

Rankin, Katharine Neilson. 2004. *The Cultural Politics of Markets: Economic Liberalization and Social Change in Nepal*. Toronto and Buffalo: University of Toronto Press.

In development practice today there are still many unanswered questions. Have the development approaches associated with multilateral and bilateral institutions like the World Bank and the International Monetary Fund (IMF) actually brought changes to the lives of poor people? Or have they merely reinforced existing hegemonic social structures giving more benefits to the already well off? Why do certain approaches get implemented by these agencies when others do not? What can possibly be done to help poor and marginalized groups overcome existing structural barriers so that they can utilize their agency fully for their own development? These are some of the basic questions that have been asked in development circles for quite some time. Katherine Rankin's book *The Cultural Politics of Markets* attempts to answer these questions.

The book can be seen, in a way, as a debate over the importance of recognizing the value of moral economy or the political agency of the poor and voiceless. Rankin's basic argument, which is also proven with the field study, is that emphasizing moral economy (as manifested in social capital) while downplaying political economy (not recognizing contradictions within the society following an ideology) ends up leaving basic structure intact in a way that does not benefit poorer households.

The author studies a micro-finance program initiated in Sankhu (a Newar village in the Kathmandu valley) and comes to the conclusion that this program, which aims to increase the private wealth of women through small enterprise, has not empowered women. Rather, it has engulfed them with neo-liberal economic values and turned them into victims of commodity fetishism.

The whole debate over “patron-client relationships” in South Asia is reflected in the book, even though it is not explicitly raised as a theoretical issue. The general practice in such societies is that people invest in developing or reinforcing their patron positions, a fact also demonstrated in this book. This investment in patronage relations is seen to increase the investor’s ability to appropriate benefits from the market or the economy. This relationship between patrons and clients, if often guided by certain ideologies (in this case Hindu/Buddhist ideologies of caste and gender), also seems to have some implications for development programs that generally exist for only short periods of time. These programs have not only failed to help the poor but have also destroyed the social relationships that would help them to, at least, meet “survival requirements.” In a society where the state is not capable of looking after the survival requirements of marginalized people, these “social relationships” also seem important. On the other hand, arguments have also been given in favor for breaking these relationships so that people are free from exploitative structures that will reinforce unequal relationships between poorer (like low caste and women) and dominant groups (like high caste and male). Rankin’s book suggests the second approach. It has identified various contradictions existing in the consciousness of oppressed people about the present social structure and exploitative mechanisms, and suggests that planning processes take these contradictions as the basis for breaking hegemonic cultural practices. However, the author has not given much thought to how to implement her ideas and what past experience has been in this regard.

The book states that development agencies, especially donors like the World Bank, are increasingly pursuing “neo-liberal policies” which assume that “free markets” are the best solutions for all economic and social problems—including matters of social justice and political freedom. Accordingly, state-led approaches have been replaced by market-led approaches, which also make the “need for planning” an unnecessary or even market-distorting action. Rankin’s book, based on an ethnographic study of markets and culture of Sankhu argues that with

ideologies of caste and gender remaining intact, new development programs have only exacerbated existing injustices and inequalities.

The book is very rich in theoretical discussions about the academic and research concerns of anthropology and geography, the production of cultural systems, their role in the perpetuation of hegemony, domination and submission, globalization and neo-liberal policies and their impact on the society. Some of the special features of the book can be pointed out as follows:

- It uses cross-disciplinary approaches and synthesizes them for a proper understanding of the research problem.
- It develops a normative stand on what needs to be done. The standard argument that local problems should be addressed locally usually leads to apolitical solutions.
- But here, Rankin explicitly states her political alignment towards state-led and planning-facilitated concepts of development. The need for planning is thus emphasized even though state-led planning is taken to be unnecessary by those adopting neo-liberal market-driven approaches.
- It is a critique not only of broad socio-economic and political processes, but also of local cultural practices regulated by the ideologies (like caste and gender) that maintain inequality, subordination, and oppression.
- It has implications for planning.
- Even though it addresses structural problems, it also recognizes the potentials of “human agencies.” This is evident when the author finds (based on the findings of her study) “considerable cause for optimism about the capacity of those in subordinate social locations to recognize the arbitrary foundations of domination and to develop locally situated critiques of power. but it is in the domain of planning that we can imagine how to mobilize those local critiques as a challenge to dominant cultural ideologies from the grassroots” (p. 6).

Given the above-mentioned special features, Rankin’s book is very useful for academicians, planners, and development practitioners. The following paragraphs further discuss these features. I do not have comments on the book’s theoretical approach, with which I generally agree, but I do have some concerns as to how to go about the planning and implementation of development practices.

The book's strongest point, I believe, is its use of an interdisciplinary approach to the study of human problems—in this case, the incorporation of a small town (Sankhu) into macroeconomic processes brought about by the introduction of neo-liberal economic policies, and the impact of these processes on poor and marginalized peoples. The study mainly uses approaches from anthropology and geography considered most suitable for the study of such problems. From anthropology Rankin uses an ethnographic approach and from geography she applies a comparative and normative approach. It is also interesting to read the author's personal feelings on different disciplinary approaches and learn of her experiences with different academic disciplines. The author argues that this cross-disciplinary approach is important to develop a critique of "neo-liberal ideology."

