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One-world Capitalism

Since the 1980s, anthropologists have finally shed their preoccupation with 'primitive' – later 'non-industrial' – societies. We all seem to be living in one world unified by capitalism, so anthropologists now study that. There has been a marked shift in the location of research back home to the Western heartlands of the discipline; but at the same time the palpable sense of a shrinking world encouraged some anthropologists to develop new ways of studying 'globalization' everywhere. Three historical developments underpinned this shift: the end of the Cold War which was greeted by some on the winning side as 'the end of history' (Fukuyama 1992); the rise of China and India as capitalist powers, introducing a serious Asian challenge to Western hegemony (Frank 1998); and the digital revolution in communications, whose most visible symbol is the internet (Castells 1996).

There has been a rash of what Marshall Sahlins (2002) calls 'afterology': post-modernism, post-structuralism, post-Fordism, post-socialism, post-colonialism, post-development. This was linked to the possibility of moving 'beyond development'. In the context of capitalism, it was asserted that the class system of the industrial era had disappeared. People in the rich countries no longer served capitalism as workers, but through their purchasing power as consumers. Here the old question of value now became: why do people spend their money as they do? This led one strand of economic anthropology towards studying the material culture of consumption

at home. At the same time capitalism's global labour force has continued to expand; anthropologists have analysed these trends and contributed some excellent ethnographies of industrial and other forms of work. In chapter 2, we pointed out that the idea of economy has moved historically between domestic and public referents, countryside and town, house and market. The relationship between these poles is still contested and indeterminate in capitalism's latest incarnation. It is time for economic anthropology to attempt a synthesis rather than swing between extremes. Accordingly in this chapter we start by outlining the traditional theory and ethnography of capitalist development, before considering industrial work and consumption. We then examine corporate capitalism and finance, and conclude with brief reflections on the global economic crisis that erupted while we were writing this book.

The Development of Capitalism

What are the forms of society and technology organizing our hectic march from the village to the city and to a world economy that for many is already a reality? The favourite name for this economic dynamism, at once a description and an explanation, is 'capitalism', a term that was in public circulation by the 1850s, but was not used by Marx and Engels and entered social theory a century ago through Werner Sombart (1902) and Max Weber (1904–5). This combination of money and machines is often taken to underlie the polarizing tendencies of our world.

Capital is wealth used to make more wealth. *Wealth* is all resources having economic value. What people hold in high esteem has *value* (Graeber 2001), but in economics it usually refers to the sum of everything that can be measured by a universal equivalent, that is, *money*. So the essence of capital is that it is wealth (usually money in some form) capable of *increasing* its value. In both popular and scientific usage, the meaning of 'capital' shifts uneasily between a material or technical emphasis on *stock* (produced means of production, physical equipment, notably machines) and identification with the kind of money prevailing in the modern economy. The analogy between capital increase and the natural reproduction of livestock is indicated by the etymology of *cattle* which suggests an ancient link between the two terms (Hart and Sperling 1987). *Capitalis* (literally 'of the head') meant 'important', 'chief', 'primary'. The neuter form *capitale* referred to significant material property, such as chattels and cattle. In this broad sense then, capital, like the head, is vital to sustaining life. The modern term 'capital', however, derives more specifically from a medieval banking expression, similar to the notion of 'principal', denoting an amount of money that grows through accumulating interest. There are thus two opposing camps, one of which would assimilate capitalism into a wide, natural category implying a basis in the domestication of plants and animals, while the other sees capitalism as a more recent and probably ephemeral social arrangement devoted to making money with money.

As a keyword of our civilization, capital reflects the contrasting ideologies that have arisen to represent it. Most economists equate capital with the stock of goods that are used in production and are themselves produced, whereas Karl Marx and his followers consistently restrict the definition of capital to its form as money. Marx (1867) viewed the piling up of riches by businessmen as a social relationship of exploitation that was mystified by equating capital with physical plant and profit with the reasonable income of its owners. For him, as for John Locke (1690), human labour was the source of wealth and the addition of machines to that labour merely made it more productive. Economists, however, tend to stress the withdrawal of goods from immediate consumption and the enhanced productivity of factors other than labour in which the capitalist has invested. The ensuing increase constitutes the reward for making that sacrifice. This argument makes sense in an industrial economy where money wealth flows most predictably if it is invested in mechanizing production. But many forms of capital accumulation do not involve physical plant to the same degree (banking and

trade, for example) and the broader usage tends to confuse money with machines by representing capital as a thing (that is, as *real*) and mystifying the social relations involved. The problem with the economists' definition is that it cannot deal with historical change in the relationship between production and the circuit of money, as Marx's dialectic can. Certainly it cannot cope with the financial crisis of our day to which we turn shortly.

