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THE NEW ECONOMIC SOCIOLOGY AND TERRITORIAL DEVELOPMENT: AN INTERDISCIPLINARY APPROACH

LA NUEVA SOCIOLOGÍA ECONÓMICA Y EL DESARROLLO TERRITORIAL: UN ENFOQUE INTERDISCIPLINARIO

A NOVA SOCIOLOGIA ECONÔMICA E O DESENVOLVIMENTO TERRITORIAL: UMA ABORDAGEM INTERDISCIPLINAR

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ABSTRACT: This article investigates the intersection between economic theory and sociology through a qualitative methodology, aiming to deepen the interdisciplinary debate between economics and the New Economic Sociology (NES). The analysis focuses on the contributions of Granovetter, Fligstein, and DiMaggio, highlighting how NES concepts can enrich the understanding of territorial development, especially regarding the role of social relations in territories. Sociologists, in turn, demonstrate diligence and creativity in addressing cultural and political issues concerning collective representations and social coercion, fundamental concepts that define institutions. Based on a robust set of authors and bibliographic references, the article seeks to complement the debate on NES. The research reveals that NES offers valuable insights for analyzing territorial dynamics and reinforces the importance of a territorial approach in formulating development strategies. In the end, the article demonstrates that the themes discussed by NES confirm the need for a more integrated territorial perspective in constructing sustainable development projects.

Keywords: Interdisciplinarity. Markets. Social relations.

RESUMEN: Este artículo investiga la intersección entre la teoría económica y la sociología a través de una metodología cualitativa, con el objetivo de profundizar el debate interdisciplinario entre la economía y la Nueva Sociología Económica (NSE). El análisis se centra en las contribuciones de Granovetter, Fligstein y DiMaggio, destacando cómo los conceptos de la NSE pueden enriquecer la comprensión del desarrollo territorial, especialmente en lo que respecta al papel de las relaciones sociales en los territorios. Los sociólogos, a su vez, demuestran esmero y creatividad al abordar cuestiones culturales y políticas sobre representaciones colectivas y coerción social, conceptos fundamentales que definen las instituciones. Basado en un conjunto robusto de autores y referencias bibliográficas, el artículo busca complementar el debate sobre la NSE. La investigación revela que la NSE ofrece valiosos conocimientos para el análisis de las dinámicas territoriales y refuerza la importancia de un enfoque territorial en la formulación de estrategias de desarrollo. Al final, el artículo demuestra que los temas discutidos por la NSE confirman la necesidad de una perspectiva territorial más integrada en la construcción de proyectos de desarrollo sostenible.

Palabras clave: Interdisciplinariedad. Mercados. Relaciones sociales.

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RESUMO: Este artigo investiga a interseção entre a teoria econômica e a sociologia através de uma metodologia qualitativa, com o intuito de aprofundar o debate interdisciplinar entre a economia e a Nova Sociologia Econômica (NSE). A análise foca nas contribuições de Granovetter, Fligstein e DiMaggio, evidenciando como os conceitos da NSE podem enriquecer a compreensão do desenvolvimento territorial, especialmente no que tange ao papel das relações sociais nos territórios. Os sociólogos, por sua vez, demonstram esmero e criatividade ao abordar questões culturais e políticas sobre representações coletivas e coerção social, conceitos fundamentais que definem as instituições. Baseado em um conjunto robusto de autores e referências bibliográficas, o artigo busca complementar o debate sobre a NSE. A pesquisa revela que a NSE oferece insights valiosos para a análise das dinâmicas territoriais e reforça a importância de uma abordagem territorial na formulação de estratégias de desenvolvimento. Ao final, o artigo demonstra que os temas discutidos pela NSE confirmam a necessidade de uma perspectiva territorial mais integrada na construção de projetos de desenvolvimento sustentável.

Palavras-chave: Interdisciplinaridade. Mercados. Relações sociais.

INTRODUCTION

The dialogue between economics and sociology began in the late 18th century when sociologists started questioning the ideas of Adam Smith. In the 19th century, disagreements arose due to the theories of neoclassical economists, who emphasized the rational behavior of the economic agent focused on their own needs, ignoring the role of history in economic phenomena (Polanyi, 2012a; 2012b). However, from the mid-1970s, this division between economics and other social theories began to diminish, promoting the revival of the dialogue between economics and sociology (Jardim & Candido, 2019).

In recent decades, sociologists have been dedicated to analyzing fundamental concepts for economic theory, which used to be examined exclusively by economists (Swedberg & Granovetter, 1992). The approach known as economic sociology refers to the works of classical authors such as Marx, Weber, Durkheim, and Polanyi, among others (Smelser & Swedberg, 2005). However, despite this terminology, there was no significant dialogue between economics and sociology between the 1920s and 1960s, a period in which sociology was limited to studying the social consequences of economic innovations and changes (Serva & Andion, 2006).

