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# Introduction

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This is a handbook. So, it is not something that lays out a coherent argument in an extended form. Rather, it is a set of chapters that covers economic–anthropological work on specific topics and in specific regions of the world. At the same time, however, these chapters all revolve around economic anthropology. It seems appropriate, then, to include in this Introduction to the whole a presentation of what I think economic anthropology is, if only because this thinking has shaped the organisation of this handbook. Because this work is oriented to those unfamiliar with economic anthropology, and perhaps unfamiliar with anthropology, that presentation will cover some material that may seem common sense to those familiar with the subdiscipline or the discipline as a whole. Those who are not novices may want to skip the opening section of this Introduction and go to the section titled ‘Approaching economic life’. Those wholly familiar with the field may want to skip to the final section of this Introduction, which explains the orientation of this work.

## **Economy anthropologically**

At the most basic, economic anthropology is the description and analysis of economic life, using an anthropological perspective. This is self-evident and not very helpful, so I want to explain briefly what ‘anthropological perspective’ and ‘economic life’ mean. What I write here is only a sketch of the terrain revealed more fully in the chapters in this handbook (and in a good summary history of the subdiscipline, Hann and Hart 2011), and as these chapters show, different subparts of economic anthropology address different aspects of economic life differently, as, of course, do different individual scholars. This divergence needs to be kept in mind. While much of what I say here refers rather blandly to ‘economic anthropology’, I write of tendencies that characterise the whole, which is the result of the interchange among different individuals and schools (many of which are presented in the chapters that make up this handbook). I think it best to consider economic anthropology as a collaborative, and combative, field, so that no one scholar need exhibit all the characteristics that I present.

The anthropological perspective approaches and locates aspects of people’s individual and collective lives, which is to say their lives and societies, in terms of how these aspects relate to each other in an interconnected,

though not necessarily bounded or very orderly, whole. The aspects at issue can be different elements or fields of people's lives, such as religious belief, consumption, household organisation, productive activities or the like. So, for example, an anthropologist might want to study how household organisation among a particular set of people is related to, say, religious belief, and vice versa (in an ideal world that anthropologist would want to know how all the elements of people's lives and societies are related to each other). As this suggests, anthropologists tend to want to see people's lives in the round or, to use a term that is common in the discipline, see those lives 'holistically'.

A different set of aspects of people's lives and societies is important as well, one that cuts across the sort of aspects I pointed to in the preceding paragraph. Anthropologists tend to want to know about the relationship between what people think and say on the one hand, and on the other what they do. These two aspects can have different labels as disciplinary interest and fashion change, but they can be cast as culture on the one hand and practice on the other. These can be approached to see the extent to which practices shape culture (and vice versa) and how they do so. This can be part of an effort to understand how, say, exchange practices affect people's understandings of the kin groups involved in exchange (and vice versa), or how, say, practices in brokerage firms affect people's understandings of stock exchanges (and, once more, vice versa).

However, there is another way that culture and practice can be approached: the differences between them can be important for helping the researcher to achieve a deeper understanding of the lives of the people being studied. For instance, if we talk to those who manage pension funds, we may hear them say that they evaluate investment firms carefully in terms of their performance before deciding whether to use them to invest a portion of the pension's funds. From this, we may conclude that fund managers are relatively rational calculators who use objective data to reach their decisions; after all, that is what they tell us, and it makes sense in terms of what everyone knows about investing money. However, we may observe that, once hired by fund managers, an investment firm is almost never fired, even if its returns are poor (see O'Barr and Conley 1992). This anomalous relationship between what people say and what they do can offer the researcher an insight into the nature of fund management that is more rewarding than what is available if we attend only to what managers say or to what they do.