We take capitalism to be that form of market economy in which the owners of large amounts of money direct the most significant sectors of production with a view to increasing the money they already have. For a time, and perhaps still, the most reliable way of making money with money was to raise the productivity of labour through investment in machines. This is Marx's position. For him, modern capitalism was that form of making money with money in which free capital was exchanged with free wage labour. He sought, therefore, to account for the processes whereby people's capacity to work was freed from the legal encumbrances of feudal agriculture and funds were released for investment in new forms of production. He discusses this process of 'primitive accumulation' at the end of the first volume of *Capital*. Adam Smith (1776) had related profit levels to reduced costs achieved through increasing the efficiency of workers; he identified specialization and division of labour as the best way of doing this. Marx's great discovery was that this logic led to the introduction of more and better machines to the production process. He demonstrated that wage slavery under capitalism was fundamentally similar to feudal serfdom. The most primitive type of industrial capitalism, therefore, is one in which the feudal approach is transferred to the industrial system of wage labour. This is sometimes called 'sweatshop capitalism'.

Max Weber (1922a) did not disagree with Marx's account, although for him property relations ('ownership of the means of production') were less important than the Marxists believed. For Weber, the Marxists did not dig deep enough in their explanations of the transformation. Agrarian societies and their urban enclaves had always relied on traditional certainties when organizing their economies – that is, they tended to repeat what they had done in the past. Hence society and technology were relatively stagnant during the agricultural phase of human history. Weber surmised that a massive cultural revolution must have been necessary to persuade people to place their economic lives in the hands of capitalists whose principal orientation was to uncertain future profits. It followed that capitalism should be conceived of in terms that were not just narrowly economic, but political and even religious as well. For Weber, capitalism was an economic system based on *rational enterprise*. Each of these words was carefully chosen.

Enterprise is something undertaken with a view to future profit. How could whole societies commit their livelihood to the uncertainties of enterprise? Enterprise commonly takes two forms. The first is speculative and involves people gambling on a hunch that they will win. Keynes (1936) saw these 'animal spirits' as central to the dynamism of capitalist markets, leading to a cycle of booms and busts as herds of investors chase the latest chance for windfall profit. Weber was interested in the second form of enterprise, one driven by a compulsion to eliminate the risks entailed in relying on uncertain futures. Rationality is the calculated pursuit of explicit ends by chosen means. Rational enterprise, according to Weber, rests above all on the entrepreneur's ability to calculate outcomes. For capitalism to take root, uncertainty has to be replaced, if not with certain knowledge, then with reliable calculation of the probabilities. This helps us to grasp the paradox that, while capitalists celebrate the risks of competition in their self-promoting ideologies, they will do everything in their power to avoid it in practice. Weber shows how the fledgling capitalist economy progressed by instituting the means of more reliable calculation. This meant improvements in book-keeping, working practices and technology. Above all the state had to be alert to the needs of enterprises, securing their property and profits in law and stabilizing the conditions of market economy. Weber did not think that mercantile colonialism was a sufficient explanation for the accumulation of a European capitalist fund, since several commercial empires (such as the Phoenicians) had long developed similar systems without spawning modern industrial capitalism. Rather, he believed that capitalism owed its specificity to developments in the sphere of religion. In *The Protestant Ethic and the Spirit of Capitalism* (1904–5) he addresses this 'elective affinity' between protestant religion and rational enterprise. If Marx successfully linked capital accumulation to machines and the wage-labour system, Weber's emphasis on rationality and religion helps us to see developments in the system of money and markets as a cultural revolution. Both approaches have had a profound influence on economic anthropology.

