Economics

All human societies have economic systems within which goods and services are produced, distributed, and consumed. In one sense, the economic aspect of culture is simply the sum of the choices people make regarding this area of their lives. Such choices have important ramifications. For example, choosing to become a farmer rather than an insurance broker may determine where you live, who whom are likely to meet, and the sorts of behaviors you will expect in your spouse and offspring. However, such choices are not unlimited; they are constrained by our cultures, traditions, and technologies. Furthermore, our environments set the boundaries within which choices about the production, distribution, and consumption of goods and services are made.

Every society must have an economic system in the sense that each group of people must produce, distribute, and consume. Economics deals partly with things—with the tools used to produce goods and the goods themselves. More important, it deals with the relationship of things to people and people to one another in the process of producing, distributing, and consuming goods.

Anthropologists are interested in understanding the relationship between the economy and the rest of a culture. One aspect of this relationship is that culture defines or shapes the goals sought by individuals and the means of achieving those goals. Society and economy are interdependent in other ways. The way in which production is organized has consequences for the institution of the family and for the political system. For example, in southern Mali, where most people live by agriculture and where land is abundant, children can help farm when they are very young. Thus, families tend to have as many children as they possibly can. Large families can cultivate more land and therefore are generally wealthier than small families. Their leaders acquire political power and social prestige from wealth and from having many supporters.

Although economists often attempt to do so, it is difficult to separate the economic system from the rest of culture. Economics is embedded in the total social process and cultural pattern. In nonindustrial and kin-based societies, for example, few groups are organized solely for the purpose of production; their economic activities are only one aspect of what they do. Production is carried out by groups such as families, larger kinship groups, or local communities. The distribution, exchange, and consumption of goods are thus embedded in relationships that have social and political purposes as well as economic ones.
Economic Behavior

We define economics as the study of the ways in which the choices people make as individuals and as members of societies combine to determine how their society uses its scarce resources to produce and distribute goods and services. The academic discipline of economics developed in a Western market economy, and there has been much debate within anthropology over its applicability to other cultures (Isaac, 1993).

The idea of scarcity is a fundamental assumption of Western microeconomic theory. Economists assume that human wants are unlimited but the means for achieving them are not. If this is correct, organizations and individuals must make decisions about the best way to apply their limited means to meet their unlimited desires. Economists assume that individuals and organizations will make these choices in the way they believe will provide them with the greatest benefit. Economists call such choices economizing behavior.

Some scholars have equated benefit with material well-being and profit (see Dalton, 1961). Will a business firm cut down or expand its production? Will it purchase a new machine or hire more laborers? Where will it locate its plant? Will it manufacture shoes or gloves? How much will be spent on advertising its product? Such decisions are assumed to be motivated by an analysis designed to produce the greatest cash profit and are assumed to be rational—that is, based on the desire to maximize profit (Figure 6.1).

However, the notion of financial profit does not completely explain economic behavior. Consider a choice you may make this evening. After you finish reading this chapter, you may well be confronted with a series of decisions: Should you reread it for better comprehension? Should you study for another course? Call and get a pizza delivered? Play with your kids? Socialize with your friends? Take care of that project for work? Get some sleep? Of course, there are many other possibilities.

You will make your choice based on some calculation of benefit, but that benefit is not necessarily reducible to financial profit. It is quite possible for you to believe you would ultimately make more money if you studied and got higher grades. However, your choice is set in a context in which money is unlikely to be the most important element of value; we value our friends, our children, our leisure time, and many other things as well. If you choose to socialize instead of hitting the books, your choice is rational because it is based on some calculation of your needs and goals, although not necessarily on those that lead to greater profit. If we were to predict your behavior on the assumption that you are always motivated by financial rewards and will always act to increase your material well-being, our predictions would often be wrong. We would do better by asking what motivates you.

Just as you might value an evening spent with friends over getting an A in this class, members of other cultures might value family connections, cultural tradition, social prestige, leisure time, or other things over monetary profit. People everywhere make rational choices based on their needs and their guesses about the future, but culture, values, and institutions provide the framework within which these choices are made. For example, Western culture is dominated by capitalism, and we place an extremely high value on wealth and material prosperity. We are constantly bombarded by advertisements, examples, and stories that emphasize the link between happiness and consumption. Thus, it seems natural for us to think that many of our goals are best achieved through earning money and using it to make purchases through the marketplace.

On the other hand, some societies appear to be in business mainly for their health (Sahlins, 1972). For example, the Hadza live in an area of Tanzania that has an abundance of plants they can gather and animals they can hunt. They have considerable leisure time but make no attempt to use it to increase their wealth. Though they know how to farm, they don’t because it would require too much work (Woodburn, 1968). Thus, they value their leisure time (and the socializing they use it for) over what they could produce farming.

Leisure time is only one of the ends toward which people expend effort. They may also direct their energies toward increasing social status or respect. In Western society, prestige is primarily tied to the increased consumption

![FIGURE 6.1 Decisions made on the floor of a stock exchange are based almost entirely on profit and loss. However, most of the time, our decisions are motivated by other considerations as well. We may prefer relaxation and free time to financial return. This picture shows traders and clerks on the floor of the Chicago Mercantile Exchange in 2005. Today, almost all trading is done electronically.](https://example.com/figure6.1)
and display of goods and services. This is not universal, however. In many societies, prestige is associated with giving away goods. Conspicuous consumers and stingy people become objects of scorn and may be shunned or accused of witchcraft (for example, see Danfulani, 1999, and Offiong, 1983). The notion that prestige can be gained through giving is also well established in our own society. Universities have buildings bearing the names of their most generous donors, and Bill Gates is not only the chair of Microsoft but also the head of the world’s largest charitable foundation. The Bill and Melinda Gates Foundation had over $40 billion in assets in 2018 and in 2016 gave away more than $4.6 billion (Bill & Melinda Gates Foundation, n.d.).

To understand the economies of various cultures, anthropologists face two related problems. First, they must analyze the broad institutional and social contexts within which people make decisions. Second, they must determine and evaluate the factors that motivate individual decision making.

One way we can think about any economic system is to consider a series of fundamental issues that all societies must face. Because all societies must acquire the food and other materials necessary to their lives, all must engage in production. To do so, all societies must acquire resources such as land and water, and all must have some system through which the rights to use such resources are allocated.

However, resources in and of themselves do nothing. Rather, people must be organized in specific ways to use resources in the production of the goods and services. Thus, each society has a division of labor: a pattern by which different tasks are given to different members of society. For example, foragers rely on the plants and animals in their environment, but they never gather these randomly; specific groups of people do specific tasks. Most often, men hunt and women gather. Thus, they are organized to produce. They never simply eat whatever they catch and collect; they distribute plant and animal foods in different ways. Who eats what depends on factors such as family membership, gender, age, and participation in production. Thus, they organize distribution and consumption in specific ways as well. In the remainder of this chapter, we will explore how different societies tackle the problems of allocating resources, organizing labor, and distributing and consuming the results of production.

Allocating Resources

Productive resources are the things that members of a society need to participate in the economy. How people access these resources is basic to every culture. People everywhere require access to land and water. Access to the knowledge that allows one to make and use tools plays an important role in all societies. Other important forms of knowledge can be controlled as well, such as the knowledge of healing or of religious rituals.

The important role played by access to education in American society is shown by the strong relationship between university degrees and income. Universities are not the only place to get knowledge. However, it is clear that possession of a university degree and, hopefully, the knowledge that this implies has a direct impact on an individual’s economic role in society and certainly on their earnings.

According to the U.S. Bureau of Labor Statistics (Torpey, 2017; Figure 6.2), the median income for high school
graduates in 2016 was $35,984. The median for those with a bachelor's degree was a bit above $60,000, and those with a doctoral degree earned a median income of more than $86,000—almost 2.5 times the income of those with only a high school diploma. People with undergraduate and graduate degrees are also much more likely to be employed than those without.

An important point of contrast between economic systems is the extent to which individuals and groups have access to productive resources. In general, differential access to resources develops as population and social complexity increase. In some societies, most people have access to the resources necessary to survive and fully participate in society. In others, access to these resources may be exclusively or disproportionately invested in specific social groups. Again, examining access to knowledge in the United States is instructive. Only 3% of the students at the most selective universities in the country come from households in the lowest 25% of the income scale, whereas 72% of students at these schools come from the wealthiest 25% of American families (Giancola & Kahlenberg, 2016). The Ivy League includes some of the most prestigious universities in the United States. At five of the eight Ivy League schools, there are more students from the wealthiest 1% of U.S. families than from the poorest 60% (Aisch et al., 2017). This clearly shows that family wealth plays a critical role in determining access to knowledge, and access to knowledge plays a critical role in future wealth and social position.

Small-scale economies have a limited number of productive resources, and most everyone has access to them. Large-scale societies have a great many more resources, but access to them is limited. This can be seen by comparing access to resources among foragers, pastoralists, horticulturalists, and agriculturalists.

**Foragers**

Among foragers, productive resources include weapons used in hunting animals and tools used in gathering plants as well as the knowledge to make and use these items. The technology is simple, and tools are made by hand. People take great care to ensure that they have access to the tools necessary for their individual survival. Among the Hadza of Tanzania, men spend much time gambling. However, a man's bow, bird arrows, and leather bag are never shared or gambled because these items are essential to survival (Woodburn, 1998).

