5. Sociology of Economy

 This branch of sociology (also called economic sociology or sociology of economic life) studies the production, distribution, exchange and consumption of goods and services in relation to the socio-cultural context within which such activities take place. In other words, sociology of economy is the application of general principles, frame of reference, and explanatory models of sociology to the complex but interrelated activities concerned with the production, distribution, exchange, and consumption of relatively scarce goods and services for the satisfaction of individual members of society (Smelser, 1963; Smelser & Swedberg, 2005). Specifically, it studies the cultural conditions of life and how they are produced, distributed, exchanged, consumed and reproduced through social processes (Hughes & Kroehler, 2008). Initial focus of sociology of economy is on economic activities alone: especially how these social activities are organised into roles and collectivises. The second focus of economic sociology examines the relationship between sociological variables in relation to their economic as well as non-economic contexts (Shankar-Rao, 2006). This sub-discipline can further be divided into occupational sociology, plant sociology, sociology of consumption, sociology of markets, and sociology of work. Sociology of occupation examines how particular occupation with its associated roles and structure, affects and influence other segments of society such as family, education, and politics (Shankar-Rao, 2006). It studies specific occupations in relations to their functions, meanings and the objective remuneration that should be attached to different works. In sociology of consumption, a general question of what constitute consumption is examined from the standpoint of view of members of a given society (Fligstein & Dioun, 2015). This sub-discipline examines how morals, meanings, and interactions influence the kind of goods that can be exchanged and consumed. One central idea in sociology of consumption is that people’s consumption describes their lifestyle. The sociology of markets describes market place as socially constructed gathering where members of society (such as buyers and sellers) meet to exchange their goods and services for the satisfaction of their wants. In this socially constructed gathering, the relationship among the buyers, sellers and any other stakeholders in the market place such as government, competitors, suppliers et cetera are guided by formal and informal rules.