Economic Anthropology

Economic anthropology studies how human societies provide the material goods and services that make life possible. In the course of material provisioning and during the realization of final consumption, people relate to each other in ways that convey power and meaning.

1. A Definition

The degree to which something is ‘necessary’ for life has long been debated and differences between one society and another have environmental, historical, and cultural reasons; but some wants must be inescapably satisfied, otherwise death ensues. Therefore, there is a physical limit to relativism regarding material means of livelihood. On the other hand, nonmaterial goods such as the goodwill of deceased ancestors might be conceived as essential for the reproduction of a society. Most nonmaterial needs, however, have some material expression, such as food sacrifices during ancestor worship or wealth exchange during mortuary ceremonies. The domain of economic anthropology covers the recurring interaction of individuals, within and between social groups and with the wider environment, with the object of providing material goods and services necessary for social reproduction.

Traditionally, economic processes have been divided into production, distribution and circulation, and consumption. These analytical categories respond to observable social interaction in all societies, although the categories themselves are a product of scholarly Western tradition. People, however, engage in social relations that can be described as ‘economic’ and which can be analyzed as participating simultaneously in the production, distribution, and consumption categories.

Economic anthropology originally focused on the Economic Life of Primitive Peoples (Herskovits 1960) where many of the elements present in the Western economy (such as money, a market system) were absent. Direct observation of noncapitalist societies through ethnographic fieldwork produced impressive and contextually rich information on economic activities worldwide. The way in which anthropologists reacted to the confrontation of this diversity and how they coped with it in theoretical terms, generated most debates within economic anthropology.

2. The Intellectual Debates

The major debates in economic anthropology have centered around (a) the universal applicability of Western generated categories of analysis, (b) the question of value, (c) the question of history and connectedness between polities, and (d) the weight of culture (meaning) in economic processes.

2.1 Western Categories of Analysis

The main debate took place between those anthropologists who considered that the postulates of marginalist economics, that is, the rational (optimizing) allocation of (scarce) resources between alternative uses, were of universal application (Firth 1970); and those anthropologists who, following Polanyi (1957), thought that the theory of rational action in regard to economic decision making was only valid in the context of Western market economy, and that a real definition of the economy should be meaningful in any society whatever its process of allocation. The first group was eventually defined as ‘formalist’ while the second was called ‘substantivist,’ following Polanyi’s distinction. The most useful concept that emerged during the debate, although it was not itself subject to dispute in regard to ‘primitive’ economies, was that of the ‘embeddedness’ of economic activities in other social processes. A second wave of the debate in the 1970s included anthropologists working with formal decision-making models and Marxist anthropologists working with the concept of ‘mode of production’ and with issues of ‘transition’ to capitalist economies and ‘articulation’ of different modes of production (Godelier 1977).

2.2 The Question of Value

The question of value is a function of exchange, of the need to reach some equivalency through comparison. Some aspects of value have constituted constant sources of debate within anthropology. First, Marx’s distinction between use value and exchange value, and how it could be applied to noncapitalist societies or to peasant societies where factors of production were not fully commodified. Second, the classical labor theory of value, and how to use it in societies where the labor market, when it existed, was only marginally active. Third, the marginal utility theory of value and how to make sense of it when every good could have multiple uses and be valued according to different measures.
Finally, the cultural theory of value where local meaning attached to objects, people and situations was the measure of value, posed the problem of cross-cultural comparability in a connected world.

2.3 History and Connectedness

Another issue that became increasingly central was the need to think historically about the transformation of social relations and the need to study the interconnection between different societies through time. These problems were especially salient to those anthropologists influenced by dependency and world system theories, by European Marxist anthropology, and by what came to be known as the political economy perspective in anthropology (Roseberry 1988). The aim was to understand local processes as both being formed by and acting upon the larger processes of historical transformation (Wolf 1982).

2.4 The Weight of Culture

Cultural aspects had been taken into account in economic anthropology mainly as a context where material activities occurred. More recently, anthropologists have been arguing about the centrality of meaning for the understanding of economic processes. Bourdieu (1980) has developed the concept of ‘habitus’ where past material social relations are transformed into a set of dispositions, a scheme of perceptions that generate practice. Gudeman’s (1986) proposition, on the other hand, stems from his preoccupation with the methodological problems that Western models of knowledge pose to the understanding of other cultures. He proposes to study how each society culturally models the processes by which it secures a livelihood, and shows that some societies culturaly models the processes by which they reproduce differentiated categories of people and social relations.