This field of study examines the application of sociological concepts and methodologies to economic phenomena such as markets, companies, stores, and unions. According to Weber, "economic sociology investigates both the economic sector in society ('economic phenomena') and how these phenomena affect the rest of society ('economically conditioned phenomena') and how society influences these phenomena ('economically relevant phenomena')." For example, the influence of the economy on art or religion, and vice versa. In short, economic sociology "analyzes economic facts as social facts" (Steiner, 2006, p. 1).

As in other sciences, sociology is subject to different approaches and schools of thought, which also applies to economic sociology. This includes variations even among the authors in this field. Thus, it is possible to distinguish contemporary economic sociology from classical economic sociology, as each focuses on different aspects of economic behaviors (Smelser & Swedberg, 2005).

The term "New Economic Sociology" was introduced by Granovetter during a conference at the American Sociological Association in 1985. He argued that this new approach should focus on fundamental economic institutions, in contrast to the old economic sociology of the 1960s, which included figures like Talcott Parsons, Wilbert Moore, and Neil Smelser and was known as industrial and labor sociology. The main difference was the absence of criticisms and alternative propositions to the foundations of neoclassical theory (Swedberg, 1997; Wilkinson, 2020). The emergence of economic sociology in the social sciences generated a significant renewal in sociology and economics from the 1970s onwards (Cassol & Schneider, 2022).

The authors of the New Economic Sociology (NES) primarily based their work on the critique of conventional economic concepts such as equilibrium, rationality, and homogeneous products, and on the New Institutional Economics to highlight the relevance of social relations in economic phenomena. They incorporated concepts such as social structure, social interaction, and norms into the debate, using analysis methods like surveys, interviews, and participant observation (Serva & Andion, 2006; Machado, 2010; Wilkinson, 2020).

According to Lévesque (2009, p. 111), the New Economic Sociology (NES) offers two distinct approaches to understanding economic phenomena as social phenomena: the first focuses on the socially situated individual and the market as an organizational form, while the second focuses on collective actors and the market as an institutional form. The contributions of NES lie in the reformulation of the relationships between economic and social phenomena, enabling the construction of a "plural economy" that encompasses non-monetary and non-market issues, and allowing the discussion of concepts such as "social capital." Additionally, NES recognizes the presence of multiple logics of action, allowing the evaluation of personal interests to consider moral, emotional, trust, and social connection factors. Finally, NES highlights the inadequacy of the neoclassical view of economics, suggesting that policies focusing exclusively on redistribution through the state and international aid to restore balance are problematic. This underscores the need for a broader perspective on development and helps to clearly distinguish between economic growth and the development process (Lévesque, 2007).

Furthermore, it is argued that one of the most significant advances in contemporary social science is the attempt to fill the gap left by the dominant approach in economics, namely its omission in researching economic institutions (Cassol & Schneider, 2022). This effort began in the 1970s with economists and expanded in the 1980s to sociologists. For economists, this includes the analysis of transaction costs, agency theory, game theory, among other approaches. In the field of sociology, this advance is represented by the New Economic Sociology (NES), the sociology of rational choice, and possibly socioeconomics (Swedberg, 1997).

Given the above, this article aims to analyze the New Economic Sociology (NES) based on the contributions of Mark Granovetter, Neil Fligstein, and Paul DiMaggio. The objective is to offer a comprehensive view of the main concepts of these authors on the social construction of the economy, with the intention of enriching the interdisciplinary dialogue between economic and sociological theory. The analysis will seek to highlight how economic practice is deeply rooted in social aspects, emphasizing the convergences and divergences between these approaches and conventional economic theory. This effort is particularly relevant because NES, a significant expression of contemporary sociology, is little known and disseminated in the Portuguese-language literature (Marques, 2003). According to Fligstein (2007), collaboration between empirical and theoretical researchers is essential to bridge the gap between theory and practice.

As a final exercise, the article explores the applications of New Economic Sociology (NES) to territorial issues to illustrate the connection between economic sociology and social economy. Abramovay (2006) proposes that NES be used as an analytical tool to understand the stages of territorial development, highlighting the lack of theoretical foundations in analyses of the role of social interactions in this context.

To achieve the proposed objective, the research adopts a descriptive qualitative approach. It is emphasized that this text goes beyond pure theory, based on the reading and analysis of the fundamental works of the authors of New Economic Sociology (NES) and other relevant scholars. As noted by Serva and Andion (2006), theoretical deepening involves the use of theories to understand and interpret reality. Therefore, interdisciplinary construction requires the following methodological procedures: reconstructing the resurgence of economic sociology; analyzing the interconnection between the revisited theory and the theory with which it is compared; and identifying the reciprocal contributions between the two areas.