Besides knowledge and tools, land and water are the most critical resources for foragers, and many forms of land tenure are found among these societies. The requirements of a foraging lifestyle generally mean that a group of people must spread out over a large area. Hunting grounds are not exclusively owned because flexible boundaries have an adaptive value: Ranges can be adjusted as the availability of resources changes (Figure 6.3).

The abundance and predictability of resources also affect territorial boundaries. Territorial boundaries tend not to be defended where resources are scarce and large areas are needed to support the population. Where resources are more abundant and people move less, groups may be more inclined to defend their territory (Cashdan, 1989: 42).

The Ju/'hoansi of the Kalahari were typical foragers. Although today most Ju/'hoansi are settled, in earlier times their camps were located near water holes, and the area a local group used was measured by one day's round-trip walk, which was about 12 miles. Each camp had a core area best conceived of as a circle with the water hole at the center and a radius of about six miles. Points beyond this were rarely used. Although camps were moved five or six times a year, they were not moved far. Sometimes they were shifted only a few hundred yards; the farthest move was about 10 or 12 miles (R. Lee, 1968). Ju/'hoansi territories were associated with long-standing residents who were spoken of as owners. Although they did not have exclusive rights to the land, their permission had to be asked when others wished to use the land's resources. Such permission was rarely

**FIGURE 6.3** In foraging societies, people do not consciously raise the productivity of their land, relying instead upon the animal, plant, and insect foods naturally occurring in the environment. Here, a Hadza boy gathers edible berries for his family.
refused, although visitors might be made to feel unwelcome (Cashdan, 1989: 41).

Hunters and gatherers require freedom of movement not only as a condition of success in their search for food but also as a way of dealing with social conflict. Hunting bands are kept small in order to exploit the environment successfully. In such small groups, conflict must be kept to a minimum. When arguments break out, individuals can move to other groups without fear that they are cutting themselves off from access to vital resources. If land were individually or even communally defended against outsiders, the freedom of movement in hunting societies would be severely limited.

**Pastoralists**

Among pastoralists, the most critical resources are livestock and land. Access to grassland and water is gained through membership in kin groups. Within pastoralist camps, all members share equal access to pastures. It is this right of access, rather than ownership, that is important.

Animals require a substantial investment in labor. They must be tended and fed. In some cases, corrals or other structures must be built to house them. When they are ill, they must be cared for. If they are neglected, they do not often survive. Thus, individual families own animals.

In pastoralist societies, animals are kept as wealth. The prosperity and status of a family are linked to the number of animals it owns, and people are very reluctant to kill and eat their animals, often doing so only as part of religious celebrations. Instead, pastoralists live off animal products such as milk and blood. These products as well as the animals themselves may be traded for grain or other goods.

In most places, pastoral tribes are migratory, moving from pasture to pasture as rain, drought, heat, and cold dictate. Such migrations often traverse the lands of agricultural people. In these cases, access to pasturage and migration routes are determined through negotiation with local authorities. Contemporary pastoralists often establish access to land by contracts with the landowners of villages through which they move. These contracts, which must be renewed every year, specify the rent for the pasture, the borders of the area, and the date by which the area must be vacated. However, pastoralism and agriculture are very different lifestyles, and conflict between pastoralists and sedentary villagers is not uncommon.

The yak-herding Drokba of northwest Tibet (Figure 6.4) present an interesting historical example of pastoralism. The Drokba were under the control of large Buddhist monasteries that owned all the grassland in the area. Families were granted rights to use pastures in return for tax payments. Allocation of pastureland was reviewed every third year and altered to fit family herd size and composition. The system worked well because the land could be managed to provide sufficient lands for each family (Barfield, 1993: 188).

**FIGURE 6.4** Pastoralists require access to grazing land rather than ownership of it. Historically, the yak-herding Drokba of northwest Tibet accessed land through arrangements with the Buddhist monasteries that owned it.
In societies based on horticulture, the work involved in clearing, cultivating, and maintaining the land is a large investment. The rights to the products of such land are vested in those who work it, most often the domestic group or household. Because the user of the land may die while the land is still productive, some system of inheritance of use rights is usually provided for. Among the Lacandon Maya in the highlands of Chiapas in Mexico, for example, individuals may farm any unused piece of land. However, clearing virgin land is very difficult, so individuals retain rights to land they have cleared and are likely to reuse, even if it is not currently in production. People who migrate from the area may lose rights to land they have cleared, but their families retain ownership of any fruit trees that have been planted on it. Should a man die after investing time and labor in clearing and planting land, his wife and children retain rights to use the land (McGee, 1990).

**Agriculturalists**

In more politically and technologically complex societies, agriculture comes to dominate production. In these societies, productive resources take many forms, including complex tools and the technological knowledge required to make them. Ownership of these critical resources may be limited to a small group whose members thereby gain power over others and control their labor.

In some societies, productive resources are continually reinvested to generate profit for their owners beyond their subsistence needs. Such resources are referred to as capital. Although the use of capital occurs in many different sorts of societies (Berdan, 1989), it becomes the principal form of economic organization in capitalist societies (discussed later in this chapter).

Under conditions of intensive cultivation, the material and labor investment in land becomes substantial. People often undertake enormous work to bring land into cultivation, including the construction of farming terraces and rice paddies (Figure 6.5). However, large quantities of food are generated. This food supports not only those who work the land but substantial nonagricultural populations as well. In many cases, cities and towns develop. Under these circumstances, land becomes a valuable (and limited) resource, and private ownership or control of the land becomes common.

![FIGURE 6.5](https://example.com/image.jpg) In agricultural societies, land ownership becomes an important source of wealth and power. Enormous amounts of labor are often invested in land that is difficult to farm but pressed into agricultural production, as is the case with these terraced hillsides in Uganda.
Individual land ownership may grow out of population pressures that produce land scarcity and lead to intensified methods of agriculture. Under these conditions, communal control of land creates conflict as people begin to grumble about not receiving their fair share. Those who have improved the land are unwilling to see the investment of their labor revert to a kin-based pool. This may be particularly true in the case of cash crops such as coffee, which require long-term care and yield harvests over many years. Individuals thus become tied to specific plots of land.

Private ownership of rigidly defined fields does not necessarily mean that landowners work their fields. Instead, fields are usually rented to laborers whose efforts support both themselves and the landowners. For example, a study of rural households in India showed that almost 80% owned less than one hectare (about 2.2 acres), an area insufficient to support themselves. Ten percent were totally landless and had to rent land from large landowners or work for others to survive (Haque, 2010). Under such conditions, a peasantry emerges. Peasants are family-based agriculturalists who are integrated into large state-level societies (see Chapter 5). Part of their production is taken by a ruling class in the form of rents and taxes. In some cases, peasants may hold land by usufruct right: An individual or family has the right to use a piece of land and may pass this right to descendants but cannot sell or trade the land. However, in most places, the peasants’ access to land is contingent on payment of rents, and they can be dispossessed if they fail to pay rent or if the landowner finds a more profitable use for the land.

In societies with peasancies, landowners enjoy high levels of consumption and standards of living based on rents and services they receive from the peasants. Landowners use these to command the services of craft workers, servants, and sometimes armed forces. Agriculture therefore tends to be associated with a political organization characterized by a ruling landowning class and with occupational specialization.

Most current-day societies rely on agriculture but, as we saw in Chapter 5, only a minuscule percentage of the population in contemporary societies is involved in farming. Therefore, access to productive land is not important for most people. In wealthy nations, most people earn their livelihood by working for wages for businesses and other organizations that provide goods and services. These are usually organized as capitalist enterprises.

**Organizing Labor**

In small-scale preindustrial and peasant economies, the household or some extended kin group is the basic unit of production and of consumption (B. White, 1980). The *household* is an economic unit—a group of people united by kinship or other links who share a residence and organize production, consumption, and distribution of goods among themselves. A household is different from a family because it may include lodgers, apprentices, servants, and others who are not counted as family members. Household members use most of the goods they produce themselves.

Households and kin groups do seek financial gain, but this is not their primary purpose. Their goals are often social or religious rather than monetary. Labor is not a commodity bought and sold in the market; rather, it is an important aspect of membership in a social group. The labor that people both perform and receive situates them with respect to others in their family and gives them a sense of identity and meaning.

The gendered division of labor is a good example of the relationship between work and identity. In all human societies, some tasks are considered appropriate for women and others appropriate for men. At some level, the sexual division of labor is biological because only women can bear and nurse children. Thus, caring for infants is almost always primarily a female role and usually central to female identity (see Nielsen, 1990: 147–168). Beyond this, few jobs are universally identified as male or female work. However, in almost all societies, some sorts of work are considered proper only for men and others proper only for women, and these jobs are important elements of male or female identity. For example, for the Navajo, weaving is both a sacred activity and a model for womanhood. In Navajo religious belief, Spider Woman wove the universe itself (Berlo, 1993: 37–38). On the other hand, in most West African societies, weaving is considered a male task, part of male identity (Figures 6.6a and 6.6b). A survey of 48 societies in which people milked animals showed that in 13 of them, milking was exclusively men’s work and in 21 it was exclusively women’s work. In the remaining 12, the work was shared among men and women (Murdock & Provost, 1973: 207).

