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Finding New Directions in Economic Anthropology

by

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Economic sociology and economic anthropology are close relatives, but the communication between the two fields could be much better. In what follows I survey some old and new developments in economic anthropology, with the hope of encouraging economic sociologists to examine studies in economic anthropology, some of which can be relevant for their work - be it on markets, production or consumption.

As anthropologists began to conduct fieldwork and gather ethnographic material in different societies around the world, they encountered economies very different from their own. In his work on the Kula trade of the Trobriand Islands, Malinowski (1922, 1935) was one of the first to discuss a non-Western economy in depth, and noted that the productive aspects of Trobrianders' lives were tightly interwoven with kinship responsibilities and political and religious considerations, and that the important Kula trade had little significance for provisioning society, or in a monetary sense. Subsequent research (Bohannon and Dalton 1962, Godelier 1977, Meseilloux 1981, Sahlins 1974) continued to challenge categories important in economic theory and thought, and the belief that non-Western economies were primitive or underdeveloped, and would eventually evolve to become like those of the developed countries. Ethnography from non-industrialized societies indicated that production could be organized in many ways, under the auspices of a wide variety of 'non-economic' bonds and relationships. Additionally, material goods were frequently invested with immaterial qualities which transformed them, and gave value to social relations. The circumstances under which goods were exchanged affected, and could be affected by, the different social relationships which united exchange partners. Gift exchange, reciprocity, labor arrangements, long term-trading relationships and innovation are, then, some early interests of economic anthropologists, and although early work was undertaken in Melanesia and in Africa, ethnography from peasant societies of Latin America grew in importance from the 1970's onward (Johnson 1971, Gudeman 1978, Barlett 1980).

As ethnographic material accumulated, the debate between the formalists, who believed that non-western economies were in essence little different from modern ones, and could be analyzed with the same instruments, and the substantivists, who, following Polanyi (1944, 1957), conceived of economies as unique, deeply embedded within particular societies, and comprehensible only on their own terms. The formalist-substantivist debate -- inconclusive, and ultimately grounded in individual anthropologists' ways of perceiving the world -- dominated economic anthropology as the discipline was developing, waning only as academic ammunition and patience was depleted. Unfortunately it may have discouraged potential contributors to what was perceived as a conflictive and polemical field.

Meanwhile, economic anthropology was making progress on another front. The work of Eric Wolf (1957, 1969, 1982) inspired anthropologists to make use of historic material in analyzing the cultures of different societies, and the theoretical contributions of Frank (1967) and Wallerstein (1974) were a further stimulus in this direction. Some excellent monographs undertaken within this perspective, which analyzes cultures by focusing on political and

economic processes, are Roseberry (1983), Schneider and Schneider (1976) and Verdery (1983). Integration is frequently a major concern for these authors, and generally speaking, a large part of the work in economic anthropology during the last two decades deals with the transformation of non-capitalist or marginal societies as they meet the modern market.

An important way in which this meeting has always taken place is through markets, and an vital branch of economic anthropology studies markets and marketing. Here, most work has been undertaken in Latin America; much in Mexico, for example by Beals (1975) and Cook and Diskin (1976). Carol Smith's work, especially her edited volume on regional analysis (1976), shows how history and geographers' models of ideal market distribution can be used to decipher the economic structure of a region. Plattner has also made interesting contributions to the field (1982, 1983, 1985). An innovative work less concerned with circulation in the marketplace, and more with cultural transactions, is Geertz' essay on a Moroccan *sug* (1979). Finally Larson, Harris and Tandeter (1995) have recently edited a volume with a historical perspective on markets in the Andes.

In this very brief introduction, I have touched on a number of the main interests and theoretical orientations that have formed economic anthropology, and named a few of its contributors. Anthropologists have studied production (innovation, risk-taking, labor arrangements, entrepreneurship) and circulation (markets, exchange relationships, labor migration, economic integration) and more recently, have also turned their attention to consumption (Appadurai 1986, Miller 1995). The focus has been on small-scale non-Western economies: tribes, peasant communities, or urban enclaves with well-delimited borders. Scant attention has been paid to mainstream economic activities in the developed countries.

The last few years, however, have given indication that anthropologists are beginning to turn their attention to new fields closer to home, examining economic action in modern societies. James Carrier, a prolific economic anthropologist (1995, 1997a-d), has compiled an edited volume (1997d) that demonstrates some of the kinds of contemporary economic themes which can be illuminated from an anthropological perspective. In his preface to the volume, Carrier points out its difference in respect to other fairly recent collections of articles on markets and market systems (Dilley 1992, Friedland and Robertson 1990, Plattner 1985). The Friedland and Robertson, and Plattner volumes approach the market as an empirical entity to be described, rather than regarding it and its processes as conceptual categories to be analyzed. While Friedland and Robertson turn their attention to how social, political and economic forces interact in modern society, the Plattner volume addresses similar themes, but primarily outside the modern West. Dilley's volume also discusses societies that are more marginal to the global economy, with interest in seeing how their economic discourses interact with dominant Western ones, but he emphasizes the economy as a cultural entity, examining how people beyond or on the edge of the modern West conceive of economic activity, and how their constructions interact with Western constructions. Gudeman (1986), Gudeman and Rivera (1990) and Taussig (1980) are other economic anthropologists named by Carrier as long concerned with peoples' cultural models of economic activities although, as Dilley's contributors, they focus on non-Western economies. Parry and Bloch (1989) is an interesting collection discussing non-Western reaction to, and adaptation of, modern economies that might well be added to the list.