The article is structured into two main sections, in addition to the introduction and final considerations. The first section presents the fundamental notions of NES: Granovetter's concept of embedding, Fligstein's political-cultural approach to markets, and the role of culture in economic institutions and businesses by Paul DiMaggio. Then, it discusses how the theoretical contributions of NES can enrich studies on territorial development in their contemporary dynamics.

Connecting Economics and Sociology: The New Economic Sociology

The New Economic Sociology (NES) had its initial impetus with the influential text by Harrison White, published in 1981, which addressed the social origins of markets (Marques, 2003). However, the recognition of this line of research truly began in 1985 with the publication of the article "Economic Action and Social Structure: The Problem of Embeddedness" by Mark Granovetter, considered the "manifesto" of this current (Swedberg, 1997). According to Marques (2003, p. 1), this article establishes the epistemological basis and outlines the main aspects of the new school.

According to Serva and Andion (2006), the authors of the New Economic Sociology (NES) do not limit themselves to criticizing neoclassical economics but seek to integrate and expand the debates on economic issues. Instead of simply restructuring neoclassical theory, NES aims to dialogue with it, using concepts and tools from economics while incorporating a sociological perspective. Thus, NES aims to enrich economic understanding by introducing an analysis of social interactions and institutions, broadening the scope of conventional economic theory and offering a more integrated and multifaceted approach to understanding economic phenomena.

It is important to remember that even within the field of economic sociology, there has not been uniform production. Authors are divided into various lines of research, each with their own considerations and key concepts (Cassol & Schneider, 2022). Although New Economic Sociology (NES) has stood out for its critique of neoclassical economics, this approach also results in a limitation: by predominantly focusing on the critique of neoclassical theory, NES often neglects dialogue with other areas of economics that also address the analysis of economic relations comprehensively. According to Ortega and Matos (2012), this emphasis on critique can reduce interaction with economic currents that explore aspects such as the dynamics of economic relations and the influence of institutions. Thus, by concentrating on its own arguments and concepts, NES may miss valuable opportunities to integrate and enrich its analyses with insights from other economic perspectives that share an interest in social and institutional relations.

The Integration of Economics in the Social Context

According to Swedberg (1997), New Economic Sociology (NES) is structured around three main axes of sociology: network theory, cultural sociology, and organizational sociology. The central theoretical concepts include "embedding" or "entrenchment" and the "social construction of the economy." Lévesque (2007, p. 55) adds three fundamental postulates for economic analysis: "all economic action is social action; economic action is socially situated; and economic institutions are social constructions." These hypotheses underline the importance of the sociological dimension in economic analysis, challenging the overly utilitarian view that predominates in many economic approaches. NES, therefore, seeks to demonstrate that economic phenomena cannot be understood solely by their individual utilities but must be analyzed within the social and institutional context in which they are embedded (Serva & Andion, 2006; Beckert, 2010).

Granovetter criticizes Karl Polanyi for overestimating the social immersion of economic activity in traditional societies and for not giving due emphasis to this immersion in modern societies (Lévesque, 2007). However, he values Polanyi's concept of "embedding" and proposes integrating it into network analysis, as the influence of Max Weber's economic sociology was not yet widely recognized in the literature. Granovetter argues that the task of sociologists is to investigate how economic actions are structured and developed within social networks. Instead of following a linear trajectory of rational maximization, economic actions are shaped by complex paths and social contexts, reflecting how they are deeply embedded in the social structure. This approach highlights that economic rationality is not isolated but is intrinsically linked to the interactions and social relationships that make up the economic network (Granovetter, 1985).

Granovetter's article emerged from the conviction that the main weakness of economic analysis is the neglect of social structure and the excessive reliance on methodological individualism (Swedberg & Granovetter, 1992). Granovetter proposed the introduction of the

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concept of "embeddedness" to contrast with the idea of atomization in decision-making. Unlike Polanyi's view of embeddedness, Granovetter sought to demonstrate that, in capitalist societies, economic actions are, in fact, social actions. Swedberg (1997) emphasizes that Granovetter's (1985) main theoretical contribution was to shift the critique of economics from the psychological focus on rationality to the perspective that economists fail to incorporate social structure into their analyses. Furthermore, Granovetter enabled economic analysis based on the premise that agents are rational, but that social structure plays a crucial role in shaping economic actions.

For Granovetter (2003, p. 69), the way behaviors and institutions are influenced by social relations represents a fundamental issue in social theory. This perspective challenges the neoclassical view, which considers social relations (such as power, friendship, and trust) as mere "epiphenomena" of the market. In opposition to the utilitarian approach, which assumes rational and self-centered behavior of agents, Granovetter argues that both behaviors and institutions are shaped by social relations and must be analyzed within this context. Moreover, he emphasizes that individuals' actions are not only guided by personal interests but also by moral considerations, thus reflecting an alignment with common interest and the effectiveness of institutions. This viewpoint highlights the interdependence between agents and social structures, revealing a complexity that goes beyond the simplified utilitarian view.