In Western society, work also has very important social implications. People work to put food on their table and a roof over their head. But, as anthropologist Pamela Crespin (2005) has noted, an individual’s self-image and social status in our society is bound up with work. Joblessness or the inability to earn a living wage diminishes an adult’s identity and status (2005: 20). This is a particularly important issue in a nation such as the United States, where unemployment is a perennial problem. Economists often consider “full employment” to be somewhere between 4% and 5%. They worry that unemployment rates lower than that will result in high inflation (“What Full Employment,” 2017). Although that worry may be justified, it leaves many people unemployed. In
August 2018, the unemployment rate was 3.9% and the number of unemployed people was 6.2 million (Bureau of Labor Statistics, 2018).

Economic organization by household contrasts with organization by firm. A firm is an institution composed of kin and/or nonkin that is organized primarily for financial gain. Individuals are usually tied to firms through the sale of their labor for wages. Labor is thus a commodity, bought and sold on the market. A firm does not produce goods for the use of its members; the items it produces are sold for profit.

In economies where households are the units of production, there can be little economic growth. Households cannot easily expand or contract as the economy fluctuates. They cannot easily fire their members or acquire new ones. Large-scale production and distribution systems tend not to develop under such conditions. Firms, on the other hand, are geared toward economic growth. Their goal is to find the mix of capital and labor that will most increase the firm's financial value to its owners. This usually means that firms wish to increase their size indefinitely.

Households and firms are not mutually exclusive. As we noted in Chapter 5, firms, even very large ones, may be controlled by a single family. Further, firms often use the vocabulary of family and team to promote their goals. As Casey (1999: 156) noted, many firms—from supermarket chains to hospitals and airlines—promote themselves as communities, inviting employees and customers to “come join our family.” Thus, economic relationships between employers and employee or firm and customer are partially disguised by ideas about social relationships within a family or household.

Specialization in Complex Societies

Among foragers and most horticulturalists, all adult men and women are actively engaged in the quest for food. Technologies are simple and do not require skills beyond those that can be learned through informal socialization. The few specialists (for example, religious practitioners) are usually also engaged in food and tool production. The characteristic division of labor is not by job but by age and sex.

The division of labor in society becomes more specialized as the population increases and agricultural production intensifies. This is particularly the case when a society is dependent on grain agriculture. Grains are hard, durable, and storable. Landlords and rulers who can control them have access to wealth and power in new and important ways. As occupational specialization spreads through society, individuals are able to exchange their services or the products they produce for food and wealth. Specialists are likely to include soldiers, government officials, and members of the priesthood as well as artisans, craftsmen, and merchants.

Traditional areas of contemporary India provide an excellent example of occupational specialization. There, only people belonging to specific hereditary kinship groups can perform certain services or produce certain kinds of goods. Literally thousands of specialized activities—washing clothes, drumming at festivals, presiding over religious ceremonies, making pots, painting pictures—are traditionally performed by specific, named hereditary groups called castes (see Figure 6.7).
Much of the world’s population today lives in industrial or postindustrial societies, and almost everyone is a specialist of one kind or another. In the United States, the Department of Labor recognizes 840 numbered occupational categories, but this greatly condenses the variety of occupations. For example, category 33-2022 is Fire Inspectors and Investigators, but unnumbered categories that further subdivide this include Arson Investigator, Certified Vehicle Fire Investigator, Fire Hazard Inspector, and Fire Prevention Inspector (Standard Occupational Classification Policy Committee, 2010).

Industrialism and the high degree of specialization it requires have produced unprecedented material wealth. There is no doubt that more people today have greater access to a wider variety of goods and services than ever before in the history of humanity. However, specialization can also take a large physical and emotional toll. Since the beginning of the Industrial Age, many factory jobs have involved repetitious and mind-numbing labor often performed under hazardous conditions. In the American automobile plants of the early 20th century, for example, almost all skilled tasks were mechanized. Workers simply inserted pieces into machines, turned a switch, and waited until the machine completed its task. The machinery determined the pace of work and the tasks performed. In the 1920s, one worker summed it up simply by saying, “The machine is my boss” (in S. Meyer, 2004).

Factory labor often led to new notions of identity. For example, in the 19th century, many U.S. workers associated masculinity with skilled labor, independence, and decision making. On the assembly lines in early 20th-century United States, labor was boring and monotonous and workers had little decision-making ability. Through public speeches, company policies, and employment practices, companies such as Ford sought to redefine masculinity, associating it with “working hard—in the company of other men, on a useful product, and being paid well for it” rather than with skill and independence (Lewchuk, 1993: 852).

**Distribution: Systems of Exchange and Consumption**

In all societies, goods and services are exchanged. In fact, some anthropologists have long held that the exchange of goods is one of the fundamental bases of culture. In the early 20th century, French anthropologist Marcel Mauss (1990/1924) theorized that societies were held together by patterns of giving and receiving. He pointed out that because gifts invariably must be repaid, we are obligated to each other through exchange.

There are three main patterns of exchange: reciprocity, redistribution, and the market. Although more than one kind of exchange system exists in most societies, each system is predominantly associated with a certain kind of political and social organization (Polyani, 1944).

### Reciprocity

The mutual give-and-take of goods and services among people of similar status is known as **reciprocity**. Three types of reciprocity can be distinguished from one another by the degree of social distance between the exchanging partners (Sahlins, 1972).

#### Generalized Reciprocity

Generalized reciprocity involves a distribution of goods in which no overt account is kept of what is given and no immediate or specific return is expected. Generalized reciprocity is usually carried out among close kin and is common in foraging bands. Ideally, such transactions are done without any thought of economic or other self-interest. In Western society, we are familiar with generalized reciprocity as it exists between parents and children. Parents constantly give things and provide services to their children out of love or a sense of responsibility (Figure 6.9, p. 142). What would we think of a parent who kept an account of what a child cost and then expected the child to repay this amount? What parents usually expect is some gratitude, love, respect, and the child’s happiness.

Generalized reciprocity involving food is an important social mechanism among foraging peoples. In these societies, a hunter or group of hunters distributes meat among the kin group or camp. Each person or family gets either an equal share or a share dependent on its kinship relationship to the
As we have seen throughout this chapter, economics concerns the choices people make in production, distribution, and consumption. These choices are set within systems of production such as foraging or capitalism and within systems of exchange such as reciprocity or the market. However, they are also set within the critical contexts of culture and history. Richard Wilk’s book on the history of food production and consumption in Belize, *Home Cooking in the Global Village*, gives us insight into the complex ways in which economics, national culture, international patterns of trade, and individual identity are linked together.

Wilk pointed out that although we often think of globalization as a feature of recent world history, it is a very old force in many places. Europeans first visited the area that today is Belize, on the eastern coast of Central America, in the early 16th century but did not establish firm permanent settlements there until the late 17th century. However, since that time, Belize has been deeply immersed in the global economy, exporting raw goods, importing food and manufactures, and, more recently, cultivating international tourism.

The early settlers of Belize were buccaneers—sailors and privateers who stole, traded, and occasionally grew food as well. Often known as Baymen, their habitual diet had been formed by years of living on ship rations, which consisted of processed and preserved breads and meats. As they settled, they continued to prize preserved European products and European styles of dining despite the fact that local foods were easily available. They found an important source of income in logwood, a thorny bush that is used to make purple and black dyes. Logwood was highly prized in the European cloth industry, and trading it gave them money to buy European foods. Meat, long associated with wealth and power in Europe, was also an important and prestigious element of diet, and Baymen hunted and ate everything from manatee to armadillos and parrots. The Baymen borrowed few foods or culinary traditions from indigenous people. Even in a new and different environment, ideas of proper eating were tied to Europe and to international trade.

In the 18th century, the economy of Belize shifted from dependence on logwood to the cutting and export of mahogany. Mahogany cutting required large amounts of labor, and this was often done by African slaves. Many slaves were fed with imported rations, as were other workers throughout the Americas. Such rations consisted of some sort of preserved meat, wheat flour, and beans or other legumes, washed down with alcohol or stimulants such as coffee or tea. Wilk reported that these rations were “the first global diet, a kind of nineteenth-century equivalent of McDonald’s hamburgers” (2006b: 63). A huge network of suppliers in Europe and the Americas grew to provide, package, and transport these foods. Because the diet was deeply unhealthy, it also created a constant demand for patent medicines, and Wilk noted that everywhere extractive industries went, “the ground is still littered with patent medicine bottles” (2006b: 64).

England effectively controlled Belize after the Battle of St. George’s Caye in 1798, but the area did not formally become the colony of British Honduras until 1862. Despite the outlawing of slavery, there was little change in the overall patterns of production under colonial rule. However, patterns
of consumption altered to fit a colonial model. In that system, people gained respectability though close emulation or even exaggeration of the lifestyle of the home country. In practice, this translated to consumption of foods and other products manufactured in Europe and North America as well as other social practices. Although the colonial administration sometimes tried to promote food self-sufficiency, it was frustrated in this both by the fact that exporting mahogany was much more profitable than producing food and by the symbolic importance of the consumption of European products for all elements of the Belizean population. Because being both “modern” and “civilized” were linked to European styles of consumption, imports increased steadily, and food accounted for 60% of all imports by value (Wilk, 2006b: 91). However, it is important to understand that although Belizeans prized imported food, they also consumed many locally produced foods as well, and a local cuisine did develop (Figure 6.8).

