Taking the Floor: Models, Morals & Management in a Wall Street Trading Room

Faced with the limitations of the financial reforms enacted since 2010, central bankers have recently turned to culture and values to instill restraint on Wall Street. In doing so, these policy makers have pointed to a gap in existing economic sociology, namely, how to characterize morality in markets mediated by economic models? While Zelizer’s cultural approach to markets overlooks the effect of economic models, Callon’s material approach has not explicitly considered morality. This gap is addressed in my recent book, “Taking the Floor: Models, Morals and Management in a Wall Street Trading Room,” which I will be presenting. The book examines a Wall Street manager in the late 1990s who sought to remedy the ethical shortcomings in his sector by reorganizing his own trading floor. The Study ethnographically revisits that manager and trading floor one decade later between 2008-2015. Based on the revisit, I propose the concept of model-based moral disengagement to designate the ways in which economic models contribute to predatory lending and systemic risk. I also outline an approach to organizing trading that can address such disengagement, which I call proximate control. I conclude by considering the theoretical implications of my analysis for economic sociology.

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