These two conceptions converge in considering that actions and decisions are made by isolated agents. Granovetter observes that "the undersocialized and oversocialized solutions to the problem of order converge by isolating the actors from their most immediate social context" (Granovetter, 2003, p. 73), that is, they disregard the historical and structural framing of social relations, as actions depend on networks of relationships. Social networks, specifically, promote the circulation of information and ensure trust by restricting opportunistic behaviors.

The author emphasizes that an effective analysis of human action must avoid atomization, as individuals do not act as isolated atoms, but their actions are integrated into solid and continuous systems of social relations. Thus, considering that economic action depends on social actions, he proposes the theory of embeddedness as an alternative to the economic theory approach. By recognizing that behavior is embedded in networks of interpersonal relationships, extreme views of the undersocialized and oversocialized perspectives of human action are avoided (Granovetter, 2003).

In a more recent study, Granovetter (2017) revisits his 1985 article, deepening the relationship between the concept of embeddedness and the analysis of social networks in the economy. He seeks to broaden the intersection between economic and non-economic aspects of society, also addressing cultural, political, religious, and institutional influences. Furthermore, he emphasizes that social networks play a crucial role in understanding concepts such as trust, power, norms, and values.

The meaning of economic action is shaped by the interactions between actors, with their actions guided by varied values and interests. Acting selfishly represents just one of the various forms of behavior, which transform according to the social and historical context (Gonçalves-Dias et al., 2012). The analysis reveals that, when considering economic behavior, it is crucial to recognize how individual motivations intertwine with social and historical dynamics, suggesting that economic actions are not isolated but deeply embedded in specific sociocultural contexts.

In summary, life in society is characterized by the connection between individuals and their participation in institutions, which directly impacts the economic actions of all agents and shapes the development of these actions at both the collective and individual levels. Economic sociology, therefore, focuses on examining the patterns of social interaction and the institutions that individuals establish and use to achieve their interests (Swedberg, 2009). This analysis shows that understanding economic action requires an approach that considers not only individual decisions but also how they are influenced and structured by social and institutional contexts, revealing the complexity of the interactions between economic behaviors and social structures.

The Political-Cultural Perspective of the Market

Attempts to deepen the concept of embeddedness led to the frequent use of network theory in various studies in the 1980s, although this diverted attention from an adequate analysis of culture in the economy (Swedberg & Granovetter, 1992). In the 1990s, significant changes occurred in economic sociology, both in terms of its institutional status and its theoretical approach. New discussions emerged, and significant advances were made, with empirical research incorporating a wider range of topics into the study agenda (Swedberg, 2004). From the institutional perspective of the New Economic Sociology (NES), the actions of organizations must be understood through formal institutions, conventions, and values. The emphasis is on the shared knowledge that defines what makes sense and which actions are viable (Gonçalves-Dias et al., 2012).

In 1981, White proposed that the typical market is composed of a limited number of actors who interact primarily through prices and quantities, operating within a stable social structure. According to this perspective, the stability of markets depends on the reciprocal consideration of actors' behaviors (Swedberg, 2004). Granovetter (2003) expanded this discussion by arguing that all forms of economic interaction are grounded in social relations, introducing the concept of "market embeddedness," which emphasizes how social relations shape and influence economic processes.

However, Neil Fligstein (2003) pointed out that the empirical literature up to that point had not satisfactorily clarified the nature of social embeddedness in markets. In response to this gap, Fligstein began to develop a new perspective, building on the existing literature to explore how social structures and power dynamics affect the functioning and stability of markets. This approach not only seeks to elucidate the connections between markets and the social context but also considers how changes in social structures can impact the evolution of economic systems.

Fligstein (2003) argues that the main characteristic of modern markets is their stability.
Actors tend to avoid price volatility and excessive competition, preferring a more predictable environment. The author suggests a more realistic approach to competition, in which large companies seek stability rather than change or intense rivalry. Furthermore, Fligstein proposes that society models be examined through the historically consolidated relationship between the state and the market.

It is important to highlight that the author's focus is on the organization of modern production markets. For him, markets are defined as situations where goods or services are sold to customers for a price and paid for in cash (transaction). Institutions, in turn, are understood as shared rules, which can include laws, collective conventions maintained by habit, or explicit or tacit agreements, as described by Fligstein (2003).

This author uses the metaphor "markets as politics" to offer a sociological perspective on the dynamics of markets. This metaphor encompasses two main dimensions. The first dimension relates the formation of markets to the formation of the state. In modern states within the capitalist economy, institutional conditions have been established that allow markets to achieve stability. To understand how new markets emerge and develop in a society, it is crucial to consider the "rules" that define both the construction of markets and the interventions in them. The second dimension highlights that the internal processes of markets reflect and reproduce two types of political projects: the power struggles that occur both within companies and between them, all with the aim of dominating and controlling markets.