Moves toward Belizean nationalism and independence began as early as the 1930s, and ideas about imported and locally produced food were important from the start. They presented a contradiction, however: On the one hand, the idea of a national cuisine was important to the newly independent nation, and nationalist leaders such as George Price urged Belizeans to consume local foods. On the other hand, being an independent nation was closely tied to Belizeans’ ideas about wealth and progress. Belizeans viewed local foods as signs of poverty, so they believed consuming them was moving away from the values of nationalism. The result was that food imports continued to increase, as did consumption of international-style foods produced locally. However, pride in local cuisine did grow. In 1985, Queen Elizabeth visited Belize and, at a state banquet, was served gibnut, a large rodent that is a local delicacy. The queen made no comment, but the British tabloid press claimed that Belizeans were savages who had served rat to the monarch. This led to an outburst of local pride as well as charges of racism against the British. Today, gibnut is often and proudly served in Belizean restaurants as “royal rat.”

The last two decades of Belize’s international food history have been characterized by two contradictory trends. First, Belizeans have migrated in large numbers to the United States and created communities here. Members of these communities have opened restaurants serving Belizean food and, in some cases, have returned to Belize to open restaurants there as well. This process has made Belizeans more aware that they do have an indigenous cuisine and also legitimized that cuisine for them. Essentially, they have now imported their own cuisine! Second, the Belizean economy has come to depend increasingly on tourism. This has led to the construction of resorts and restaurants that cater to the tastes of foreign visitors from wealthy nations. Although the food served in these places is often billed as “local,” it is for the most part generic international cuisine that imports both ingredients and cooking styles from other places.

This survey of Belizean cuisine shows us that economy is deeply entangled both with history and with cultural ideas about what is good to eat and the social-status values of different sorts of consumption. Belize is not a nation that has been drawn into the global economy. Rather, it is a nation whose entire existence has been intertwined with the global economy. Production in Belize has long depended on the types of goods and services demanded and valued by people in Europe and North America—for example, logwood in the 17th century and beautiful sites for scuba diving and relaxation today. The styles of consumption that developed depended on Belizean connections to these distant places, from the connections with the British in colonial society to the greater realization of Belizean ethnic identity in diaspora communities in the United States.

Questions
1. Describe the ways in which Belize’s economy has been connected with the economies of Europe and North America.
2. How important do you think it is for places to have a local cuisine?
3. In the Belizean case, local cuisine has, in a sense, been created by globalization. Can you think of other cases where this is true?
hunter. Robert Dentan described an instance of generalized reciprocity among the Semai of Malaysia:

After several days of fruitless hunting, an East Semai man kills a large pig. He lugs it back through the moist heat to his settlement. Everyone gathers around. Two other men meticulously divide the pig into portions sufficient to feed two adults each (children are not supposed to eat pork). As nearly as possible, each portion contains exactly the same amount of meat, fat, liver, and innards as every other portion. The adult men take the leaf-wrapped portions home to redistribute them among the members of the house group. (1979: 48)

Similar systems are used by the Ju/'hoansi of the Kalahari and the Inuit. A North American might wonder: What does the hunter get out of it? Aren't some people always in the position of providing and others always receiving? Dentan has pointed out that among the Semai, no one ever says “thanks” and that doing so is very rude. Part of the answer is simply practical: Some of the animals hunted are very large, and a single family would be unable to consume or preserve the meat before it rotted. However, hunters have several other motivations for sharing. Hunters gain satisfaction from accomplishing a highly skilled and difficult task (Woodburn, 1998), and there are other rewards as well. Although not all people in foraging societies give and receive equally, all are obligated to both give and receive. Gifted hunters may give more than they receive, but the gifts they do receive may be critical for their survival. Hunters may also gain status from food distribution. For example, among the Pacaa Nova, a horticultural group in Brazil, distributing meat gives a man prestige and an opportunity to display the culture's most valued trait, generosity, while simultaneously building his credit for future reciprocity (von Graeve, 1989: 66). In our own society, although parents may give freely to children, we all know that most have strong expectations for their children's future behavior as well. It may well be that no one ever truly gives without any consideration of what the return might be.

**Balanced Reciprocity**

**Balanced reciprocity** involves a clear obligation to return, within a specified time limit, goods of nearly equal value to those given. Balanced reciprocity is often the dominant form of exchange among nonindustrialized peoples without market economies. However, it also occurs among individuals and groups characterized by production strategies such as pastoralism or industrialism. Partners in balanced reciprocity hope to gain access to valued goods and services while at the same time strengthening social relationships between giver and receiver.

A gift that is accepted obligates the recipient to make a return gift. A refusal to receive or a failure to reciprocate a gift is taken as a withdrawal from a social relationship. Sometimes a return gift may be given immediately. In some marriages, friendship compacts, and peace agreements, people may give one another exactly the same types and quantities of goods (Sahlins, 1972: 194). For example, 100 yams may be exchanged for 100 yams. More often, the payoff is not immediate. In fact, sometimes an attempt to reciprocate the gift immediately is an indication of unwillingness to be obligated and shows that a trusting social relationship is neither present nor desired (Mauss, 1924/1990).

In the United States, we participate in balanced reciprocity when we give gifts at weddings or birthdays, exchange invitations, or buy a round of drinks for friends. The economic aspect of these exchanges is repressed; we say it is the spirit of the gift and the social relationship between the givers that is important. However, we also know that the individual who fails to ever return gifts or who returns gifts that are disproportionally large or small is unlikely to remain our friend for very long.

Balanced reciprocity is most typical of trading relations among nonindustrialized peoples without market economies. Such trade is frequently carried out over long distances and between different tribes or villages. It is often done between trading partners: men or women who have a long-standing and personalized relationship with one another. Trading partners know each other’s personalities, histories, and other aspects of their social lives. Plattner (1989a) has noted that the greater the risk of economic loss, betrayal of confidence, or unfair dealing, the more important such personalized relations are.
The Kula Ring

Bronislaw Malinowski’s (1984/1922) analysis of the kula ring is one of the most famous anthropological studies of reciprocal trading. The kula ring is an extensive system of intertribal trade among a ring of islands off New Guinea (today part of the nation of Papua New Guinea). Among these are the Trobriand Islands, where Malinowski did his fieldwork.

Although many kinds of goods are traded, Malinowski focused his study on two goods: soulava and mwali. Soulava are long necklaces of red shell that are always traded in a clockwise direction. Mwali, bracelets of white shell, are always traded in the opposite direction (Figure 6.10). Kula items are almost always traded between specific partners, and such partnerships are usually enduring. In the trade, one partner presents the other with a mwali or soulava. Months or years later, the receiving partner will in turn present the giver with the other kind of kula valuable. Although kula items can be permanently owned, people generally hold them for a while and then pass them on. Their goal is to have valuable, famous, and beautiful objects in their possession and circulating among their friends and kula partners (Weiner, 1992: 144–146).

In addition to the trade in kula valuables, there is a second, less public system of trade called gimwali that includes foods such as yams and bananas, manufactured items such as canoes, axe blades, and many other goods (Damon, 1983a; Fortune, 1932). These goods are often unavailable in the district in which they are given. Thus, the kula trade allows groups to specialize in different aspects of production, and this leads to an increase in both the amount of food and the quantity and quality of craft production within the region (Spielmann, 2002). In addition to promoting economic intensification, both the kula trade itself and the preparations for it reinforce ties among participants and help ensure that relations among trading partners are relatively friendly. This is important because there is no formal government incorporating the different groups that take active roles in the kula.

Although the actual kula partners are men in many cases, both men and women play important roles in the kula trade. On the Trobriand Islands, women’s wealth and status connections are more enduring than those of men. Women use their power and wealth to support men in both kula and other forms of trade (Weiner, 1976).

On one level, the kula is simply an exchange of goods. However, Malinowski demonstrated that the trade is infused with a great many cultural norms and values related to Trobriand life. It has complex cultural, social, and psychological meanings for its participants. Kinship and political structure, magic, prestige, economy, technology, myth, ritual, feasting, and especially friendship and alliance all come together in the kula. Weiner (1976) extended this analysis, pointing out that kula items and other elements of trade have important symbolic significance and that exchanges help their participants both maintain and represent their social order. Thus, the system of balanced reciprocity found in the kula trade contributes to the integration of Trobriand society as well as the maintenance of economic and social relations among all its participants.

Negative Reciprocity

Negative reciprocity happens when trade is conducted for material advantage and is based on the desire to get something for nothing (e.g., gambling, theft, cheating). Negative reciprocity is characteristic of both impersonal and unfriendly transactions. It is the unsociable extreme in exchange.

Tribal and peasant societies often distinguish between the insider, whom it is morally wrong to cheat, and the outsider, from whom every advantage may be gained. Clyde Kluckhohn (1959), who studied the Navajo in the 1940s and 1950s, reported that their rules for interaction varied with the situation; to deceive when trading with outsiders was a morally accepted practice.

Another good example of negative reciprocity is the historic relationship between traditional dynastic China and the nomadic empires of Mongolia. The ability of Mongol empires to benefit their constituent tribes was based on their capacity to extract wealth and resources from China. They did this by following a policy of violent raiding. Because the nomads were highly mobile, war against them was prohibitively expensive, and the Chinese were repeatedly forced to buy peace from the nomads, essentially paying protection money. The threat of violence lay
under the surface of all interactions between the two groups (Barfield, 1993: 150–155).

