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itude to offer an independent argument and possibly a conflicting opinion. However, rich observational data, usually prominent in an ethnography, was limited to chapter 6 and was not specifically used to exemplify deliberative decision making or how it manifested itself, if it did, and what it looks like. This omission is important, as other studies of deliberative decision making in different but more potentially "open" organizational contexts (see a study by Celia Davies, Margaret Wetherell, and Elizabeth Barnett, *Citizens at the Center: Deliberative Participation in Healthcare Decisions* [Policy Press, 2006]) have concluded that moments of deliberation were rare, fragmented, unpredictable, and often occurred to one side of the main business, and thus that the explanatory value of deliberation theory was limited.

This well-written book is effective at a number of different levels. It should be of interest to those involved in academic sociology, as it shows how the medical profession working in a market based health care system handles the so-called challenges or threats posed by the rise of the enlightened consumer and managerialism. Eliot Freidson's notion of professionalism being portrayed in terms of a third logic, where the professional acts as a mediator, is contested. Horowitz argues in this case that it is social closure that has hampered the medical profession, as the restricted lens of medical discourse limits the profession's capacity to take account of the public interest, which has led to an increase in patient complaints and media-fueled medical scandals. The book should also be of interest to policy makers, as the penultimate chapter contains substantive, practical recommendations aimed at reforming and improving the medical board system. This addition once again reflects the author's commitment to public sociology, which will become an increasing general concern for sociologists, especially those in health sociology, as neoliberal values and discourses increasingly permeate health and welfare systems globally.

The Emergence of Organizations and Markets. Edited by John F. Padgett and Walter W. Powell. Princeton, N.J.: Princeton University Press, 2012. Pp. xxiv+583. $45.00 (paper).

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In recent decades, economic sociologists have compellingly documented the social foundations of markets, organizations, and economic action. In *The Emergence of Organizations and Markets*, two distinguished scholars advance an even more ambitious agenda: to endogenize social and economic relations, illuminating how and why transformational change occurs within systems of exchange. The feedback loop of interest is captured

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nicely by the mantra that John F. Padgett and Walter W. Powell invoke throughout: in the short run, actors create relations; in the long run, relations create actors (p. 2).

Toward that end, part 1 (chaps. 2–4) develops a theoretical perspective inspired by autocatalysis in chemistry:

> Biological organisms are . . . autocatalytic networks of chemical transformations, which continually reconstruct both themselves and their physical containers. . . . This chemical perspective can be applied to . . . products and firms through the following analogy. Skills, like chemical reactions, are rules that transform products into other products. Products, like chemicals, are transformed by skills. Firms, like organisms, are containers of skills that transform products. Trade, like food, passes around through exchange networks, renewing skills and thereby firms in the process. . . . Economic "life" exists if an autocatalytic network of interlinked skills and products can emerge and renew itself in the face of continual turnover and "death" in its component skills and products. (Pp. 70–71)

Readers who, like me, eschewed college chemistry may find some of the exposition rather tough sledding. But the idea is a powerful one, as both editors have demonstrated in prior work. What creates such a fertile breeding ground for transformative organizational inventions is the simple fact that actors occupy multiple roles, and their networks are interconnected across domains. Relational logics in one domain (e.g., religion or politics) can be transformed, repurposed, or emulated in other spheres (e.g., commerce), producing profound spillovers which in turn transform relationships in the initial domain.

The rest of the volume illustrates and further develops these ideas. Part 2 focuses on early capitalism and state formation. Chapters 5 and 6 elaborate on Padgett's well-known studies of the evolution of Italian commercial enterprise. Chapter 7 focuses on the Dutch Revolt of 1560–1610. Padgett argues that migration and homology (transplantation and extension of institutional logics across sectors and regions) produced a cascade of organizational inventions he terms "tripartite federalism," reflecting a new political form, a new religious logic, and new organizational forms in the commercial sphere. Chapter 8 (with Jonathan Obert) examines Bismarck's Germany through an autocatalytic lens, highlighting "conflict displacement," "dual inclusion," and "multivocality" as the key catalyzing logics.

Part 3 shows how autocatalytic networks illuminate transitions within the communist bloc through the end of the 20th century. The unifying theme among these essays is that "mass mobilization under communism . . . was all about the massive reconstruction (intended and unintended) of biographical flows" (p. 270). In chapter 9, Padgett examines how interlinkages between economic and political networks illuminate divergent reform paths in China versus the former Soviet Union. Chapter 10 (by

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Andrew Spicer) chronicles the coevolution of state and market that generated new financial markets and organizations in Yeltsin's Russia. Valery Yakubovich and Stanislav Shekshnia (chap. 11) chronicle a similar coevolutionary determination of Russia's mobile telecommunications market. Chapter 12 (David Stark and Balász Vedres) deftly analyzes ownership networks among leading firms in Hungary's postsocialist economy.