Capitalism is always modified by the specific conditions in which it grows. Italian capitalism is not Japanese capitalism; Brazilian capitalism is different again, and so on. The particular social realities revealed by ethnography can and should inform the search for general principles of economic organization in our world, for we need to explain not only the common form, but also its infinite variation. Anthropologists recorded a decisive moment in history, when non-Western peoples were drawn into new systems of exploitation, and eventually began to participate in the world economy on their own terms. An East African case study illustrates this general point in ways that evoke both Marx and Weber.

The Giriama are a people living on the East coast of Kenya who were studied by David Parkin (1972). They once kept cattle and, in the colonial period, often worked as migrant labourers. During this era an export market for copra (coconuts) had arisen which attracted a new class of entrepreneurs. Palm trees had been used before principally to make wine and this was drunk on many social occasions, especially at marriages and funerals. People worked for each other on the basis of reciprocity and need, paying close attention to the kinship ties between them. Extraction of copra required the acquisition of property in coconut trees and control of an adequate labour supply. For the first, entrepreneurs had to win the support of elders as witnesses to the land transactions involved. Traditional sources of authority had to support this incipient process of capital accumulation. Labour was problematic, since kin relations did not usually involve handing over profits to an owner; and the community expected such profits to be spent on public ceremony, which was of course generously lubricated with the consumption of palm wine.

So far, the story upholds Marx's focus on the exchange of money for land and labour. But there is a Weberian element too. Some entrepreneurs sought to extricate themselves from the entanglements of traditional institutions by embracing a new religion, often after consulting a diviner about dreams that revealed a calling to join Islam, a religion which prohibited drinking at marriages and funerals. Such an analysis may not have the force of the Protestant ethic thesis; but emancipation from diffuse community ties in this way was compatible with more reliable calculation of capitalist profit. Parkin's Giriama ethnography belongs to a period when Kenya was seeking to establish itself as one of Africa's leading capitalist economies. For a time, redistribution of wealth and power towards some Africans induced an atmosphere of commercial prosperity. The world economy in the 1960s and early 1970s was also favourable. This climate did not last, however, and for some decades now economic conditions have deteriorated in Kenya. For the Giriama, the forces of nascent capitalism could not yet be said to have banished traditional norms of rural self-sufficiency.

Pierre-Philippe Rey (whom we encountered in chapter 5) sought to bring the West African colonial experience of capitalism and the original British case within the scope of a single theory. He argued (Rey 1973) that, wherever capitalism developed, the new class was forced to make compromises with the old property-owning classes in ways that made the resulting hybrid something specific to that society. Thus the British industrialists had to make an alliance with the landowning aristocracy in order for the factory system to replace feudal agriculture. Similarly, in West Africa the indigenous lineage elders made an alliance with the colonial authorities to supply the labour of young men to plantations and mines.

This kind of class alliance is depressingly familiar in the transition to capitalism. It is an example of the sociological and institutional complexity that more abstract economic theories tend to ignore.

Industrial Work

Descriptive anthropology of urban industrial settings was pioneered by Friedrich Engels's study of Manchester (1845; see chapter 6). Novelists like Charles Dickens and Émile Zola also provided rich materials for later scholarship, as did the journalist Henry Mayhew (1861–2) with his compendious study, *London Labour and the London Poor*. Anthropologists were slow to take up the study of work in any environment. The efforts of pioneers such as Malinowski and Richards in tribal contexts were followed up with investigations of the labour process of peasant households, in the tradition established by Bücher and Chayanov. But even in countries where much of the work in the agricultural sector was performed by wage-labourers, anthropologists did not see it as their job to study capitalist agribusiness.

In Britain from the 1950s, a substantial body of ethnographic work was carried out in rural and urban areas, much of it under of the auspices of Max Gluckman's Department of Social Anthropology at Manchester. This research programme focused initially on the Celtic fringe, but a famous interdisciplinary study provided a rich description and analysis of a mining community in Yorkshire (Dennis et al. 1956). Through the lens of small-scale 'communities', researchers sought to capture larger trends in post-war British society, particularly the effects of deindustrialization and changing gender roles (Frankenberg 1966).