3. Concepts and Theory

The classical categories of production, distribution and consumption, will be followed in order to present briefly the main concepts and theoretical developments that have unfolded within economic anthropology.

3.1 Production

Production generally is understood to be the human transformation of matter, through work, into some useful, consumable good. Sometimes, as in foraging and hunting, human work uses very simple technology to select and get whatever food is available in the environment. Human–nature interaction has been studied from an ecological perspective stressing energy exchanges between different species, but emphasizing ‘culture’ as a basic factor of human adaptation to environmental constraints. The environment, however, is not an ahistorical given where human populations dwell. Rather, past relations between individuals, groups, communities and larger polities are inscribed in the environment. Political ecology tries to include this history in its perspective.

In most societies, the process of production requires the use of complex technology and the design of cooperative labor processes. Knowledge both of the skills necessary to use a particular technology and of the coordination of the entire process is a crucial asset of control that generally is distributed unevenly among those participating in production. The way in which a society organizes access to land, labor, energy, technology, and information expresses economic and political social relations. Moreover, in all societies these relations are embedded in other institutional domains such as kinship, religion, politics, and ‘pure,’ disembedded, economic relations have seldom been observed. Peasant studies show, for example, how kinship and marriage, experienced through discourses of respect and love, pattern inheritance systems but also social relations of production within the household farming unit.

Cultural meanings attached to concrete tasks and/or collective or personal identities such as gender, age, caste, or ethnic group also contribute to shape work processes. The concept of ‘division of labor’ was designed originally to explain the ‘integration of the social body’ through the necessary dependence between specialized domains of work (Durkheim 1933). An example of this meaning can be found when speaking of the ‘sexual division of labor’ in a society where male members are ascribed certain work responsibilities while female members are ascribed others. In this sense the concept is broad and general. More frequently, ‘division of labor’ is used to address particular production processes and the assigning of individuals or groups to positions within the process. This has given anthropologists the opportunity to analyze minute interactions taking place between those participating in a concrete labor process.

3.2 Distribution and Circulation

The concept of distribution refers to the allocation of goods between different individuals or groups, while the concept of circulation refers to the movement of goods. These processes mediate between the ‘production’ and ‘consumption’ moments of an economy. They also reproduce differentiated categories of people in regard to the access of resources in general which makes them central aspects of social reproduction.
Economic anthropology has developed a typology of forms of distribution that was proposed originally by Polanyi (1957). Distribution was for Polanyi the element that provided continuity and structure to economic processes. Through a comparative method, he concluded that three main forms of distribution were used to integrate the economy: reciprocity, redistribution, and exchange. This typology expressed institutional arrangements not so much the form of particular transactions.

The concept of reciprocity had an early start in Mauss’ 1923-4 (1968) essay on the ‘gift.’ The essay was based mainly on available ethnographic descriptions of the Potlatch and in Malinowski’s 1922 (1961) description of the Kula ceremonial exchange. For Mauss, the ‘gift’ was an entirely different form of transaction from market exchange. The sustained relationship between persons and things was essential to the ‘gift’ value. Conversely, market exchange was based on the total disjunction between autonomous objects and individual agents. Mauss describes the ‘gift’ as a movement related to three obligations of a social and moral character: to give, to receive, and to return. Further developed by Sahlin (1965) who related reciprocal transactions to the social distance between the persons involved, reciprocity has become a useful concept in economic anthropology. Weiner (1992) has described how, by entering or remaining out of circulation, objects could create and regenerate social relations. Her work opens the concept beyond the give-return movement originally associated with reciprocity.

The concept of redistribution as an institutionalized process refers to centralized polities that concentrate goods through tribute or taxation systems and reassign them later between groups, individuals, and specific domains. Ethnographic examples range from ‘Big-man’ systems to strongly centralized state polities.