Negative reciprocity may be characteristic of certain types of transactions in market economies as well. The e-mail scam artist offering to deposit millions in your bank account if you will only provide your account number and other personal information is engaged in negative reciprocity, as is the Wall Street manager who offers high returns on investment but who then steals your money. The issue of honesty in market transactions is further explored later in the chapter within the section on market exchange.

Redistribution

In redistribution, goods are collected from or contributed by members of a group and then given out to the group in a new pattern. There is a social center to which goods are brought and from which they are distributed. Redistribution occurs in many different contexts. In household food sharing, pooled resources are reallocated among family members. In state societies, this is achieved through taxation: Governments collect resources and then redistribute them in accordance with their political goals.

Redistribution can be especially important in horticultural societies, where political organization includes bigmen, self-made leaders who gain power and authority through personal achievement. Such individuals collect goods and food from their supporters. Often these items are given away in communal feasts that the bigman sponsors to sustain his political power and raise his prestige. Redistribution also occurred in some chiefdoms. In these cases, however, a distinct hierarchy was involved. Chiefs collected goods and staple foods from many communities to support their households and attendants as well as to finance large public feasts that helped solidify their power (Earle, 1987; also see Chapter 8, page 185).

The Potlatch

Potlatch feasting is a good example of redistribution. Native American groups of the Pacific Northwest, including the Haida, Kwakwaka’wakw (Kwakiutl), and Tlingit, hold potlatches to honor and to validate the rank of chiefs and other notables (Figure 6.11). Historically, potlatches were frequently held in connection with births, deaths, and marriages, and they often involved an element of rivalry. (Rosman & Rubel, 1971). A leader holding a potlatch called on his followers to supply food and other goods to be consumed and distributed during a feast to which he invited group members and rivals. At a potlatch, the host publicly traced his line of descent and claimed the right to certain titles and privileges. Each of these claims was accompanied by the giving away of, and sometimes the destruction of, large quantities of food as well as goods such as blankets and carved wooden boxes. As these items were given or destroyed, the individual and his supporters boasted of their wealth and power. In the early 20th century, Franz Boas collected speeches given at potlatches, such as this one:

I am Yaqtatltsis… I am Great Inviter… Therefore I feel like laughing at what the lower chiefs say, for they try in vain to down me by talking against my name. Who approaches what was done by my ancestors, the chiefs? Therefore I am known by all the tribes over all the world. Only the chief my ancestor gave away property in a great feast, and all the rest can only try to imitate me. (Benedict, 1934: 191)

The feasting and gifts given at a potlatch demonstrated the host's right to the titles and rights he claimed and created prestige for him and his followers. Guests either acknowledged the host's claims or refuted them by staging an even larger potlatch. Thus, potlatching involved friendship but also competition and rivalry.

From an economic perspective, the drive for prestige engendered by the potlatch encouraged people to produce more food and goods than they would otherwise consume, even though this increased the amount of work they did.
Because this wealth was given to people who traveled substantial distances to come to a potlatch, it was distributed to a fairly large population and ecological area.

In the late 19th and early 20th centuries, Canadian government authorities saw the potlatch as a waste of resources and evidence of native irrationality. They believed that saving was the key to economic success and, to them, the potlatch focus on consumption and destruction of goods was both disturbing and wasteful. As a result, potlatching was outlawed between 1884 and 1951 (Bracken, 1997). Since then, the potlatch has been revived but primarily as a symbol of tribal identity rather than a major element in tribal economy. Simeone (1995) and Stearns (1975), for example, reported that the Tsimshian and Haida people consider the potlatch a central symbol of cooperation and respect that separates native from nonnative peoples.

Although the term *potlatch* refers specifically to the feast of Northwest Coast people, Rosman and Rubel (1971: xii) reported that rivalrous, competitive feasting is found among many peoples. It is common, for example, throughout the Pacific Islands. We may even see some elements of it in our own society. There may be competition within families or between communities to throw the largest and most elaborate holiday parties, weddings, or coming-of-age celebrations (such as a confirmation, bar or bat mitzvah, or quinceañera). In all these cases, the prestige that accrues to the people who give the party is a critical factor. This reminds us that there is much more to giving a gift than simply trying to determine what another person desires.

**Leveling Mechanisms**

Redistribution may either increase or decrease inequality within a society. A leveling mechanism is a practice, value, or form of social organization that results in evening out the distribution of wealth by forcing accumulated resources or capital to be used in ways that reduce economic differences. Such mechanisms ensure that social goals are considered along with economic ones.

Leveling mechanisms take many different forms. For example, if an economy is based around redistribution and generosity is the basis of prestige, those who desire power and prestige will distribute as much wealth as they receive. The potlatch, described earlier, is a good example of this. The *moka*, a type of large feast in the highlands of Papua New Guinea, is another. There, men who wish to gain prestige prepare for many years for these events, accumulating wealth in the form of pigs, shells, cassowary, and, in the modern world, money and manufactured goods. At the feast, all this wealth is given away to those who attend.

Manning Nash (1967) described many leveling mechanisms that operate in the village of Amatenango in the Chiapas district of Mexico. One is the organization of production by households. As mentioned earlier, economic expansion and accumulation of wealth are limited when households, rather than business firms, are the productive units. A second factor in Amatenango is inheritance: All a man’s children share equally in his estate. This makes it difficult for large estates to persist over generations. Accusations of witchcraft are a third leveling mechanism. Should anyone in Amatenango manage to accumulate more than their neighbors, members of other families are likely to accuse that person of witchcraft, and people thought to be witches are often killed. Witchcraft accusations are most often leveled at those who are rich but not generous.

Finally, Amatenango and many other villages have cargo systems. In a cargo system, men in the village must annually assume a number of different cargos, or religious offices. Assuming such a cargo is an expensive proposition. The officeholder cannot work full time, and the obligations of the cargo involve substantial purchases and donations, which take up some of a family’s extra resources. A man must serve in 12 such cargos before he can retire from public life, so the cost continues throughout adulthood. In addition to these 12 offices, there is the position of *alférez*, a ritual office filled by a younger man. One of the requirements of being *alférez* is sponsoring a community feast, which involves paying for the food and liquor and renting costumes. Men are selected for the cargos and the *alférez* by their ability to pay. Thus, the cargo system is a way of forcing the most prosperous households of the village to redistribute some of their wealth.

Community obligations such as a system of expensive religious offices may help to limit the economic gap between the relatively rich and the poor, but they do not eliminate it. In fact, they may help preserve it. Men who take cargos gain in prestige, differentiating themselves from the poor of the village. Increased prestige often leads to increased wealth. Cancian (1989) showed that in Zinacantan, which has a system of cargos or religious offices similar to that of Amatenango, men who took on cargos remained rich throughout their lives, whereas poor families incapable of filling such offices remained poor. Thus, although it does redistribute some of the wealth in the community, the cargo system in Mexican villages may serve to reinforce economic differences among families rather than equalize them (Cancian, 1989: 147).

The cargo system still exists throughout Mesoamerica, but it may be losing influence. For example, Mary O’Conner (2016: 88) has noted that in recent years, fewer people among the Mixtec are willing to take cargo offices. She links this to the increasing presence of modern-day consumer goods and argues that, like holding cargo offices, these also give their owners prestige but don’t require giving anything away.
Market Exchange

Today, market exchange is the principal distribution mechanism in most of the world’s societies. Goods and services are bought and sold at a price determined, at least in theory, by impersonal market forces. Unlike reciprocity and redistribution, in which the social and political roles of those who exchange are important, a market exchange in principle is impersonal and occurs without regard to the social position of the participants.

The market involves a series of cultural and moral assumptions. For an impersonal market to run smoothly, most participants must believe that they will usually be treated fairly by people they do not know. Of course, the ideal of fair and impersonal exchange is just that—an ideal. Because of this, markets are almost always regulated by a political power that sets the rules for trade, enforces peace in the market, and punishes violations. What constitutes fair exchange varies from culture to culture, but markets are full of conflicts, inequities, and outright cheats. However, in most cases, individuals who believe they have been cheated or otherwise treated unfairly in the market can appeal to authorities and institutions such as rulers and court systems to redress their grievances.

The continued importance of social connections among market participants is well illustrated by electronic marketplaces such as eBay, where buyers and sellers come close to true anonymity. In these cases, a sophisticated system of ratings simulates social connections and knowledge. This gives trading partners a degree of certainty that the terms of trade will be fair. But eBay participants know that the fewer and worse the ratings of their trading partners, the greater the risk for a hostile exchange. The phrase caveat emptor, or “let the buyer beware,” neatly captures the notion that the rules of even trade are not always in force (Figure 6.12).

In principle, the primary factors that set prices and wages in a market are related to supply and demand. Individuals participate freely in a market, choosing what they buy and sell. These principles are almost never perfectly attained. In some cases, wealthy and powerful individuals, organizations, and industries fix prices or wages, forcing people into wage labor or into the market at disadvantageous terms. In other cases, cultural ideas about the proper or “just price” of a good or service are more important than supply and demand. Sometimes governments control or influence the prices of commodities such as grain, setting them either high (to encourage farmers) or low (to feed often rebellious city dwellers cheaply).