These early contributions apart, a critical economic anthropology of industrial work and unemployment must rely heavily on non-anthropological sources. Sociologists have done the most, although the psychologist Marie Jahoda played a leading part in an early interdisciplinary study of the impact of the Great Depression on an industrial community in Austria (Jahoda et al. 2002). This study found that, when they lost their jobs, the male breadwinners of Marienfeld were deprived of their normal daily routines and became disoriented. Women faced greatly increased burdens, but they coped much better. Anthropologist Leo Howe (1990) reported a similar pattern more than half a century later among the unemployed in Belfast. When the labour market fails them, men and women take up alternative forms of work, often by intensifying self-provisioning and do-it-yourself activities in their household, as sociologist Ray Pahl (1984) documented for the informal economy in Kent.

Harry Braverman (1974) and Michael Burawoy (1979), sociologists who were inspired by Marxism, have greatly expanded our knowledge of capitalist labour processes. To the former we owe the concept of 'deskilling', the process whereby artisans are reduced to tending machines that require little of their traditional craft. The latter has produced a series of ethnographic studies of manufacturing around the world that tackle fundamental conceptual issues, notably how 'consent' to inequality is achieved on the shop floor. Huw Beynon (1973), who was similarly influenced by a Marxist concern with alienation, produced an outstanding British study on the basis of fieldwork at a Ford car plant. These car workers were certainly victims of a deskilling process, but this did not mean they constituted a passive, docile workforce. On the contrary, they *hated* their jobs, in ways that miners seldom hate the pit. But the job was appreciated, even desired, because their wages allowed workers to plunge into the enchantment of capitalist consumption outside working hours. Work in the Ford plant, unlike the norm in tribal and peasant societies, was fully detached from the domestic group; but it nonetheless had direct implications for changing gender roles and family life.

Post-Fordism has brought much more variety. In *Made in Sheffield* (2009), anthropologist Massimiliano Mollona shows that division of this Northern English steel city's economic history into discrete stages misses how different

styles of capitalist organization have co-existed since the eighteenth century, making for flexible and resourceful work strategies as well as for their close integration into the informal economy linking households to the wider community. Mollona offers a critical analysis of the shift to 'community unions', arguing that economic relations formed through work remain the most effective basis for collective resistance. Elsewhere, anthropologists have shown how such forms of resistance, for example in Bolivian tin mines (Nash 1979) or Malaysian factories (Ong 1987), have been profoundly shaped by local cosmologies.

Jonathan Parry (2008, 2009) has carried out long-term fieldwork in another steel city, Bhilai in India, where a cosmopolitan industrial community was formed in the new spirit of modernity following Independence. Peasants from all over India were drawn to work in the Soviet-built plant, but local people had to be displaced to make room for it. A complex pattern of class divisions emerged in which a complacent labour aristocracy served by a corrupt union found its interests fundamentally opposed to the army of informal and self-organized temporary workers whose labour was equally necessary to the plant's functioning. This hierarchical pattern of industrialization confirmed Mark Holmstrom's (1976) conclusions in a study of Bangalore. Holmstrom at first proposed a starkly dualist model of the labour process, but he later (1984) recognized complex links between the 'citadel' occupied by the labour aristocracy and the huge numbers of temporary workers and migrants clamouring to gain entry. The neoliberal decades have blurred this picture further through an expansion of subcontracting ('outsourcing') and weak enforcement of labour protection legislation.

Industrial labour in the Zambian Copperbelt has been studied by anthropologists since the 1930s, when Audrey Richards (1939) showed how male absenteeism from the farms caused great hardship in the rural areas. The ethnographers brought together by Max Gluckman in the Rhodes–Livingstone Institute during the 1950s reacted against a colonial policy of segregation that restricted Africans to their rural homelands and granted them only temporary residence in 'white' urban areas. They insisted that African workers belonged in the city when they took up modern jobs, whether as miners, factory workers or railwaymen, and had acquired working-class identities that deserved to be expressed through unions and political parties ('a townsman is a townsman, a miner is a miner'). At the same time, some of them painted a more optimistic picture of relations between rural and urban areas, claiming that labour migration was now positively integrated into a more prosperous village life. These workers took it for granted that, with the transition to urban life, progress was irreversible. Gluckman's Manchester school broadly endorsed this picture. But the collapse in copper prices in the 1970s destroyed the material basis for modernity. Many workers were forced to return to the countryside and re-learn how to produce food (Ferguson 1999). The pendulum of world mineral prices is now once more swinging upwards, for copper at any rate. Zambian miners have had to emulate the flexible survival techniques of Sheffield's steel workers. This illustrates the value of combining ethnography with a long-run historical perspective. Even if the Fordist model temporarily disguised the interdependence of the public and the private/domestic spheres, it is always necessary to situate the formal workplace in a local context of households and family life, informal economy and community, as well as within the larger framework of relations between city and countryside.