What I have said thus far points to two further features of the anthropological perspective that are worth mentioning. The first of these is that the perspective is fundamentally empirical and naturalistic. It rests on the observation (empirical) of people's lives as they live them (naturalistic-

tic). The discipline, at least in its modern form, emerged in the person of Bronislaw Malinowski, who taught at the London School of Economics early in the twentieth century. And he is the origin of modern anthropology because he carried out, and demonstrated the significance of, extended fieldwork; in his case, several years living in the midst of a set of people in what is now Papua New Guinea, observing and participating in their lives (see Malinowski 1922, 1926, 1935). Extended participant observation, empirical naturalism, has come to define the field. Thus, anthropologists are uneasy with the sort of experiments that have been common in social psychology, are found to a lesser degree in sociology, and that appear from time to time in economics. They might be intrigued by the finding that people in an experimental setting are willing to spend surrogate tokens of wealth to reduce the token holdings of some of their fellow experimental subjects (Zizzo and Oswald 2001). Given that it is based on experiment, this finding is empirical. However, because the experimental setting is precisely not naturalistic, anthropologists would be likely to take it as little more than an interesting idea that could be investigated through fieldwork.

The second further feature I want to mention is of a different order. In part because of the importance of extended participant observation and in part because of the concern to approach people's lives in the round, anthropologists generally are reluctant to think in terms of social laws and universals. Anthropologists have studied a large number of societies in different parts of the world, and have come up with almost no social laws that apply throughout specific regions, much less that apply globally. Put differently, anthropology tends to be an idiographic or particularising discipline, rather than a nomothetic or generalising one. As this might suggest, anthropologists tend to be unhappy with things like the assumptions that underlie the idea of utility maximisation. They are even unhappy with things like Adam Smith's (1776 [1776]: 17) famous assertion that there is 'a certain propensity in human nature . . . to truck, barter, and exchange one thing for another'. Certainly anthropologists would agree that people transact things, and indeed the study of such transactions is a central aspect of a great deal of anthropological work. However, they might well point out that this work indicates that people in different situations in the same society, not to mention in different societies, transact in different ways and understand what they are doing in different ways. Consequently, while they might well see the logic and attraction of generalisations and even universal laws, they would be prone to think that these are of little use in the practical disciplinary task of seeing how people live their lives: they would have to be qualified and elaborated so much in terms of local context that they would be almost unrecognisable as universals.

I have laid out some of the pertinent features of the anthropological perspective, through which economic anthropologists generally view economic life. I turn now, and more briefly, to the definition of that life common in economic anthropology. Economic life is the activities through which people produce, circulate and consume things, the ways that people and societies secure their subsistence or provision themselves. It is important to note, though, that 'things' is an expansive term. It includes material objects, but also includes the immaterial: labour, services, knowledge and myth, names and charms, and so on. In different times and places, different ones of these will be important resources in social life, and when they are important they come within the purview of economic anthropologists.

In other words, while some economists have identified economic life in terms of the sorts of mental calculus that people use and the decisions that they make (for example, utility maximisation), which stresses the form of thought of the person being studied, most economic anthropologists would identify it in terms of the substance of the activity; even those who attend to the mental calculus are likely to do so in ways that differ from what is found in formal economics (for example, Gudeman 1986; Gudeman and Rivera 1991). This substance includes markets in the conventional sense, whether village markets in the Western Pacific or stock markets in the First World. However, these markets are only a subset of economic life, and in accord with their tendency to see the interconnections in social life, economic anthropologists tend to situate things like markets or other forms of circulation, or production or consumption, in larger social and cultural frames, in order to see how markets, to continue the example, affect and are affected by other areas of life.

This contextualisation operates at a more general level as well. So, while anthropologists would recognise the growing importance of the economy in how people in Western societies understand their world over the past couple of centuries (Dumont 1977), they would not take the nature of 'the economy' as given or its growing importance as self-evident (for example, Carrier 1997; Carrier and Miller 1998; Diley 1992; Friedland and Robertson 1990). This indicates that for many economic anthropologists, it is not just economic life that merits investigation. So too does the idea of economy, its contents, contexts and saliences, and the uses to which it is put.

### **Approaching economic life**

In the preceding paragraphs I have sketched conceptual aspects of the ways that economic anthropologists approach economic life. The main features of this are the concern to place people's economic activities, their thoughts and beliefs about those activities and the social institutions

implicated in those activities, all within the context of the social and cultural world of the people being studied. This reflects the assumption that economic life cannot be understood unless it is seen in terms of people's society and culture more generally. However, the subdiscipline's approach to economic life has more aspects than just the conceptual. Here I want to describe some of these, beginning with what I shall call 'methodology'.