The types of goods and services available in the market are almost always restricted in some way. As we have seen, people in many societies gain access to land, labor, and some goods through ties of kinship or obligations of reciprocity and redistribution. In such places, land and labor are difficult or impossible to purchase through markets. All societies limit what may be bought and sold. We live in a market-dominated society, but for moral, social, and political reasons, governments limit trade in certain goods and regulate trade in others. For example, there are restrictions on the sale of drugs, guns, children, and college degrees.

In most societies where markets play an important role, black markets develop. These are institutions and arrangements that escape social regulation. In principle, anything may be purchased through black markets, including children and college degrees. However, not only do participants in black markets have no recourse from courts or other authorities if they are cheated, governments and international agencies pursue and penalize them. An example of this was Silk Road, a website that people used primarily to buy and sell drugs. U.S. authorities shut down Silk Road, and its founder and owner, Ross Ulbricht, is currently serving a sentence of life without parole. However, other websites have emerged to take its place, such as Silk Road 2.0 and 3.0, AlphaBay, and Dream Market. These will no doubt be shut down as well, but others will emerge, aided, perhaps, by the increasing popularity and importance of cryptocurrencies such as Bitcoin and Ethereum that make transactions difficult to trace.

Capitalism

In the past 300 years, capitalism has become the world’s predominant economic system. Capitalism expanded from northern Europe, North America, and Japan and has
transformed economies worldwide, connecting them in a complex, integrated international economy (Wallerstein, 1995). In Chapter 14, we describe this historic process, and in Chapter 15, we examine and analyze the problems and promises of the global economy. Here, we focus on describing capitalism and pointing out some of its most salient features.

In noncapitalist societies, most people produce goods to consume them, to trade them for other goods, or to pay rents and taxes. In capitalist societies, firms produce goods to create wealth. For example, General Motors (GM) is not really in business to make cars. General Motors is in business to increase the wealth of its shareholders. Manufacturing automobiles is one (though only one) of the ways it tries to achieve that end. GM is also heavily involved in banking and was historically involved in aviation, military contracting, and consumer products. You probably don’t think of GM as

Anthropology Makes a Difference

UX (USER EXPERIENCE)

In the past several decades, greater numbers of anthropologists have sought employment in business and have been involved in designing some well-known consumer products. For example, ethnographic research conducted by Susan Squires and Bryan Byrne was instrumental in the development of Go-Gurt, a popular sweetened yogurt product marketed to parents of young children.

More recently, technology companies have become one of the biggest consumers of anthropology. Microsoft is reportedly the world’s second-largest employer of anthropologists (D. Baer, 2014), and Women in Technology International Hall of Fame member and anthropologist Genevieve Bell is a vice president and fellow at Intel as well as director of the company’s Corporate Sensing and Insights group. Bell (n.d.) has said her job is “to make sense of what makes people tick, what delights and frustrates them, and to use those insights to help shape the next generation of technology insights.”

George Anders (2015) noted that “throughout the major U.S. tech hubs . . . software companies are discovering that liberal arts thinking makes them stronger.” There is a good reason for this. As technology progresses, many jobs on the technical side, such as software engineering, become automated. Fewer (but very highly skilled) people are needed to fill them. On the other hand, jobs related to how people use technology and how to market technology increase. For example, in the spring of 2015, Facebook was advertising 146 jobs for software developers but 225 for sales and business development specialists.

A key intersection of anthropology and business is the development of the field of UX, or user experience. UX refers to the ways in which people interact with products, services, and companies and how end users feel about the systems and objects they use and how these things fit into their lives. Part of this is simply measuring ease of use. However, a lot of it has to do with context, expectations, past experiences, and the ways people actually use things in their lives. Anthropological techniques such as participant observation are particularly useful in studying UX.

For Christian Madsbjerg and Mikkel Rasmussen (2014), two of the principals of the anthropological consulting company ReD, the core of UX is sensemaking—the ways in which people bring “the complex interplay between their interior lives and their social, cultural, and physical worlds” to bear on the ways in which they understand and use goods and services. They point to their work with the toymaker Lego as an example. In the mid-2000s, Lego was failing in its attempt to move into new markets such as video games and action figures. The company produced products that looked cool but were not popular. To find out what parents and children wanted from Lego, the company did ethnographic research. Researchers spent time with families, interviewed parents and children, shopped with families, and took pictures. They found that what kids wanted from Legos was to escape from their overly structured lives and hone their skills. The new, more structured products didn’t allow kids to reach these goals in the ways that the old ones did. To survive, Lego needed to focus on its core business and make products that allowed kids greater freedom to play.

Anthropologists have made products more friendly and businesses more money. However, UX also raises some ethical problems. For example, anthropologists mine information from their informants. If corporations then profit from this information, is payment owed to the informants? Most anthropologists publish their research findings, but corporate research is usually private. Should it be? Some key consumers of anthropological research are beverage and packaged food companies, but should anthropologists be promoting the sale of sugary drinks and junk food? Should anthropology be used to help corporations make more money?
a refrigerator company, but it owned the appliance manufacturer Frigidaire from 1918 to 1978. Today, Frigidaire is owned by the Sweden-based company Electrolux, best known for making vacuum cleaners.

Productive resources become capital when they are used with the primary goal of increasing their owner's financial wealth (Figure 6.13). In capitalism, this becomes the most common (though not the only) use of such resources. **Capitalism** is further characterized by three fundamental attributes. First, most productive resources are owned by a small portion of the population. Banks, corporations, and wealthy individuals own the vast majority of farms, factories, and business of all kinds. Although many Americans invest in business through ownership of stocks, mutual funds, and retirement plans, substantial wealth is highly concentrated. For example, in the United States in 2017, about 54% of households had money invested in stocks or mutual funds and thus owned some share of a business. However, 89% of households with an annual income above $100,000 did (J. Jones, 2017). The median value of all financial assets (bank accounts, retirement accounts, stocks, mutual funds, and so on) held by U.S. families in 2016 was only $23,500 (Bricker et al., 2014). According to G. William Domhoff (2013), in 2010, the wealthiest 10% of American households held over 90% of all stocks and mutual funds owned in the nation. Thus, although a great many people held some ownership of business, the vast majority was held by comparatively few.

The second attribute of capitalism is that most individuals' primary resource is their labor. To survive, people sell their labor for a salary or an hourly wage. Most Americans, for example, work for large or small corporations that they do not own, or they are employed by government.

The third attribute is that the value of workers' contribution to production is always intended to be greater than the wages they receive. The difference between these two is the profit that accrues to those who own the productive resources—generally the shareholders of a corporation (Plattner, 1989b: 382–384). The extremely high wages of some professional athletes and entertainers provide a good illustration of this principle. For example, Cleveland Cavaliers player LeBron James signed a hundred-million-dollar three-year contract in 2016 (Badenhausen, 2016). For the team owner, Dan Gilbert, James's high salary was easily justified. Gilbert rightly believes that James's presence on the team increases his own wealth. When James returned to the Cavaliers in 2014, their arena revenue jumped more than 40%. Gilbert bought the Cavaliers for $375 million in 2005, but by 2018 it was valued at more than $1.3 billion (“Daniel Gilbert,” 2018). James's work has accounted for a significant percentage of that increase. James's contract, along with more than $45 million in endorsement deals, has made him a very wealthy man. His net worth is believed to be more than $400 million (Archer, 2018). However, James's wealth pales next to that of Gilbert, who is believed to be worth about $6.3 billion, placing him at #91 on Forbes's list of the wealthiest Americans (“Cleveland Cavaliers,” 2018).

In general, workers wish to receive as close to the full value of their labor as possible, while owners wish to pay as small a portion of that labor's value as possible. This frequently results in conflict between the two groups.

**Capitalism and Social Relations in Turkey**

Modern capitalist economies are dominated by market exchange, but this does not mean that people always experience their economy in terms of buying and selling at whatever price the market will bear. Capitalism always occurs within the context of other social relationships, and sometimes these relationships provide a mask behind which it can hide. In other words, capitalist relationships are sometimes camouflaged by family ties or social obligations. When this happens, entrepreneurs may be able to extract extra profits. The production of knitted sweaters in Turkey is a good example of this.

Turkey produces many goods and services used in wealthy capitalist nations. Most of the inhabitants of Istanbul, its largest city, are part of a capitalist economy, selling their labor in enterprises aimed at generating a profit. However, as Jenny B. White (1994) reported, many of them, particularly women, understand their work in terms of reciprocity and kin obligations rather than capitalism and the marketplace.

Turkey is a patrilineal and patriarchal society. Turkish women live in complex social networks that are characterized by social obligations and relations of reciprocity. To a great degree, they measure their worth by the work they do for family members. A married women lives with her husband's
family and is expected to manage the household and to keep her hands busy with knitting and other skilled tasks. Such tasks are not considered work (in the sense of work outside of the home) but are rather understood as necessary obligations of married life.

Business in Turkey is often patterned on social life, and this can be seen clearly in women's piecework. Women produce garments that are sold in the United States and other Western nations. The materials they use are generally supplied to them by an organizer, who also finds a buyer for the finished product. The organizers are often relatives, neighbors, and friends of the women who do the work.