In Polanyi’s typology, exchange, as an institutionalized process, relates to societies that integrate the economy through the market system. However, multiple forms of transaction can be called ‘exchange,’ be it the routes of trade partners crossing Australia, African market places, or the elaborate systems of ceremonial exchange in Melanesia. Exchange raises two fundamental problems of transactions: first, comparison between the items exchanged and, second, nonsimultaneity of the agents’ needs. Comparison is the central question of value. Things exchanged always are valued, but how this valuation proceeds is very different from one society to the next. Generally, for a transaction to take place there must be some measure of value that enables the agents to reach an equivalence acceptable to all. When some sort of standard item is used as a measure of value we may speak of money, although some other functions that generally are associated with money, such as serving as a medium of exchange, may be lacking. Often, the process of reaching equivalences of value takes place during exchange such as in bargaining practices, while in other cases a central authority sets up a fixed rate of exchange. Yet in other cases, as the model of the market system pretends, value is reached automatically through the free circulation of all commodities subject to the constraints of supply and demand. Classical economists tried to find a universal measure of value in work: the energy spent in producing the commodities exchanged was seen as their only common element.

Most societies have various spheres of circulation where different measures of value apply. In Bohannan’s (1959) example of the Tiv’s (Nigeria) mult centered economy, he describes how different goods circulate in distinct spheres, each of which is marked with different moral values relating to subsistence, prestige, and alliances, and conversion from one sphere to another, while possible, always is sanctioned morally. The idea that various measures of value might simultaneously be at work in a society has proved very fruitful. Increasingly, anthropologists are paying attention to the circulation of goods among different individuals, social groups, or polities along chains of transactions. This perspective integrates the variation of meaning attached to goods or processes together with its material causes and consequences (Appadurai 1986).

3.3 Consumption

Consumption can be defined simply as the use of a good or service. Use sometimes implies the destruction of the good and precludes further use; otherwise, a good can be used in multiple ways, successively or simultaneously by different persons. The allocation of food to different ends among household members traditionally has been the focus of attention. Gender and age biases that seriously affect the intake of nutrients of certain members of a society have been studied. Issues of power, of cultural and long-term institutional constraints have come to the forefront as ethnographic research has explored the actual processes of consumption (Mintz 1986).

Economic anthropology focuses on the social relations that emerge through consumption processes in the intimate space of the household or in other, more open, public spaces. Some anthropologists underline the meaningful aspect of consumption acts conceived as signs in an information system expressing social relations (Douglas and Isherwood 1980). Others emphasize the role of consumption in the present-day, globalized world where goods, people, and information circulate widely across boundaries, and where cultural identity seems to be increasingly the center of personal meaningfulness, collective solidarity and empowerment (Miller 1995).

Bourdieu (1979) has shown how relations of differentiation and domination are constructed through
complex processes of consumption where the provisioning and access to material goods is entangled with the production and reproduction of personal and collective identities. His emphasis is on the reproduction of an entire social system. Another perspective stresses the systems of provision and underlines the connectedness between production, distribution, and consumption. From the point of production to final consumption, specific social relations contribute both to the material constitution and availability of particular goods (e.g., regarding quality or distribution networks) and to the social construction of particular meanings attached to those goods (Fine and Leopold 1993).

Most societies have different possible modes of provisioning equivalent goods and each mode conveys a particular field of meanings, power relations, and material well-being. Frequent modes of provision are those making goods available through the market (commodities), through the State (social welfare), through the household (self-provisioning), or through the community (solidary networks). People may change their modes of provision following economic, political, or other social pressures, but goods also, during circulation, may participate in different modes of provision. Here, as with multiple spheres of circulation, transfers between modes of provision have both material consequences and meaning.

The focus on consumption in anthropology has renewed the interest in objects (material culture) and on how they incorporate, circulate, create, and transform social relations.

4. New Trends

Suggestive contributions have been made by anthropologists studying nature. They point to the methodological need to go beyond the duality nature/society in the study of human/environment interaction. Ethnographic research also underscores the blurring of the natural/artificial boundaries, as biotechnologies become capable of producing life while commoditization reaches nature in unprecedented ways (marketing organs, cells, genetic material). Ground-breaking concepts are bound to emerge from these new realities.

Focus on the informal sector of the economy has also contributed a major breakthrough by expanding the concept of ‘work.’ Research on informal relations (economic or otherwise) is bound to prove fruitful as the realities of flexible production, the weakening of the nation-state model, the informational revolution, and massive population movements point to the increasing value of personal networks in the structuring of contemporary societies.

