MN4236 – SOCIOLOGY OF FINANCE

MODULE TYPE/SEMESTER: Honours/Option (20 Credits)/Semester 2

PRE-REQUISITE(S): MN2001 and MN2002

MODULE CO-ORDINATOR: Dr Philip Roscoe

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AIM:
This course will offer students a sociological perspective on global finance and financial markets. It will give a broad introduction to key topics in the sociology of finance, set against the background of the credit crisis of 2007-8, and broader discussions of the role of financial markets in our polity. We will consider: the research field and its roots in science studies; the architectures and technologies of markets; cognition, calculation and the role of theory in financial markets; the modern phenomenon of the private investor; the specific practices of measurement and calculation that precipitated the crisis; and alternative perspectives on markets and finance. Students will develop a deep understanding of the mechanisms that power financial markets and their relevance to the global economy.

The aim of this course is to enquire into the complex array of theory, practices, technologies and human agents that constitute financial markets. Financial markets will be seen as historically situated, embedded entities. The course will de-centre the individual ‘trader’ or ‘banker’ in our understanding of financial markets, and develop a nuanced view of markets and politics, information and prices. It complements and contrasts traditional courses in finance, accounting and economics. The course is “qualitative” in content: it introduces complex theoretical and philosophical material, but will not require students to use numbers.

METHOD OF TEACHING & LEARNING:
- One 2 hour interactive lecture/discussion session each week in Semester 2.
- Tutorials will be in weeks 4, 6, 8 and 10.

LEARNING OUTCOMES:
By the end of the module, students should be able to:
Students will develop a range of critical skills which they will use to analyse finance and financial markets. In particular, students will come to see financial markets (and other financial structures) as complex, historically situated, material entities that have developed
over time. They will also be able to compare and contrast explanations of market behaviour based on human (ir)rationality with those based on processes of material calculation and measurement.

- To enable you to critically evaluate many of the arguments made in the mass media about recent financial events.
- To facilitate your ability to compare and contrast different theories, through the adoption of a comparative approach.
- To be able to critically evaluate academic papers in terms of their strengths and weaknesses.
- To enhance your secondary and primary research skills and your reporting skills.

INDICATIVE TOPIC OUTLINE:
Lecture Topics per week:
Week 1: Introduction to the sociology of finance
Week 2: From Science Studies to studying finance
Week 3: The architectures of financial markets – pre-digital
Week 4: The architectures of financial markets – digital
Week 5: Thinking, calculating and understanding: financial cognition and rationality
Week 6: Cognition continued/Assessment briefing
Week 7: Did measurement make a crisis?
Week 8: The rise and rise of the private investor
Week 9: Markets and politics (or, how to start a stock exchange)
Week 10: Alternatives and speculations: market possibilities
Week 11: Summary and revision

ASSESSMENT:
Formative:
- A 2,500 word individual essay (30% of module mark). Students will produce a critical review of popular narratives of the credit crisis in the light of the sociology of finance.

Summative:
- A two-hour written examination

CORE READING LIST:
There is no text-book for the course. Students will be given a list of core and further readings, and will be expected to read widely.