In the Istanbul neighborhood White investigated, almost everyone believed that women should not work for money, yet about two-thirds of them were involved in piecework (White, 1994: 13). How is this contradiction explained? The women who do piecework see it as a way for them to keep their hands busy and thus fulfill part of their duty as wives rather than as a form of paid labor (Figure 6.14). Their work fulfill part of their obligation to their husband's family and to the organizers with whom they have social connections. The women consider their work a gift of labor and understand the payments they receive as gifts from someone with whom they have established social relationships.

Because the women's work is set within a context of global capitalism, work organizers may be friends and neighbors, but they are also capitalist entrepreneurs hoping to make money. In the end, women produce goods for the capitalist marketplace, and their wages derive from that market. However, these capitalist relationships are masked by social relations of balanced or generalized reciprocity with the labor organizer. Because they understand their work in terms of a social obligation, women rarely think about how much they are earning an hour or how they might use their time and talents to make more money. Thus, they are willing to accept far lower wages than might otherwise be the case.

In some ways, the system serves the women well. They can fulfill their roles as wives and in-laws, and their social connections with labor organizers may give them some degree of security. This is important in a country like Turkey where most people are poor and social services are few. However, it is clear that the greatest beneficiaries of this system are firms and consumers in wealthy nations. The fact that reciprocity masks capitalism for poor women in Turkey allows rich consumers in Europe and the United States to buy hand-knitted sweaters at very low prices and the firms based in these nations to make high profits.

FIGURE 6.14 For many Turkish women, knitting is a social obligation. This is one factor that leads them to accept very low wages for the knitting they do. However, these sweaters enter a globalized trade system and are sold for high prices in wealthy nations.

Yaacov Dagan/Alamy Stock Photo
Although there are probably some individuals who act as capitalists in most monetized economies, societies organized primarily by capitalism are a late development in the history of humankind. Such societies were not a natural and inevitable outcome of economic evolution. Rather, they owed their origin to the specific conditions of the industrial revolution in Europe in the 18th and 19th centuries and have become increasingly prevalent in the world in the past 150 years.

As the case of the Turkish women shows, capitalism has outgrown national boundaries. The result has been great movement of resources and capital and migrations of population as the whole world has gradually been drawn into the global economy, a system we call globalization. For the most part, members of traditional societies enter the market as low-wage laborers. Most of the wealth they produce accrues to elites within poor nations as well as owners and consumers in wealthy nations (E. Wolf, 1982).

Resistance to Capitalism

Capitalism is a powerful economic system. It undoubtedly provides a greater number of goods and services to larger populations than other ways of organizing an economy, but it does so at a cost. When some individuals or groups own or control basic resources, others must inevitably be denied access to these resources. This results in permanently differentiated economic and social classes. Capitalism dictates that there will always be rich and poor. Often, part of the population lives in extreme poverty, without access to basic resources—in American society, this includes the homeless, the landless rural poor, and the permanently unemployed.

Poverty in capitalist societies punishes weakness, failure, or ill fortune in a way that is harsher than in other forms of economic organization described in this chapter. Foraging, herding, gardening, and most nonindustrial agricultural societies provide work for all. Although there is inequality in these societies, in most cases, for most of the population, differences in wealth are relatively small. Contemporary capitalist societies, which are characterized by well-coordinated, specialized labor forces, increasingly require that individuals be skilled, mobile, and educated to succeed. They provide extraordinary rewards to some (but certainly not all) people who are highly educated, highly creative, or both, as well as to people who are members of what billionaire investor Warren Buffett has called “the lucky sperm club”—those who happen to be born to wealth. However, even when economic times are good, many people are left out.

The creation of complex global systems of exchange between suppliers of money, suppliers of goods, and consumers of those goods results in complex patterns of inequality both within and between nations. The overwhelming power of international capitalism connects and alters cultures in new ways.

Not all societies, nor all individuals within a society, are able or willing to participate in the capitalist economy. Historically, the expansion of capitalism was accompanied by the wide-scale destruction of noncapitalist societies, a process examined in more detail in Chapter 14. Further, although capitalism has now expanded into every part of the world, there are probably no countries where all of the population is directly involved in it. In many areas, noncapitalist groups remain, although they are often pushed to geographically marginal areas, such as the border between Pakistan and Afghanistan or the jungles of Brazil. In other places, issues of race, gender, and ethnicity prevent people from fully participating in the capitalist economy. However, even in these locations, mass-produced goods, media, and fashions from capitalist societies are easily found.

Despite the international success of capitalism, it has from its origins encountered frequent and sometimes violent resistance. In the early 19th century, Luddites smashed the weaving machines of early capitalists in a futile attempt to preserve skilled labor and cottage industry. By the late 19th and early
20th centuries, radical unions such as the Industrial Workers of the World campaigned for the abolition of capitalism and wage labor. In the 1960s, anticapitalist protests broke out across Europe, Japan, and the United States. Protests in France in 1968 were particularly widespread as workers joined student protesters to bring the nation to the brink of revolution. Protests continued in the late 1990s and early 2000s, with riots and mass arrests accompanying meetings of major capitalist institutions such as the World Bank and World Trade Organization. In the wake of the 2008 financial crisis, protests broke out again in many places. The best known of these was the Occupy Wall Street movement of 2011, which began in New York but rapidly became global, with rallies held in more than 900 cities throughout the world (Adam, 2011). Although support for the movement eventually diminished, resistance to the current distribution of wealth continues. In 2015, a Gallup Poll reported that 63% of Americans believe that wealth should be distributed more evenly (Newport, 2015).

In addition to taking to the street in protest, people resist capitalism in other, more subtle ways. The fundamental social arrangement of capitalism is that most people sell their labor for wages to capitalists who reinvest profit to create greater wealth. However, many people in the United States and throughout the world neither work for wages nor hire workers and make investments to increase their wealth. In the United States, they often get by using a combination of techniques that include subsistence gardening, garage sales, and trading their labor with others (Figure 6.15). They work for others only when they absolutely must, taking part-time jobs or leaving full-time employment as soon as they have enough cash for an immediate need (Halperin, 1990; Hansen, 1995). And this is not only an American phenomenon: Wilson found that people who drove horse carriages (jarveys) in Ireland were often fleeing wage labor. Other members of their families worked in factories, and they themselves had previous experience with wage labor but had given it up. One man said that even if they paid him twice as much to work in a factory, he’d rather drive a carriage (Wilson, 2003: 303).

In the United States, individuals are often very proud of their ability to support themselves outside the boundaries of wage labor. However, the fact that they are able to resist principal elements of capitalism (perhaps unknowingly) reminds us that economic systems are not natural and inevitable. The ways in which we organize our economy are the result of history, politics, economics, and individual choices—a creation of culture, not natural law.

The Global and the Local

GIFTS, BRIBES, AND SOCIAL NETWORKS

Question: What’s the difference between a gift and a bribe?

Many classic anthropological studies have focused on gift exchange in relatively small societies without money. However, using gifts to build social networks that may serve instrumental purposes is part of large, current-day monetized societies as well. When this happens, it raises important questions about the line between a gift and a bribe. Good examples of this come from the countries of the former Soviet Union (though they certainly exist in our own society as well). In Soviet times (1917–1991), having at least some money was relatively common, but goods that could be bought with the money were scarce. In this condition, a system called blat pervaded many aspects of life. Blat referred to social connections reinforced by gift giving that allowed people to gain access to goods, services, employment, and often admission to universities. A proverb of the era claimed, “Better 100 friends than 100 rubles.”

In the post-Soviet Union era, blat and other arrangements persist, but they are increasingly complicated. Now, goods are widely available in most places in the former Soviet Union, but money to buy them is not. Abel Polese (2008) examined gift giving and corruption in Ukraine in the early 2000s and found a wide gray area between the two. The Ukrainian government was unable to adequately provide many services to its citizens. Salaries paid to government workers, including doctors and teachers, were inadequate to cover their living expenses. In this context, money and goods received by doctors and teachers from their patients and students were extremely important to their economic survival, and it became very common for people receiving services to offer such gifts. However, were these gifts or bribes? The Ukrainian government declared that it was illegal for government employees (including doctors and teachers) to receive gifts of any kind. However, the government tolerated these practices to avoid paying higher wages.

The perspectives of the participants themselves were nuanced. In at least some cases, people giving gifts and payments saw these as signs of gratitude

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rather than bribes. For many, the sequence of events was important: A payment received before taking an exam or undergoing surgery was a bribe; payment afterwards, a gift. The specific actions of the service provider also made a difference. Teachers might allow students to pass exams and doctors might provide services in expectation of receiving a gift, but they believed that was different from requiring an up-front payment. As one of Polese’s informants expressed it, “if I receive it, it’s a gift. If I demand it, then it is a bribe” (2008: 53).

Neither gift givers nor gift receivers understood their actions as simple corruption. But neither did these transactions create the ongoing social ties typical of most gift giving. Such transactions were not exactly gifts and not exactly bribes, and Polese proposed the term brift, something halfway between a gift and a bribe, to describe them. He argued that brifting was a fundamental aspect of Ukrainian social life and that although brifts in some cases did harm Ukraine’s social and economic structures, they were “complementary to an economic system that does not guarantee even distribution of welfare” (2008: 57). However, as Ukraine’s economic situation deteriorated throughout the first fifteen years of the 21st century, its problems with corruption increased. In 2015, the watchdog group Transparency International ranked Ukraine as #130 out of 167 countries on its corruption index and said it was by far the most corrupt nation in Europe. Government corruption was a significant cause of the political events that led to the Russian military intervention that began in 2014 (E. Merry, 2016).