In Fligstein's (2003) approach, these two dimensions consolidate as a unifying element that highlights how social structures are shaped to control competition and organize firms. According to this perspective, economic actors not only compete but also engage in political actions with each other, establishing and negotiating rules and norms that regulate their interactions. This process results in the formation of specific local cultures that guide the behavior and strategies of firms within the market.

The analysis suggests that by considering markets as political arenas, we can better understand how power dynamics and institutions influence the functioning of markets. The rules and practices that emerge from these interactions shape how competition is managed and how firms are organized, reflecting the complexity of the social and political relationships underlying economic activities. This approach reveals that markets are not just spaces of economic exchange but also fields of negotiation and consensus-building, where local practices and cultures play a crucial role in shaping economic interactions (Schneider, 2016).

The intervention of politics in markets is reflected throughout the various stages of their development. During the market formation process, the aim is to establish a status hierarchy that strengthens non-directly competitive forms of competition, with political action playing a role similar to social movements. In the stabilization phase, dominant firms protect their positions against competitors and invaders. However, during periods of transformation, invading firms may introduce more dynamic conditions, resembling social movements.

The main contribution of this perspective is to identify two potential sources of instability in markets: the tendency of firms to compete with each other, which can lead to price reductions, and the difficulty of maintaining internal cohesion within the firm as a political coalition. To ensure the survival of their firms, market actors seek to control these sources of instability. This requires a worldview that allows actors to interpret and manage these situations. In other words, a control system is necessary to establish social understandings through which firms can avoid direct price competition and resolve internal political problems (Fligstein, 2003).

A ideia central de Fligstein (2003), ou seu modelo de ação, é que, devido à incerteza que caracteriza os mercados ("mundos obscuros"), não é possível prever com precisão os resultados das ações. Portanto, os atores precisam criar uma narrativa do mundo que supra essa incerteza, orientando e justificando suas ações. Fligstein argumenta que o objetivo da ação nos mercados é garantir a sobrevivência da empresa, uma vez que nenhum ator pode antecipar quais comportamentos maximizarão os lucros, seja a priori ou a posteriori. Assim, a ação é voltada para a criação de mundos estáveis que proporcionem previsibilidade e segurança.

In this context, agents often seek to establish forms of cooperation with their competitors to divide markets. The most common strategies to achieve this, especially to control price competition, include the formation of cartels, price control, the creation of entry barriers, production limitation, the use of patents, licensing agreements, and the sharing of production units. Another strategy is to involve the state in formulating regulatory or protective laws that increase the chances of business survival. Thus, property rights, governance structures, and transaction norms are the means by which modern states regulate economic action, providing “stable and secure conditions in which firms can organize, compete, cooperate, and transact” (Fligstein, 2003, p. 203).

Fligstein (2003) proposed an exogenous theory of market transformation, suggesting that changes in market structures result from forces external to the control of producers, such as changes in demand, the entry of new firms, and state actions. Thus, markets are social constructions that reflect the political-cultural particularities of firms and nations. Stable markets maintain status hierarchies that define the roles of incumbents and challengers, as well as guide how market leaders maintain order and face crises. This complex structure of roles is managed through networks (Fligstein, 2003).

In a subsequent publication, Fligstein (2007) introduces the concept of social skill, which involves the ability of agents to foster cooperation among others. The ability to “motivate others to engage in collective action is crucial for the construction and maintenance of local social orders” (Fligstein, 2007, p. 62). The author uses this concept to provide a more detailed sociological basis instead of methodological individualism, helping to understand how agents can transform or not transform social structures. In summary, the political-cultural approach to markets offers various elements to understand the motivations and strategies of organizations. Actors seek to create stable environments to minimize conflicts and competition, using conceptions of control to establish hierarchies, agreements, and cooperation strategies. Thus, "skilled strategic actors often create identities and cultural frames to motivate others" (Fligstein, 2007, p. 62).

The Influence of Culture on the Formation of Economic Institutions

Considering that economic action acquires meaning in the interaction between actors, Paul DiMaggio demonstrated how culture influences the formation of economic institutions and businesses. His contribution lies in the insistence that the mental models of actors must be investigated within culture, that is, in sociology and cultural anthropology (Abramovay, 2004). DiMaggio's work in economic sociology applies principles that highlight the importance of integrating the cultural approach of NSE with empirical studies. For him, culture can shape economic institutions and businesses by imposing limits on economic rationality (Swedberg, 1997).

In the article on the cultural characteristics of action and economic organization, DiMaggio (2003, p. 167) defines culture as "social cognition, the content and categories of conscious thought and everything we take for granted." He explains that culture is composed of shared cognitions that vary among different populations. Recognizing that economic behavior is deeply rooted in both social structure and culture, DiMaggio aims to explore intriguing problems at the intersection of culture and economy. His goal is also to present ideas that can inspire solutions to these challenges, emphasizing the importance of understanding how cultural norms and values shape economic and organizational practices.

