Sociology* 91 (November): 481-510.

#### **Week 06: Innovation Cycles, National Innovation Systems & the Global Innovation Divide**

Bjorn T. Asheim and Meric S. Gertler. 2005. "The Geography of Innovation: Regional Innovation Systems." Pages 291-317 in *The Oxford Handbook of Innovation*, edited by Jan Fagerberg, David C. Mowery, and Richard R. Nelson. Oxford, UK: Oxford University Press.

Chris Freeman. 1995. "The National System of Innovation in Historical Perspective." *Cambridge Journal of Economics* 19: 5-24.

Jeffrey Sachs. 2003. "The Global Innovation Divide." Pages 131-141 in *Innovation Policy and the Economy*, Volume 3, edited by Adam B. Jaffe, Josh Lerner, and Scott Stern. National Bureau of Economic Research, Cambridge, MA.

AnnaLee Saxenian. 1996. "Inside-Out: Regional Networks and Industrial Adaptation in Silicon Valley and Route 128." *Cityscape: A Journal of Policy Development and Research* 2 (May): 41-60.

**Week 07: First In-Class Exam**

**Week 08: Who Is an Entrepreneur?**

Tad Friend. 2009. "Letter from California: Plugged In." *The New Yorker*, 14 Aug: 50-60.

Malcolm Gladwell. 2010. "The Sure Thing." *The New Yorker*, 18 Jan 2010: 24-29.

Joseph A. Schumpeter. 2000. "Entrepreneurship as Innovation." Pages 51 –88 in *Entrepreneurship: The Social Science View*, edited by Richard Swedberg. Oxford University Press, New York, NY.

**Week 09: Class, Entrepreneurship, and the Underground Economy**

Philippe Bourgois. 2003. "Goin' Legit: Disrespect and Resistance at Work." Pages 114- 173 in *In Search of Respect: Selling Crack in El Barrio* by Philippe Bourgois. Cambridge, UK: Cambridge University Press.

Dick Hobbs. 1988. "East End Entrepreneurship." Pages 140-182 in *Doing the Business: Entrepreneurship, Detectives and the Working Class in the East End of London* by Dick Hobbs. Oxford University Press: New York, NY.

Sudhir Alladi Venkatesh. 2006. "The Entrepreneur." Pages 91 – 165 in *Off the Books: The Underground Economy of the Urban Poor* by Sudhir Alladi Venkatesh. Cambridge, MA: Harvard University Press.

**Week 10: The Role of Gender in Entrepreneurship**

Joan Acker. 1999. "Gender and Organizations." Pages 177-194 in *Handbook of the Sociology of Gender*, edited by Janet Saltzman Chafez. New York, NY: Kluwer Academic/Plenum Publishers.

Candida G. Brush. 2006. "Women Entrepreneurs: A Research Overview." 611-628 in *The Oxford Handbook of Entrepreneurship*, edited by Mark Casson, Barnard Yeung, Anuradha Basu and Nigel Wadeson. Oxford University Press, Oxford UK.

Patricia Lewis. 2006. "The Quest for Invisibility: Female Entrepreneurs and the Masculine Norm of Entrepreneurship." *Gender, Work, and Organizations* 14 (5): 453 -469.

**Week 11: No Class – Spring Break**

**Week 12: Race, Ethnicity, and Entrepreneurship**

John Sibley Butler. 2005. "The Present Status of Afro-American Business: The Resurrection of Past Solutions." Pages 295-325 in *Entrepreneurship and Self-Help Among Black Americans: A Reconsideration of Race and Economics* by John Sibley Butler. Albany, NY: State University of New York Press.

Portes, Alejandro and Robert D. Manning. 2001. "The Immigrant Enclave: Theory and Empirical Examples." Pages 568-579 in *Social Stratification in Sociological Perspective*, edited by David B. Grusky. Boulder, CO: Westview Press.

Jimmy M. Sanders and Victor Nee. 1987. "Limits of Ethnic Solidarity in the Enclave Economy." *American Sociological Review* 52 (December): 745-773.

AnnaLee Saxenian. 1999. *Silicon Valley's New Immigrant Entrepreneurs*. San Francisco, CA: Public Policy Institute of California.

**Week 13: Social Entrepreneurship**

James Austin. 2009. "Social and Commercial Entrepreneurship: Same, Different, or Both?" *Entrepreneurship Theory & Practice* 30 (10); 1-22

J. Gregory Dees. 2007. "Taking Social Entrepreneurship Seriously." *Society* 44 (March/April): 24 – 31.

Nicholas Kirstoff. 2008. "The Age of Ambition." *New York Times*, 27 January, 2008 (link: <http://www.nytimes.com/2008/01/27/opinion/27kristof.html>)

**Week 14: Radical Innovation and Creative Destruction: Can Capitalism Survive?**

Rao, Hayagreeva. 2009. "From Exit to Voice: Advice for Activists." Pages 172-180 in *Market Rebels: How Activists Make or Break Radical Innovations* by Hayagreeva Rao. Princeton, NJ: Princeton University Press.

Albert O. Hirschman. 1994. "Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States." *The Social Contract* (Summer): 272- 275.



Joseph A. Schumpeter. 2008. "The Process of Creative Destruction." Pages 81-86 in *Capitalism, Socialism, and Democracy* by Joseph A. Schumpeter. Harper Perennial: New York, NY.

**Week 15: Second In-Class Examination**