Carrier's collection, then, aims at discussing the modern economy as a cultural entity, and attempts to break new ground. In an ample and thought-provoking introduction, Carrier discusses the meaning the model of the "free market" has in modern society, examining its

underlying assumptions, and suggests that rather than judging its empirical accuracy against a certain set of standards, it may be more useful to think of it as a *lingua franca*, a “communicative analogy” used in public discourse by people of different social groups, which, once established, is maintained by the power of fashion and repute. The contributions to the volume are more concerned with examining the meanings people connect with the idea of the free market, than with the market’s actual functioning.

Yet considering the dearth of anthropological studies concerning aspects modern economies, a good deal of work needs to be done and there is ample room for analyses both of the “modern economy as entity” and the “modern economy as cultural construction,” as well as those which emphasize historical processes. In the last few years of the 1900’s a handful of such studies have emerged, and research groups that are currently forming indicate that modern economies are at last providing a fertile area for anthropological inquiry.

The work of Eric Wolf continues to be important for those interested in a political economy approach to modern market processes. Reyna Rapp and Jane Schneider have recently edited a volume (1995) which collects a number of studies on contemporary market processes. Gracia Clark, the author of a work on market women in Ghana (1994), is now examining the effects of structural adjustment programs on the economies of households in Ghana, a subject on which she has presented papers at the annual conference of the Society for Economic Anthropology (1999) and the American Anthropological Association (1999).

In the field of markets and marketing, Dannhauser, interested in how the circulation of goods in patterns of commerce affects commercial opportunity and market structures, has written an interesting article on the circulation of import goods in Asia (1989) and a monograph on commerce in Germany. Plattner has discussed the structure of an art market (1997) and Lien (1997) has produced an interesting work on the professional marketing of a new food product in Norway.

Stock markets, and the modern world of finance in general, is also stimulating interest among anthropologist. Abolafia’s (1997) pathbreaking work on bond traders on Wall Street is an inspiration here, as well as Hertz’s (1998) work on popular participation and the role of the state in the early days of the Shanghai stock exchange. While these two monographs are mainly descriptive – economy as entity – Lindquist, an ethnologist, has taken a look at Swedes’ increasing participation in the financial market (1999) and discusses changing conceptions of the act of saving. Other names to watch for future work are Annelise Riles, a legal anthropologist who is researching the activities of Japanese options traders, and Gustav Peebles, who is working on alternative currencies in Scandinavia.

The awakening interest in analyzing modern market processes is also giving rise to research groups and networks. At Stockholm University, I am currently participating in one such group, working on a project “Cultural models of the market: Trust, risk and social change.” My research concerns small investors in the Stockholm stock exchange and their conceptions of the financial market (Lindh de Montoya, forthcoming). Within the same group, Miguel Montoya (forthcoming) is researching local investors in emerging markets, Anna Hasselström is focusing on the information networks of currency traders, and Christina Garsten is discussing the ethical investments made by multinational companies. Other groups which are now forming include anthropologists headed by Richard Rottenburg at the Institute of Comparative Cultural and Social Anthropology at the European University Viadrina in

Frankfurt (Oder), and as we saw in the Economic Sociology Newsletter No. 2, a group of French social scientists have recently formed a Social Studies of Finance Network in Paris.

It is interesting to note that the anthropology of the modern economy promises to be interdisciplinary in character, drawing more from related disciplines than has previously been common. An obvious reason for this is that as anthropologists begin to explore complex economic processes in industrialized societies, they encounter and make use of concepts already long discussed by, for example, economists, sociologists and social philosophers, finding their work useful in developing their own perspective on these phenomena. The scope of anthropology is in general much broader today, and advances in related fields help widen the bases needed to examine modern societies. While themes such as risk, trust, identity, and ideas of community have been much apparent in economic anthropology, the recent discussion within sociology can fresh provide insights. The work of sociologists such as Granovetter on the embeddedness of economic action (1992), Swedberg on markets (1994), as well as the theoretical contributions of Beck (1992), Giddens (1989) and Lash and Urry (1994) on modern societies serve as points of departure for anthropological studies of modern market processes, as can Saskia Sassen's (1996, 1998) work on global economic processes. Baudrillard (1981) and Bourdieu (1986,1990) provide perspectives that anthropologists have long found useful and are very relevant for the study of modern markets. In the field of economics, the new institutional economics also provides points of departure. Acheson's edited volume (1994) is an example of recent interest in examining the differences and convergences between institutional economics and social anthropological approaches to economic behavior. Chapman and Buckley's article in Carrier (1997d) is an interesting reflection on the shortcomings of transaction-cost theory seen from an anthropological perspective.

To sum up, anthropologists are just beginning to turn their attention to the complexities of the modern market, and to carry out fieldwork on economic processes of industrialized countries, examining for example, commercial structures, marketing and consumption, financial markets, and the viability of development strategies. This new orientation promises a wealth of new ethnography and productive links with theory in neighboring disciplines. Perhaps most of all, it will be interesting to see how these anthropologists meet the challenge of linking their work with the long anthropological discussion on such central concepts within the discipline as those mentioned earlier - exchange, reciprocity, trading relationships, and innovation.

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