Beliefs, attitudes, norms, and judgments represent different levels of culture. In other words, culture encompasses a variety of shared and distinctly analyzable cognitive phenomena, without guaranteeing inevitable coherence among them (DiMaggio, 2003). Unlike the neoclassical view, which considers actors' preferences as the main factor, DiMaggio (2003) argues that a cultural approach should be more comprehensive. He rejects the notion of revealed preferences and critically examines the relationship between preferences and behavior.

DiMaggio (2003, p. 170) states that, as Polanyi suggested, "the market itself is a cultural construction through which people orient their behavior, as well as a system of social relations in which they participate." Thus, contrary to the conception of homo economicus, which sees the market as a self-regulated and rational system, DiMaggio argues that economic rationality is limited by the cultural context. Culture not only shapes norms and expectations within the market but also imposes constraints on economic rationality by establishing the framework within which decisions are made. This perspective broadens our understanding by recognizing that economic practices are deeply influenced by cultural constructions, challenging the view that rationality is completely independent of cultural and social influences.

Although individualism is possible within patterns of social relations, it is essential to consider social ties, context, and the type of transaction. In general, systems of collective rationality are immersed in clearly collectivist values, even when individualistic efforts are justified by common interests or traditions.

Culture affects the economy both at the organizational level and at the level of individual action, with national cultures being shaped by institutional beliefs, organizational models, and behavioral norms valued by individuals. Thus, markets are social constructions that cannot be explained solely by the strict rationality of homo economicus, as continuous relationships determine and reinforce trust. Furthermore, the formation of tastes, which the author highlights, contradicts the atomistic view by suggesting that tastes are shaped by factors external to the goods themselves, making the process of taste formation intensely social.

Finally, DiMaggio (2003) criticizes traditional economic modeling and concludes that integrating economics and sociology is a complex challenge, and not necessarily an absolute necessity. The author emphasizes that understanding actors' behavior models should be sought in culture, that is, in sociology and cultural anthropology. He argues that economic models often ignore the fundamental role of cultural norms, values, and social contexts that shape economic actions.

Beyond this critique, DiMaggio suggests that the cultural approach offers a richer and more contextualized perspective on how economic decisions are made and how economic practices are structured. By integrating cultural insights, a more comprehensive understanding of how individuals and groups orient their economic behavior can be achieved, taking into account the complexity of social and cultural influences. Therefore, to advance economic analysis, it is crucial to recognize and incorporate these cultural factors, moving away from the reductionist view that sees economic rationality as something purely independent and autonomous.

Territorial Development and the New Economic Sociology: Connections and Perspectives

According to Lévesque (2009), studies on territorial development proposed by geographers, heterodox economists, political scientists, and sociologists expand the field of economic sociology and social economy analyses. Various efforts have been made to enrich the contribution of economic sociology to the study of territorial development (Tavares & Silva, 201; Maciel et al., 201; Silva et al., 2015).

Markets are seen as spaces of conflict and are not the only means for conducting transactions. Individual decisions tend to be motivated by the repetition of behaviors, indicating the importance of considering historicity to predict the future. Cooperation among agents is made possible by established trust, which proves essential for territorial issues (Schneider, 2019; Cassol and Schneider, 2022).

For Abramovay (2006, p. 3), territories are formed by the way "societies organize themselves to use the natural systems that sustain their reproduction, which creates a promising field for collaboration between social and natural sciences in understanding this relationship." The author criticizes the lack of clear theoretical definitions about the nature of social ties that form territories in territorial development research. He argues that, although it is relevant to view the territory as constituted by ties that strengthen the identification of actors and promote actions based on trust created by interaction, this perspective alone is not sufficient to explain local development processes.

Abramovay (2006) suggests that a deeper understanding of territorial processes requires an approach that better integrates social and natural aspects. He proposes that existing theories need to be expanded to include the complexity of local dynamics and the interactions between different types of social ties and natural structures. This implies recognizing the importance of trust and interaction, but also exploring how these factors interrelate with other dimensions of territorial development, such as public policies, natural resources, and socioeconomic changes. A more comprehensive analysis can offer a more complete and practical view of the mechanisms that drive local development.

Thus, the tools of contemporary economic sociology are essential for analyzing the relationship between territory and the social forces that shape it. In this context, Neil Fligstein's contribution to territorial dynamics is significant, especially in understanding the nature of cooperation and the conception of markets as social fields. Fligstein emphasizes that the main objective of actions within a field is to seek the cooperation of other actors, which is crucial for the functioning and development of markets and territories (Abramovay, 2006).