Part 4 examines contemporary science- and technology-based sectors, drawing heavily on work by Powell and associates. Three essays (chaps. 13–15) by Powell and collaborators (Kurt Sandholtz, Kelley Packalen, Kjersten Whittington, and Jason Owen-Smith) and one by Jeannette A. Colyvas and Spiro Maroulis (chap. 16) focus on different facets of the emergence of the biotechnology sector. Chapter 17 (by Lee Fleming, Lyra Colfer, Alexandra Marin, and Jonathan McPhie) compares the structure of knowledge flows in Silicon Valley versus Route 128, as indicated by patent coauthorship networks in each region. They trace Silicon Valley's distinctive (and relatively early) network of dense intraregional knowledge flows to two autocatalytic processes: (a) IBM's prominent postdoctoral fellowship in Silicon Valley, which Big Blue used to seed the technological community with cohorts of IBM-friendly scientists, and (b) the fact that newly minted graduates from Stanford and other nearby universities pursued their careers within the local region more frequently than did their Bostonian counterparts. In chapter 18, Fabrizio Ferraro and Siobáhn O'Mahony take up the same theme—the coevolution of networks and organizing structures—by documenting how social networks among early participants in an open-source community shaped the evolution of rules and procedures for organizing and scaling the project, in turn affecting over time the structure of network ties among those involved.

This volume is extraordinary—unusually inventive and nothing short of mind-boggling in the breadth and depth of the terrain it covers. The exposition is at once rigorous and engaging. Padgett, Powell, et al. masterfully blend quantitative analyses with rich historical and contextual narratives, in ways that should once and for all persuade sociologists that these are *complementary* approaches to understanding markets and organizations, not competitors or substitutes.

As the essays in this book demonstrate, the theory, data, methods, and scholarly talent required by a "network autocatalytic" approach are formidable. We need theories that enable *ex ante* predictions about the likely course and success of competing potential evolutionary trajectories. We need empirical studies whose results can be meaningfully compared and cumulated so generalizations can be drawn and scope conditions discerned. Discussing the social origins of novelty, Padgett and Powell distinguish transformational inventions, which "cascade out to reconfigure entire interlinked ecologies of 'ways of doing things'" (p. 5), from incre-

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mental innovations. They note that "the poisedness of a system to reconfiguration by an invention is as much a part of the phenomenon to be explained as is the system's generation of the invention itself" (p. 5). Is economic sociology itself poised for such transformational reconfiguration? *The Emergence of Organizations and Markets* will unquestionably change how scholars think about innovation and the economy, highlighting the importance of coevolution across multiple network domains and the duality between actors and social relations. To foster breakthrough innovation, it will need to catalyze recombinations of ideas, actors, and social relations, promoting new theory and methods for understanding the dynamics of organizations and markets.

Solidarity in Strategy: Making Business Meaningful in American Trade Associations. By Lyn Spillman. Chicago: University of Chicago Press, 2012. Pp. xiv+517. $90.00 (cloth); $30.00 (paper).

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There are two ways to read this book about American trade associations (TAs). The first way—as an overview of a neglected but important part of the U.S. economy—may be summarized as follows.

In chapters 2 and 3 of *Solidarity in Strategy*, Lyn Spillman provides a useful synthesis of existing historical and sociological research on American TAs as well as a "census" (i.e., a compilation of self-descriptions, organizational features, and key activities of all contemporary U.S. trade associations) conducted by Spillman and colleagues. These chapters make several good points: (a) that TAs have long been very important in the United States. even if they have no formal role in governing the economy, as they do in Western Europe; (b) that TAs are not merely about lobbying the government or (in Adam Smith's famous words) "conspiracies against the public" by "members of the same trade"; (c) that TAs are "multifunctional," offering educational services and peer-to-peer learning, networking opportunities, and coordination on club goods such as industry standards, certification programs, and marketing campaigns; and (d) that contra Berk and Schneiberg, the development of this broad array of functions likely was not an accommodation to antitrust enforcement but emerged as TAs did, with the industrial revolution.

The remainder of the book illustrates TAs' multifunctionality, and the diversity with which it is expressed in the contemporary U.S. context, by drawing on Spillman's second source of data: an archive of documents downloaded from the websites of 25 TAs, randomly sampled from her "census." Chapter 4 describes how TAs (a) "produce cognitive categories

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