Economic anthropologists approach the relationship between economic life and the rest of social life in different ways, but these can, without too much distortion, be reduced to two broad types, the individual and the systemic. While these types characterise the subdiscipline as a whole when viewed over the course of time, their visibility has varied historically and, to a degree, it has varied among different national anthropological traditions.

The individualist methodology, as the label indicates, approaches the relationship of economic and social life through the study of the beliefs and practices of individual members of the group being investigated. This individualist method is old, for it characterises the work of the man who, I said, is arguably the founder of modern anthropology, Malinowski. His most famous book is *Argonauts of the Western Pacific* (Malinowski 1922); its focus is economic life, exchange in the Trobriand Islands of eastern Melanesia; through it Malinowski sought to challenge important elements of popular-economic thought in his day. To say that Malinowski's methodology in *Argonauts* was individualistic is not to say that he described Trobriand Islanders independent of their society and culture. Rather, what marks his methodology as individualistic is the way that he portrays the focus of the book, which is a form of the ceremonial exchange of valuables called the *kula*. Malinowski portrays the typical activities that make up the typical stages of the typical *kula* exchange, and this typicality is cast as what the typical *kula* exchanger does. Trobriand economic life and its relationship to society more generally, or at least this aspect of them, are construed and presented in terms of the individual islander writ large. Moreover, as Jonathan Parry (1986: 454) notes in his discussion of Malinowski, in *Argonauts* the *kula* exchange system is presented in terms of what are 'essentially *dyadic* transactions between *self-interested individuals*, and as premised on some kind of *balance*' (original emphasis).

While this individualistic methodology is old in anthropology, the other, the systemic methodology, characterises one of the key forebears of the discipline, Émile Durkheim (for example, 1951 [1897], 1965 [1915], 1984 [1893]). One of Durkheim's important goals was to establish sociology as an academic discipline in France, and to do so he argued that society is more than just a collection of individuals (or even Malinowskian individuals writ large). Rather, he treated society as a superordinate system or

set of interrelated parts, with properties of its own. In this he was doing what Malinowski was to do later, challenging important elements of the popular-economic thought of his day, though he did so in a very different way. His methodology, like his challenge, is most apparent in *The division of labour in society* (1984 [1893]). The title says it: individuals do not have a division of labour, groups or societies do. In this work, Durkheim classified societies in terms of the degree of their division of labour, which he related to a range of other societal attributes, especially their legal systems.

Durkheim's systemic methodology influenced anthropology directly through his own works, and also through the writings of his nephew, Marcel Mauss, especially in *The gift* (1990 [1925]). A more recent example of this methodology is in *Maidens, meal and money*, by Claude Meillassoux (1981). In this book, Meillassoux addresses, among other things, the question of the nature of village societies in colonial Africa, societies that he views as systems and as explicable in terms of their relationships with other systems. He argues that the village and the colonial orders are in a symbiotic relationship. In other words, it is the interest of colonial governments and firms in inexpensive labour of a certain sort that leads to a relationship between urban and village sectors in colonial Africa that brings something that looks very close to the creation of 'traditional villages', with their kinship and age structures, exchange systems and the like (a similar argument is in Carrier and Carrier 1989).

I said that the individualist and systemic methodologies vary in their visibility in economic anthropology. This variation is a consequence of the fact that economic anthropologists are affected by larger currents within anthropology and the larger world. Broadly, though, American economic anthropology has tended toward the individualist pole. British anthropology, more heavily influenced by Durkheim, tended toward the systemic pole until the 1980s, at which time the individualist methodology became popular. As well, there have been differences among different schools of anthropology: structural functionalism, predominant in Britain for decades but also apparent in some American anthropology, tends to a systemic approach, as do the Marxist and political-economic schools within the sub-discipline.

The differences among economic anthropologists that I have presented thus far are cross-cut by others, two of which I want to mention. These concern the scope of analysis and the structure of the field.

Like its parent discipline, economic anthropology is based on the empirical naturalism of sustained fieldwork. Historically, this has been expressed in the ethnographic monograph, of which Malinowski's *Argonauts* is an excellent example, in which the author presents a sustained and detailed description of the set of people being studied. However, the attention to

local detail expressed in descriptive ethnography has always been complemented, albeit in varying degrees, by a more encompassing concern with regional variation. How do these people resemble or differ from other people, whether near by or more distant?