Furthermore, the application of Fligstein's concepts can help elucidate how power dynamics and cooperative relationships are established and maintained in specific territorial contexts. Understanding markets as social fields allows for a more detailed analysis of the strategies and interactions that shape territorial development, recognizing the importance of social ties and power structures in the construction and evolution of territories. This approach provides a more comprehensive and integrated view of the processes that influence local and regional development, revealing the complexity of interactions between social, economic, and territorial factors.

Abramovay (2006), based on the works of Fligstein, proposes that the study of territories be guided by Pierre Bourdieu's notion of fields. This refers to the formation of local social arrangements based on the relationships among a group of actors, with the aim of achieving cooperation. Given that territories are considered social ties, it is essential to understand the nature of the cooperation that manifests within them. Additionally, the markets within these territories should also be seen as fields of force where actors seek cooperation and, consequently, opportunities for domination. The ability of actors to obtain cooperation is understood as a social skill.

The formation and functioning of markets are a synthesis of the main elements of the territory, such as agencies, representatives, organizations, and cultural environment. Therefore, markets represent social structures that establish rules and references for social actions. According to Abramovay (2006, p. 6), "What exists, therefore, are markets whose construction and functioning are the historical product of specific forms of interaction corresponding to certain power relations between social groups." This perspective highlights the importance of analyzing markets as historical and social products, influenced by interactions and power relations between social groups.

Therefore, to achieve business success, it is crucial to establish effective networks. In this context, both strong ties, such as family, and weak ties, such as professional connections, play important roles. Strong ties are fundamental for ensuring continuous support and trust, while weak ties are valuable for their ability to connect more distant networks and provide access to a broader and more diverse set of information (Lévesque, 2007).

The structural approach to markets proposed by the New Economic Sociology (NES) is valuable for the study of territories, as it highlights that markets function through the continuous analysis that actors make of each other, allowing for coordination among them. Additionally, the aim is to establish durable relationships, which facilitates the construction of routines, the reduction of risks, and the creation of more stable markets. In this context, concepts such as property rights, governance structures, exchange rules, and control mechanisms are essential for understanding empirical research.

However, it is important to note that the continuity of relationships among market participants can be challenged by the emergence of new organizations that threaten to destabilize the existing structure. In other words, markets depend on institutions that reflect the modus operandi among individual agents and social groups. Thus, the interaction between markets and institutions is dynamic and subject to change, which can profoundly influence the stability and functionality of markets (Abramovay, 2006).

The rules governing the functioning of markets in a specific region reflect and reinforce the interconnection among the various social groups present in that location. This highlights an intrinsic and complex relationship between markets and territories. In other words, the way markets operate and are regulated in a given territory not only shapes the local economy but also mirrors and influences social dynamics and relationships among different interest groups.

Territorial development is deeply linked to how these markets are structured and managed. The prosperity and evolution of a region depend on the interaction and collaboration among a variety of actors and spheres of power, which play crucial roles in improving local conditions. These actors may include governmental institutions, companies, civil society organizations, and individuals who, together, contribute to the strengthening and progress of the territory.

Therefore, the effectiveness of development policies and the improvement of local quality of life are often determined by the ability of these various actors to coordinate their actions and resources effectively. The dynamics of local markets, with their rules and regulations, serve as a reflection of social relationships and power structures, and, in turn, influence the opportunities and challenges faced by residents and entrepreneurs in the region.

Furthermore, the way markets interact with the territory can have significant implications for social and economic equity. Regions with well-regulated and inclusive markets tend to promote more balanced and sustainable development, while areas where market rules are inadequate or poorly enforced may face inequalities and stagnation. Therefore, understanding and improving the relationship between markets and territories is essential for creating an environment conducive to the comprehensive and harmonious development of local communities.

According to Lévesque (2009), the territory is not configured as a restricted space of resources but rather as a social and historical construction. Within this context, it is possible to identify a system of actors whose interactions are facilitated by different forms of proximity in the natural environment. Additionally, there is a dimension of social embeddedness in the territory, as these enterprises only materialize when there are actors from the same territory involved and a prior recognition in the social network that ensures the individual's ability to honor a credit commitment. In this way, these social businesses play a crucial role in providing improvements in the living conditions of individuals who are on the margins of society.

This aligns with the arguments presented by Granovetter (2003), which highlight the importance of strong personal relationships and networks in forming trust and preventing dishonest behavior. Granovetter argues that there is a preference for doing business with people of known reputation, which underscores the limited effectiveness of generalized morality and formal institutions. Additionally, he emphasizes that social relationships play a fundamental role in creating trust in the economic context.