Consumption

The shift of industrial production to countries with cheaper labour and, in the case of China, India and Brazil, increasingly sophisticated commercial organization, has been a consistent feature of recent decades. In the neoliberal homelands, a wave of outsourcing, downsizing and casualization of the labour force undercut the political power of the unions and appeared to support the view that the Western masses

now participate in capitalism primarily as consumers rather than producers. Anthropologists, again taking their lead from sociologists and historians, have consequently flocked to the study of consumption. The challenge here is to explain why people in modern economies buy the things they do, sometimes going to great trouble and making heavy sacrifices in order to consume objects that in no sense qualify as physical necessities. Again, sociologists, notably Thorstein Veblen (1899), got there first.

Some anthropologists have developed a distinctive perspective by drawing on their traditional expertise in material culture and keeping their distance from the main debates of economic anthropology. The interest of such a focus on material culture lies in its treatment of subject–object relations, of the way we mediate our relationships with others and the world through objects. This mediation has practical, social and symbolic dimensions everywhere. Earlier material culture studies described the home decorations of narrowly circumscribed local peasantries whose artefacts were mostly made by hand. It was not easy to apply this approach to contemporary urban decor, since domestic interiors there are often furnished and decorated with artefacts of similar function and only minor formal differences. This situation was first studied in the 1970s and 1980s by French sociologists applying post-Marxist and post-structuralist perspectives. They claimed that it was difficult for consumers to express a distinctive identity through mass-produced commodities. These could only give expression to people's social position using a grammar imposed on them by the consumer society that was necessarily external to the individual. The only meanings that objects could convey in such a system were signs of social recognition, not of personality.

Jean Baudrillard (1975), taking his inspiration from semiotics, saw consumption as the manipulation of signs. He argued that formal differences between objects performing the same function could be understood in terms of their possessors' relative positions in the social system. The behavioural norms of consumers are concerned with both distinction and conformity: they try to conform to the behaviour of the social group they belong to while seeking to differentiate themselves from other groups at the same time. In this way models of consumption help to construct social and cultural identity. A more sociological approach to French society was developed by Pierre Bourdieu (1984), who tried to reconcile objectivity and subjectivity in his approach. Consumer behaviour may be seen as an expression of *habitus*, his key concept, and the things people own, whatever they may be, are in fact the incarnation of objectified social relations. Differences in the goods we possess become a social language. Difference only signifies distinction if individuals have incorporated this structure of outward appearances, with its hierarchy of practices and objects, into how they habitually represent the world. While Bourdieu grants consumers individual choice as actors, he links consumption to their social position by assuming that every individual shares the same code of meaning for these object-signs; this code is somehow imposed abstractly from the outside.

In Britain, Mary Douglas proposed a similarly oversocialized view of consumption in *The World of Goods* (1979, written with Baron Isherwood). Her target was the economists who, if they were serious about consumer choice as the engine of the capitalist economy, should turn to anthropologists for advice on 'consumption classes' in countries like modern Britain. In fact the corporate marketing professionals had already made a science of just that. A later generation of Anglophone anthropologists was keen to grant consumers of mass-produced objects more say over their actions. They took up the idea of a system of objects, but showed also that actors build up a private universe that has personal imaginative meaning beyond serving to position them in society. The central term for understanding this process of identity formation is the Hegelian concept of 'appropriation' (Miller 1987). In essence, the term seeks to capture a process whereby a domestic environment is built through mass-produced commodities made personal by belonging to a specific way of life. The home may thus be seen as a construction site made up

of objects bought in a store, many of them of the same type, and then made into inalienable property by being placed in a personal universe unique to their owner. People express collective as well as individual identities through these objects. They personalize their material environment rather than succumb to a world of objects that is resistant to their influence.