Presently, economic anthropology is moving beyond the boundaries of a conceptual economic domain. While it remains useful to retain the material emphasis of economic processes, in practice, material relations should be studied together with their cultural expressions. On the other hand, ideas of worldwide connectedness—in systems of provisioning, relations of production, cultures of consumption, labor migration, etc.—need to be taken into account. The practice of economic anthropology seems bound toward the study of social reproduction as a whole (Narotzky 1997).

See also: Boserup, Ester (1910–99); Consumption, Sociology of; Development, Economics of; Development: Social-anthropological Aspects; Development: Socioeconomic Aspects; East Asian Studies: Gender; Economic Development and Women; Economic Geography; Economic Sociology; Exchange in Anthropology; Family and Consumer Sciences: United States; Family and Kinship, History of; Family as Institution; Family Planning Programs: Development and Outcomes; Family Planning Programs: Feminist Perspectives; Family Theory: Feminist–Economist Critique; Feminist Economics; Fertility, Institutional and Political Approaches; Fertility Transition: China; Fertility Transition: East Asia; Fertility Transition: Economic Explanations; Fertility Transition: Latin America and the Caribbean; Fertility Transition: Southeast Asia; Gender and Technology; Gender, Economics of; Gender History; Household Production; Informal Sector; Labor Movements and Gender; Latin American Studies: Gender; Markets: Anthropological Aspects; Mode of Production; Money: Anthropological Aspects; Moral Economy and Economy of Affection; Near Middle East/North African Studies: Gender; Political Economy in Anthropology; Southeast Asian Studies: Gender

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Economic Development and Women

The consequences of economic development on women during the last half of the twentieth century have been tumultuous as traditional cultural protections and limitations prescribed for women are constantly being challenged and reconfigured. Around the world women have organized to influence development policies and to moderate the adverse impacts of rapid socio-economic change, an activity collectively referred to as women in international development (WID). This combination of activists, practitioners, and scholars has lobbied international agencies, national governments, and nongovernmental organizations so successfully that the consideration of women has become an integral part of development planning. The cumulative result of this political activity, given focus and visibility through the United Nations (UN) World Conferences for Women, has been the creation of a global women’s movement, perhaps the most significant social movement of our times.

The first section documents the incorporation of women’s issues into international development policy at the UN and at the national levels as a result of pressure by women’s organizations, and reviews the four world conferences for women. The second section follows the evolution of programming for poor women in developing countries and underscores the significance of organizing women at the village or community levels. Significant debates about the goals and process of such programs are summarized. The final section shows how topical conferences organized by the UN provided a venue for inserting critical women’s issues into official UN documents concerning human rights, population, and habitat.

1. Affecting International Development Policy

The UN was established in 1945 with its 50 members drawn largely from industrialized countries. By the mid-1960s, a majority of the UN members represented developing countries of Asia and Africa. Their concern with economic development propelled this new dimension into global politics. The first UN Development Decade 1960–70 emphasized infrastructure and industrial projects and was modeled on the successes of the Marshall Plan for redevelopment of a devastated Europe. Former colonial countries, which had often resisted granting independence, sought to maintain their trading advantage with former colonies by supplying funds and personnel to assist in modernization of these countries. Other industrialized countries as well as the former USSR and the Eastern Bloc offered bilateral assistance to selected countries. Representative UN agencies established programs in health, agriculture, employment, and education; the World Bank provided loans at low interest rates. Since some were much better positioned than others to benefit from these programs, the immediate result of these vast infusions of funds was increased inequality of income within the countries.

Concerned with this trend, the Economic and Social Council (ECOSOC) reacted to the UN Report on the World Situation by passing a resolution in 1963 tying social and economic issues together. Social issues clearly applied to women, since women delegates at the UN were often leaders of women’s organizations in their own newly independent countries that were demanding a voice in planning at home, they supported a 1963 UN General Assembly resolution calling for women to be appointed to those bodies preparing national development plans (Jayawardene 1986, Snyder and Tadesse 1995) (see Colonization and Colonialism, History of, National Liberation Movements).

The debates about development priorities were reflected in the Second Development Decade 1970–80, with its emphasis on basic human needs. The refocus of development programming from macrodevelopment toward outreach to people was critical as it allowed advocates for women in development to document the distinct ways that economic development affected women as opposed to men. Poor women everywhere perform economic activities, from farming to microenterprise to household production; because income data excluded subsistence and exchange activities,