Cassol (2018) analyzed the changes in the social construction of relationships and economic transactions, as well as business, trade, and food consumption strategies in three distinct markets: the Central Market of Campina Grande and the Caruaru Market, both in the Agreste region of northeastern Brazil, in the states of Paraíba and Pernambuco, respectively, and the Small Producer Market of Passo Fundo, located in the Middle Plateau region of Rio Grande do Sul. According to the author, the perspective of NES provides essential insights to understand how actors relate and conceive local cultures that guide their exchanges in a network of concrete and contextualized relationships. The study observed that changes in the relationship of actors demonstrate how this process is built from social and cultural values shared among actors (bargaining, price, quality, and variety) and that regulate the ways they interact and economically exchange within each analyzed market.

For NES, the immersion of social actors in continuous networks that strengthen trust and mutual affection is a valuable asset for future situations. This process leads to the formation of habits, conventions, and strategies, showing that an action that may not seem relevant at a specific moment can prove significant later, over a sequence of events (Marques, 2003, p. 7). The territory is, therefore, a social construction formed by relationships of trust, intense social organization, and networks, which are essential for territorial development and the formation of a territorial pact.

CONCLUSION

The interdisciplinary construction between economics and sociology is fundamental, as it allows for a richer and more comprehensive approach to social and economic phenomena. Economists and sociologists have investigated various topics independently, but the exchange of ideas between these two disciplines can provide deeper insights and more effective solutions to the issues under analysis. Economists who have incorporated sociological concepts into their analyses have brought new perspectives on market dynamics, while sociologists who have engaged with economic ideas have been able to explore the social implications of economic phenomena more deeply.

As discussed earlier, Economic Sociology emerged as a response to dissatisfaction with traditional economic theory, which often appeared isolated from other social sciences. The main criticism was that economic theory, based on assumptions of perfect information and the absence of uncertainty, offered unsatisfactory explanations about the functioning of markets. To overcome these limitations, the New Economic Sociology (NES) proposed the integration of social factors into economic analysis. Understanding markets cannot be complete without considering the nature of social relationships and the contexts in which individuals are immersed.

NES has made significant contributions by recognizing the importance of social relationships, cultural values, politics, and cognitive factors in the construction and functioning of markets. This expanded focus allows for a more holistic analysis, considering how social interactions and cultural contexts shape economic behavior and market structures. Research conducted within this field has demonstrated high quality and relevance, evidencing the strengthening of NES and the continued efforts to deepen the understanding of the complex interactions between economy and society. To this day, the integration of sociological and economic perspectives continues to enrich the analysis of economic and social phenomena, providing a more integrated and contextualized view of markets and economic practices.

Inspired by Polanyi's ideas, which see the market as a social construction, the authors discussed here have provided valuable contributions to territorial analysis. Polanyi argued that markets are not natural entities but social creations shaped by institutions and human relationships. In this spirit, Granovetter highlighted that economic relations are deeply embedded in social relations, reinforcing the idea that markets are interdependent on the social networks that sustain them.

Fligstein, in turn, pointed out that the most notable characteristic of modern markets is their stability. He suggested that to maintain this stability, actors seek to control sources of instability by managing the relationships they establish with each other. This involves creating forms of cooperation, hierarchies, agreements, and negotiation strategies that help smooth uncertainties and promote predictability in the market environment.

DiMaggio contributed by arguing that economic action is not just a matter of isolated rational decisions but a process that gains meaning through interactions between actors. He emphasized that economic behaviors are guided by social ties, specific contexts, and forms of transaction, revealing how norms and social relationships influence economic practices.

These approaches offer a richer view of markets, showing that their operation and stability depend heavily on social dynamics and institutional structures. Analyzing markets as social constructions helps to better understand how cultural, relational, and contextual factors shape economic practices, providing a more integrated and holistic perspective on the functioning of markets and the importance of social networks and interpersonal relationships in the economy.

Furthermore, the critique of the concept of economic man and unlimited rationality often overlooks essential aspects of the debate. It is crucial to deepen the discussion about the characteristics of individuals and how economic rationality is conditioned by social, cultural, and contextual factors.

The analysis presented here does not aim to exhaust all the contributions of the New Economic Sociology (NES), but seeks to highlight some of the main elements discussed by various authors who criticize neoclassical postulates and explore how these ideas can be applied to territorial development. NES offers a critical perspective that goes beyond traditional models, highlighting the need to consider the complexity of social interactions and institutions in the study of economic phenomena.

Issues addressed by NES emphasize the importance of a territorial approach in national development. Territorial studies, by adopting a multidisciplinary perspective, recognize that the territory should be analyzed not only through economic aspects but also social and cultural ones. The concept of territorial development promotes a more integrated and dynamic view of rurality, overcoming the sectoral approach and recognizing the diversity of actions, strategies, and trajectories that actors follow to ensure their social and economic reproduction.

In short, it is crucial to consider the diversity of contexts and historical moments in economic analysis. NES, by understanding the economy as a social totality and integrating institutions, organizations, networks, and forms of governance, reintegrates the economy into the core of society. This approach allows for a more comprehensive understanding of economic practices and territorial dynamics, offering a more complete and contextualized view of development.

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