Daniel Miller has published a series of books, notably *A Theory of Shopping* (1998), taking the theory of consumption to the internet and mobile phones, as well as into more conventional areas like clothing, from blue jeans in London to saris in India. In a review of the literature on domestic material culture, Sophie Chevalier (who has been strongly influenced by Miller) argues that the public and private spheres interact through objects that enter and circulate within the home while securing its development and reproduction (Chevalier 2010). Social structure and organization make their appearance in the private sphere through home decoration. This process of internalization is more a matter of reconstruction and reinterpretation than a simple mirror. Collective existence does not lie outside individuals, nor is private life simply an expression of the collective. People create and reproduce the public sphere through consumption practices that combine the public and the private, the collective and the individual. This conclusion from the anthropology of consumption echoes what we discovered from the study of industrial work. It confirms a precept of Marcel Mauss that anthropologists should examine how the many elements of the human economy fit together as a whole, rather than fixing our attention on one pole to the exclusion of the rest.

Corporate Capitalism

The basic institution of capitalism is the firm. Small businesses that rely on the labour of family members often remain extremely important; and the role of kinship in facilitating and frustrating rational enterprise remains under-researched

(Stewart 2010). But politically as well as economically, family firms have long been overshadowed by organizations that are global in their reach. Of the 100 largest economic entities on earth, corporations now outnumber nations by more than 2 to 1. Their organization is extremely flexible and overlaps with those of governments. Oliver Williamson won a Nobel prize for clarifying when a corporation should produce inputs itself, rather than purchasing them from other producers and incurring the transaction costs involved in seeking them out and drawing up contracts. The costs of internalized production are likely to include problems of managerial control and corruption. Dynastic families still play a significant role in some large corporations; but in practice control has passed to a new class of directors, lawyers and accountants (Marcus with Hall 1992).

One particularly contentious issue is the distribution of wealth between shareholders and managers of corporations. Having earlier produced an exemplary ethnographic study of a multi-national corporation in Northern England (Ouroussoff 1993), Alexandra Ouroussoff (2010) carried out an extended series of interviews about risk after the millennium with senior corporate actors in London, Paris and New York. Her method is ethnographic, although her style is sometimes quite confrontational. Since the 1980s, the world economy has been in the grip of ratings agencies such as Moody's, who supervise what they take to be investment risk on shareholders' behalf. They imagine that they can calculate and minimize future losses. Corporate executives, Ouroussoff found, have an opposed economic philosophy that holds profit and loss to be subject to unpredictable contingency. They have muted their public criticism of the ratings agencies because of their need for investment capital; and their reports of company activities have become devious as a result. The resulting capitalist regime, Ouroussoff claims, has both stifled entrepreneurial growth and contributed to a systemic collapse of the economy. Yet academics, politicians and journalists persist in treating the financial crisis as a result of personal moral failure rather than of institutional contradictions.

If a business owes more money than its assets are worth, the original investors were once personally responsible for the debt. In 1580, Queen Elizabeth I granted 'limited freedom from liability' to *The Golden Hinde*, a ship owned by Sir Francis Drake in which she was the largest shareholder. This meant that, if the enterprise incurred large debts, investors were limited in their liability only to the amount of their initial investment, leaving creditors to pick up the rest. In fact, the returns on this low-risk investment were 5,000 per cent and the Queen was well pleased. The business model of the modern corporation works in essentially the same way.

Thomas Jefferson saw three main threats to democracy – governing elites, organized religion and commercial monopolists (whom he referred to as 'pseudo-aristocrats'). He was keen to include freedom from monopoly in the Bill of Rights; but that particular clause slipped through the cracks of the US constitution. From then on, corporations, which were treated as artificial persons in law – like churches and political parties – sought to win the constitutional rights of individual citizens for their businesses. After the Civil War, the Fourteenth Amendment sought to guarantee to former slaves equal protection under the law, by making discriminatory provision of public services illegal. The railroads began suing states and local authorities for enacting regulations designed specifically to control them, on the grounds that this created 'different classes of persons'. The corporations could afford to keep coming back to the courts until they won. And eventually they did, in 1886. Today, if a town wants to protect its small shopkeepers by denying Walmart the right to open a superstore there, it will risk facing an expensive lawsuit brought to defend the corporation's legal rights. A divided US Supreme Court confirmed (*New York Times* 2010) that corporations should be allowed to exercise their human right of free speech by using their vast resources to support political candidates that toe their line. So, from corporations being granted the legal rights of individual citizens, we have now reached the point where most ordinary citizens cannot compete with them on an equal footing in law or politics, never mind in the market. The corporations have become an elite citizen body in the global economy they have created; and the rest of us are for the most part just passive onlookers.