Recent corruption trials in the United States seem to hinge on some of the same issues Polese described in Ukraine. In 2014, former Virginia governor Bob McDonnell and his wife were indicted on federal corruption charges. McDonnell had received more than $175,000 from Jonnie Williams, then the head of Star Scientific, a company that produced a dietary supplement called anatabine. The McDonnells publicly spoke about the value of anatabine, hosted events for Star Scientific at the governor’s mansion, and encouraged researchers at the University of Virginia to apply for state funding to study anatabine. Was this corruption or just gift giving among friends? A U.S. district court found McDonnell and his wife guilty of corruption. However, the Supreme Court reversed this decision, arguing that corruption required a more specific quid pro quo.

More recently, New Jersey senator Bob Menendez was similarly accused. Menendez received both gifts and political donations from Salomon Melgen, a Florida eye doctor. Menendez received free flights on Melgen’s private jets, and Menendez’s political action committee received more than half a million dollars from Melgen. For his part, Menendez helped three of Melgen’s foreign-born girlfriends get U.S. visas and helped Melgen settle an $8.9 million dispute with Medicare. Again, gift giving among friends or corruption? An 11-week trial ended in a hung jury. The U.S. Justice Department attempted to retry Menendez, but in January 2018, all charges against him were dropped. Perhaps both these politicians and those who gave to them were brifters.

**Key Questions**

1. In what ways does gift giving reduce inequality in society? In what ways does it increase it?

2. For the U.S. justice system, the line between a gift and a bribe seems to have little to do with the size of the gift or bribe and a lot to do with the giver and recipient agreeing on what specific favors will result from the gift or bribe. Do you believe this to be a reasonable standard?

3. Do you believe that politicians and service providers favor those who they believe will give them gifts? Is there a relationship between one’s occupation and the degree to which one is susceptible to bribes? For example, are politicians, doctors, and trash collectors all equally easy or difficult to bribe?

**SUMMARY**

1. **What is economics and what is economic behavior?** Economics is the study of how the choices people make combine to determine the ways their societies use their scarce resources to produce and distribute goods and services. Economists assume that people will generally engage in economizing behavior—that they will allocate their scarce goods and resources in ways that maximize their benefit.

2. **What are productive resources?** Give some examples. Productive resources are the things that members of a society need to participate in the economy, and access to
them is basic to every culture. Such resources generally include land, labor, and knowledge.

3. How does the allocation of productive resources differ in foraging, pastoral, horticultural, and agricultural societies? In general, as social complexity increases, access to productive resources becomes more restricted. In foraging societies, all people usually have access to all resources. Among pastoralists, ownership of animals is vested in families and kin groups. Among horticulturalists, people may control land in which they have invested labor. Among agriculturalists, specific individuals own many productive resources.

4. What is the organization of labor and what are its key elements in most preindustrial societies? All societies assign specific jobs to specific groups of people. Labor must be organized in order for production to take place. In most preindustrial societies, labor is organized by gender and by household or kin group. Work that people both perform and receive helps establish them with respect in their social network and is often integral to their identity.

5. What is the relationship between population, social complexity, and specialization? As societies become more populous and complex, the number of specialized jobs found in them increases. This is particularly true when societies are dependent on agriculture or industrialism. In preindustrial societies, like traditional India, kin groups may have rights or duties to perform specific jobs. Current-day wealthy societies have extremely high degrees of specialization. This creates great efficiency but involves changing notions of identity and often has heavy human costs.

6. What different systems of distribution are described in this chapter? There are systems for distributing and consuming goods and services in all societies. Every society uses some combination of reciprocity, redistribution, and the market to redistribute goods and services and to provide patterns and standards for their consumption.

7. Define reciprocity and describe different types of reciprocity. Reciprocity is the mutual give and take of goods and services among people. In generalized reciprocity, individuals at a close social distance give and take without expecting immediate or specific return. Balanced reciprocity involves individuals at a medium social distance and includes a clear obligation to return goods of nearly equal value to those given. The kula trade in the Trobriand Islands is an example. Negative reciprocity is characteristic of impersonal or unfriendly relations and involves attempting to get the better of a trade.

8. What is redistribution and in what kinds of societies is it commonly found? In redistribution, goods are collected at a social center from which they are given out to the group in a new pattern. Redistribution occurs in many different contexts but is particularly common in societies that have bigmen, in chiefdoms, and in states. Potlatches among Northwest Coast Native Americans provide an example of redistribution. Some forms of redistribution act as leveling mechanisms, forcing wealthier individuals to disburse part of their riches to the rest of the community.

9. How does the economic history of Belize reflect connections between economy and culture? Belize has always been integrated into an international system of trade, from its earlier days exporting logwood and mahogany to its more recent foray into tourism. This has had a deep impact on consumption patterns as ideas of the proper ways to eat were closely linked with European notions of propriety. The development of indigenous cuisine has been influenced by both nationalism and emigration as Belizeans have created ethnic restaurants in the United States and then imported that cuisine back to Belize.

10. What are the chief characteristics of market exchange and where is it found? In market exchange, goods and services are bought and sold at a money price determined by market forces. In principle, market exchange is impersonal and occurs without regard to the social position of the participants. However, markets are almost always regulated by a political power that sets the rules for trade, enforces peace, and punishes infractions. Market exchange is the most common mechanism of exchange in the world today and is found in most societies.

11. What are the defining characteristics of capitalism? In capitalism, the owners of productive resources use them to increase their financial wealth. In capitalist societies, productive resources are held primarily by a small percentage of the population, most people sell their labor for wages, and the value of people’s labor is always more than the wages they receive. Capitalism can be masked by other relationships, such as reciprocity.

12. What is UX and how does it involve anthropologists? UX stands for user experience and refers to the ways in which people interact with products, services, and companies. Anthropological techniques are very useful in studying this. Many companies hire anthropologists to study the ways in which their products and services are used. This has made products more friendly and made businesses more money.
13. Where is resistance to capitalism found and what forms does it take? Resistance to capitalism is found in almost all capitalist societies. Sometimes this resistance may take the form of movements for social change or violent revolution. However, in many places, people resist capitalism by owning productive resources that they use only for their own subsistence, avoiding wage labor and limiting their participation in the market.

14. How are gifts and bribes related in Ukraine and in the United States? The difference between gift giving and corruption can be difficult to determine. In Ukraine, people once gave gifts to doctors and teachers but understood these as demonstrations of gratitude rather than bribes, despite the role the gifts played in increasing the income of doctors and teachers and assuring the givers access to medical services and passing grades. In the United States, courts have held that if no specific quid pro quo can be demonstrated, large payments to politicians are gifts, even when the recipients provide many services to the gift givers.

CRITICAL THINKING QUESTIONS

1. If one compares foragers, pastoralists, horticulturalists, and agriculturalists, is there a pattern of change in the allocation and control of resources?

2. Give some examples of the role reciprocity plays in current-day life in the United States. Do you believe there is any such thing as truly generalized reciprocity in U.S. society? If not, do you believe it exists anywhere?

3. What kinds of leveling mechanisms are present in current-day capitalist society? Are they effective in reducing economic inequality?

4. All market-based societies place limits on what can be bought and sold. What determines when it is appropriate to restrict the market? For example, should people be able to sell one of their kidneys? Why or why not?

KEY TERMS

balanced reciprocity 142
dingmen 144
capital 136
capitalism 148
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GLOSSARY

balanced reciprocity The giving and receiving of goods of nearly equal value with a clear obligation to return a gift within a specified time limit.

dingmen Self-made leaders who gain power and authority through personal achievement.

capital Productive resources that are used with the primary goal of increasing their owner’s financial wealth.

capitalism An economic system in which people work for wages, land and capital goods are privately owned, and capital is invested for profit.

cargo system A ritual system common in Central and South America in which wealthy people are required to hold a series of costly ceremonial offices.

division of labor The pattern by which different tasks are given to different members of a society.

economics The patterned way in which people produce, distribute, and consume food and other goods.

economizing behavior Choosing a course of action to maximize perceived benefit.

firm An institution composed of kin and/or nonkin that is organized primarily for financial gain.

generalized reciprocity Giving and receiving goods with no immediate or specific return expected.

household A group of people united by kinship or other links who share a residence and organize production, consumption, and distribution among themselves.
**kula ring**  A pattern of exchange among trading partners in the South Pacific islands.

**leveling mechanism**  A practice, value, or form of social organization that evens out wealth within a society.

**market exchange**  An economic system in which goods and services are bought and sold at a money price determined primarily by the forces of supply and demand.

**negative reciprocity**  Exchange conducted for the purpose of material advantage and the desire to get something for nothing.

**potlatch**  A form of redistribution involving competitive feasting practiced among Northwest Coast Native Americans.

**productive resources**  Material goods, natural resources, or information used to create other goods or information.

**reciprocity**  A mutual give-and-take among people of equal status.

**redistribution**  Exchange in which goods are collected and then distributed to members of a group.

**usufruct**  The right of an individual or family to use a piece of land and pass that land on to descendants but not to sell or trade the land.