Several decades ago, A.R. Radcliffe-Brown laid out the difference between these two forms of anthropology, and what he said applies as well to economic anthropology. He drew a distinction between ethnography and what he called 'comparative sociology': 'a theoretical or nomothetic study of which the aim is to provide acceptable generalisation' (Radcliffe-Brown 1952: 3). While detailed ethnography may characterise the discipline in the eye of outsiders, the comparative element has always been present and influential. However, this comparative element often sits uneasily in a discipline the members of which establish their credentials through their ethnographic knowledge and publications concerning a place that is different from others.

The structure of the field is a different matter. Members of the subdiscipline, like anthropologists generally, are influenced by two different intellectual orientations. One of these springs from the ethnographic context. By this I mean not the particular place where the researcher has done fieldwork, but the ethnographic region where that place is located: Lowland Latin Americanists think about things differently from East Asianists. The cause may lie in differences between different parts of the world; alternatively, it may lie in differences in the interests and approaches of influential researchers and publications concerned with different regions. But whatever the cause, there are clear differences between the topics that are important in the anthropology of different regions. If this were all there is, of course, the discipline would fall apart, dissolving into groups focused on different parts of the world. This is prevented, in part, by the second orientation I want to mention. That is the intellectual models and arguments that become fashionable generally within the discipline. When the relationship between kinship and political influence, or the difference between gifts and commodities, is in the air, specialists in different regions can and do talk to each other about it, and ethnographic work on a particular region can cross the regional boundary and be read more widely.

### **Orientation of this work**

I have devoted some pages to describing features of the discipline and subdiscipline. I have done so because this handbook is intended to make sense to those outside of anthropology. As well, the desire to have it make sense has led to certain judgements about how the work should be organised and about how chapter authors ought to be encouraged to frame their contributions.

The work as a whole has been divided into a number of parts, each of which has its own brief introduction. I chose this way of doing things because I thought that an orderly presentation would help the whole to be more accessible to readers. This is important if the result is to convey a sense of the subdiscipline as a whole. Concern for accessibility shaped as well the guidance given to contributors. They were urged to remember that readers would not be fellow economic anthropologists, and frequently not anthropologists at all. So, they were urged to avoid specialist terminology as much as possible. As well, they were urged to focus their contributions on a handful of themes pertinent to their specific topics, so that readers would get a sense of the overall orientation of work on a topic rather than be confronted with a less comprehensible welter of details. Finally, they were urged to leaven their thematic presentation with descriptive material, to make the analytical points at issue clearer to those who had not spent years reading and thinking about the analytical issues involved. The result of all of this is that chapter authors could not say all that they wanted to about their topics. However, they have presented the central features, and their presentations can be read by those other than their fellow specialists.

Throughout this Introduction I have pointed to the diversity within economic anthropology, and this handbook reflects that diversity. The overarching analytical orientations considered in Part I give way to more descriptive material in the Parts II and III, which present work on the core elements of economic life (Part II) and on a feature of those elements that has been of especial interest to anthropologists, circulation (Part III). Part IV addresses the social contexts and correlates of economic life, such as religion, gender and the like. Part V deals with specific and important contemporary issues in economic anthropology, such as the nature of peasants, the relationship between anthropology and development, and so forth. Part VI describes work on different ethnographic regions. Of course, not all ethnographic regions can have their own chapter, and I have selected those for which scholarly work has been most influential in economic anthropology and in the discipline as a whole. Finally, Part VII, new to this edition, is about the recent economic crisis. As I explain in the introduction to Part VII, the chapters in it are not intended to present summary descriptions of work on a topic, but rather present different ways that economic anthropologists have thought about that crisis, the questions that they ask and the approaches that they take.

I hope that the result will serve a range of different readers, however imperfectly. This includes readers who are interested in what economic anthropology has to say about a specific topic, readers who are interested in the intellectual foundations of the subdiscipline, those interested in a

specific region, and those interested in the orientation and nature of the subdiscipline as a whole.

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