We still think of private property as belonging to living persons and oppose private and public spheres on that basis. But abstract entities like governments and corporations can also hold exclusive rights in something against the world. At the same time corporations have retained their special legal privileges, such as limited liability for bad debts. We are understandably confused that General Motors can have the same rights as any living person, while being exempted from responsibilities imposed on the rest of us. This constitutes a major obstacle not only to the practice of economic democracy, but also to thinking about it, especially when most intellectuals uncritically reproduce this very confusion. Not only has private property evolved from individual ownership to corporate forms, but its focus has also shifted from 'real' to 'intellectual' property, from material objects to ideas. This is partly because the digital revolution has led to the economic preponderance of information services whose reproduction and transmission is often costless. Radical reductions in the cost of transferring information through machines have injected a new dynamic into the conduct of business. Modern corporations rely on extracting rents from property as much as on profits from direct sales; and, as the saying goes, 'information wants to be free', meaning that there is consistent downward pressure on prices for information-based goods and services. The social effort needed to maintain high prices in a world of increasingly free production and reproduction is what drives the central conflict in capitalism today.

As with corporate personhood, there is sleight of hand involved. If I steal your cow, its loss is material, since only one of us can benefit from its milk. But if I copy a CD or DVD, I am denying no-one access to it. It is in essence a 'public good' whose use does not reduce the available supply. Yet corporate lobbyists use this misleading analogy to influence courts and legislators to treat duplication of their 'property' as 'theft' or even 'piracy'. Inevitably the world has become polarized

between the corporations' drive to privatize the cultural commons and a vast resistance to that drive. This conflict has a long history, but the conditions of the digital revolution have taken it to an unprecedented level (Johns 2009). This situation is far removed from the car factories that still shaped capitalism's self-image in the mid twentieth century.

There is a lot to play for if economic anthropologists can raise their game to this level, by taking a political stance, for example, when the pursuit of private profits by corporations stands in obvious conflict with public welfare. Tobacco giants and international mining companies are currently very successful in disseminating a 'politics of resignation' among those who suffer harm from their products and by-products (Benson and Kirsch 2010). In neoliberal governance, the role of corporations in producing new subjects and sensibilities is as significant as the role of the state. If a critical economic anthropology is to get to grips effectively with corporate capitalism, these insights need to be linked both to world history and to ethnographic work inside the corporations, of the kind undertaken by Ouroussoff.

Money and the Financial Crisis

The process of getting people to spend their money on consumption – the art or science of selling – is also a rapidly expanding field. Corporate marketing is an expert system of shared, specialized knowledge, a 'disembedding mechanism' that operates on a global level (Lien 1997). From its origins in eighteenth-century England to its culmination in twentieth-century America, marketing has absorbed moral criticism into its own quasi-religious system (Applbaum 2003). Whereas an earlier generation of ethnographers highlighted the devastating consequences of capitalist development for local cultures, Applbaum shifts the culture contact model to one more suited to the globalizing present. He emphasizes the emergence of shared meanings and goals in economic action (why articulation often appears to be consensual) and attributes this to the corporations' success in controlling every aspect of the social life of the commodities they sell. It is true that advertising agencies often seek to impart a local gloss on universal themes (see Mazzarella 2003 for the case of Mumbai). Consumers' experience of McDonalds in East Asia differs significantly from what is offered by the same firm in North America and Europe (Watson 1997). But Applbaum is right to maintain that marketing paradigms that originated in the United States are fast becoming universal.

There has been a spate of work on the anthropology of finance in the last decade or so. The doyen of this field is Bill Maurer, who has investigated Islamic and other variants of contemporary finance (2005a), as well as carrying out research on offshore banking and the use of mobile phones for banking purposes by the poor in East Africa and elsewhere. Maurer recommends a sceptical, pragmatic approach to money and is thus more interested in what people can do with money than what it 'means' to them. Like Jane Guyer (see chapter 5), he believes that anthropologists have bought too easily into the liberal economists' idea of money as a medium of exchange rather than as a means of payment.

