
Abstract:
This paper intervenes in the Granovetter-Polanyi debate by reassessing the level of embeddedness of social and economic relations under conditions of systemic transition. Using panel data collected in Poland, this analysis examines this relationship for three distinct periods of transition: initial (1988-1993), advanced (1993-1998), and post-transitional (1998-2003). This paper shows that during transition from communism to capitalism economic relations tended to disembend from social relations, but this relationship remained significant; friendship ties were conductive to an individual upward mobility, economic well-being and entrepreneurial activity. In contrast to Polanyi's argument, however, entrepreneurship - the most marketable area of individual advancement - s found to exhibit the highest degree of social-economic embeddedness. These results do not directly support either Polanyi's or Granovetter's arguments, however they do accord with a neo-Polanyian argument, as advanced in this paper.