It has now become almost commonplace for anthropologists to work in financial centres. Ellen Hertz (1998) was prescient in carrying out field research on the Shanghai stock market. Caitlin Zaloom (2006) focused on how financial traders adjusted to new information technology. Both of these studies, however, are quite traditional in their focus, being concerned with the traders' local practices and point of view, even if their business is global at another level. Karen Ho (2009) goes further by linking her ethnography to a broader analysis of political economy. Based on interviews with employees of Goldman Sachs, Morgan Stanley and other great finance houses, *Liquidated: An Ethnography of Wall Street* explicitly engages with larger distributional questions, such as those involved in the system of granting bank staff large bonuses. She has used her public platform to argue for bonuses to be linked to corporate productivity and shareholder value in the long term and has advocated the return

of something like the Glass–Steagall Act that once separated investment and commercial banking.

The failure of the New York investment bank, Lehman Brothers, in September 2008 triggered a financial collapse whose ramifications are still with us. Predictions of the outcome of the ensuing global economic crisis vary widely. Economic growth can now be seen to have been sustained by a regime of cheap consumer credit, especially in the United States; many financial houses exposed themselves to unacceptable levels of risk, particularly in the new market for credit derivatives. These became 'toxic assets', which were bought by taxpayers at huge cost in order to preserve the banking system as a whole. The leading exporters of manufactures, such as China, Germany and Japan, suffered massive reductions in demand for their products. The economy, which had been understood as an eternally benevolent machine for growth, was suddenly pitch-forked into the turmoil of history. The market was now seen to require massive state intervention if it were to have any chance of surviving. The global shift of economic power from the West to the major creditor nations in Asia has probably been accelerated by these events. It is all rather murky, but even at the best of times the present is like that. Some commentators have suggested a parallel to the abuses of central planning: like the falsification of the figures for cotton production in late socialist Central Asia, the financial bubble created a massive 'virtual economy' (Visser and Kalb 2010). But the state bailouts of the banks under neoliberalism have had the opposite effect on income distribution, reinforcing inequalities rather than mitigating them.

Conclusion

Whatever place these events eventually find in economic history, one certain victim of the crisis has been free market economics. It is impossible any more to hold that economies will prosper only if markets are freed from political bondage. Attacks on the economists by politicians and journalists have become commonplace. Even the Queen of England asked publicly why none of them saw it all coming. The ideological hegemony of mainstream economics, especially since the 1980s, has been holed below the water. It has become commonplace to read attacks by journalists and other academics on the economists' pretension to practise a predictive science. This is not to say that neoliberalism has been defeated, but the terms for opposing it with alternative approaches to the economy are now much more favourable than before.

The *Financial Times* journalist Gillian Tett has a doctorate in social anthropology, which she credits with having taught her to examine the economic scene more holistically and critically than most of her journalist colleagues. Soon after the financial collapse, Tett (2009) published a best-seller on the market for credit derivatives, which she had begun to study long before the crisis broke. Like her and other commentators, we conclude that our times seem ripe for a new synthesis of anthropology, history and economics. The project of economics needs to be rescued from the economists. Economic anthropology, in dialogue with neighbouring disciplines, as well as with more flexible economists, could be part of that process of intellectual reconstruction. We sketch the possibilities in our final chapter.

9

Where Do We Go From Here?

It is time to draw the threads of our argument together, to assess where economic anthropology has been and where it might go next. The early ethnographers hoped to engage the economists with their findings, but they did not understand the aims and methods of economics and restricted themselves to sometimes ill-informed commentary for and against the universality of *Homo economicus*. Basic issues concerning the definition of economy and the theories and methods that anthropologists should use to investigate it were never resolved. Only during the debate between the formalists and substantivists were these issues drawn vigorously to the attention of other anthropologists. But this debate went unnoticed by economists and it did not leave behind a robust intellectual community of economic anthropologists. We can see echoes of formalism and substantivism in the positions subsequently taken by neo-institutional and cultural anthropologists respectively (chapter 5), but recent writers have not paid much attention to their forefathers, nor have they engaged in dialogue or debate with each other. It is therefore unsurprising that economists, policy-makers and the media have largely ignored what anthropologists have to say about the economy. We have written our book in the belief that it is time to change this state of affairs by taking economic anthropology to another level.

After several decades when the self-regulating markets promoted by neoliberal globalization seemed unassailable,