It needs to be recognized that proper analysis and understanding of human or social problems requires an interdisciplinary approach. But the academic world does not always embrace this perspective. University based academic disciplines do not always reflect social realities that cut across academic fields. And, compartmentalized disciplines are rarely conducive to the study of practical problems. The author illustrates this fact by pointing out the strengths and weaknesses of different academic disciplines and how different disciplinary strengths can be combined. For example, she argues that anthropology is good at microscopic studies of local perceptions or meanings of market activity and for developing understandings of how local factors mediate global market forces thereby creating different outcomes for people in different social positions. But Rankin also critiques anthropology for its unwillingness to take normative stands on what should be done. By contrast Rankin points to geography's ability to understand macro-economic/political-economic processes and their impact on inequality and injustice across space and time. This perspective helps develop a critique of local culture. Rankin argues that we need to combine a critique of the larger processes with an understanding of local cultural processes—those that help maintain systems of subordination and oppression—if we are to arrive at an effective understanding of the problem and find a solution.

Rankin's book is divided into seven chapters, but they can be grouped into three sections. Chapters one and two are basically theoretical. Chapters three through six are empirical—dealing with Sankhu, the historical development of its market and culture, and the influence of macro-economic policies and development program, especially micro-finance, on the society and economy. The third section (chapter seven)

deals with the implications of the book's findings for planning and development.

Among the theoretical chapters, chapter 1 deals basically with how "neo-liberal economic policy" was developed. There is an analysis of Hyek's contribution to development theory, one that aims to fully liberate capitalist free markets to produce the maximum public good, while condemning planning as a form of social dictatorship that aims to direct society towards a unitary goal thereby keeping individuals from pursuing their own diverse interests. The discussion then focuses on the "Washington consensus" which was another milestone for the promotion of neo-liberal ideals in the world. In the 1990s, major multilateral financial agencies reached a consensus to free markets from government intervention worldwide. Structural adjustment and stabilization programs were then enforced in developing countries.

When these programs led to severe problems for the poor and marginalized, the concept of "adjustments with a human face" was introduced. The basic problem with these concepts, Rankin argues, is that these abstract, ideal policies made by economists separate the "economic sphere" from "political, social, and cultural spheres." This separation only furthers the prevalence of inequality, subordination and marginalization.

In capitalist societies, equality is preserved only within political/legal principles and processes—not in social and class relations. Culture is then regarded as providing either constraints or opportunities for development. The Hindu or Buddhist religions/cultures ("Asian values") are thought to produce constraints on economic development as they make people passive or fatalist. When poverty was seen to be persisting in "developing countries," new slogans like "good governance" and increasing the governing capacity of non-state or market entities (i.e., of "civil society" which led to the concept of "social capital") were developed to strengthen market-led development. These programs were meant to reduce constraints on the working of free market or neo-liberal practices, because it was thought that imperfections in the flow of information were compelling people to look for help from non-market forces (like "tradition") and making them dependent on that path for generations ("path dependency"). To critique this false separation of "economic" from other social spheres, Rankin uses the work of Karl Polanyi who, after studying European history, found that economic spheres were completely embedded within societies, and planned design was implemented to separate the "economic" from the "social." Therefore, it is argued that the

“enforcement of market economy” was in itself a part of the planning process.

The concept of “social capital” is also critically examined in the book. In recent times, this concept has been implemented by most development programs, especially in targeting the poor and marginalized. This concept has been well received in the development world. Rankin examines the politics behind this acceptance. The concept of social capital, which emphasizes shared social values and relationships existing in communities, is assumed to increase poor people’s access to the market, which will help in bringing economic benefits and social opportunities. But Rankin argues that, because of cultural ideologies and cognitive structures (of caste and gender in her case), there are already inequalities which are further aggravated by market relations.

In the later part of chapter 1 Rankin discusses Pierre Bourdieu’s concepts of the “economics of practice” and “symbolic capital” and their value in helping to understand why people tolerate oppression and the role of “symbolic capital” in this process. Symbolic capital which is developed from giving and gifting and the like is considered a type of symbolic violence. As a part of ‘habitus,’ people accept all type of oppression, and they continue to accept more oppression than what is realized or can be seen. According to this philosophy, all attempts to help the poor and marginalized through “patron-client” relationships or “social capital” reinforce existing levels of discrimination.

Rankin’s study, which aims to understand the social organization of economic practice, uses “practice theory” which analyses what people do and how structures are produced, reproduced, and transferred through human agency. Therefore, it is not only economic factors like land, money, labor and commodities, but also non-economic factors like social prestige, honor, and the like that are also included in the local “economics of practice.” Bourdieu’s concepts of symbolic capital, *doxa* (practices through which people tolerate more discrimination than is known to them), *habitus*, and Gramsci’s concept of hegemony are extensively utilized to understand and explain why and how people experience, tolerate, and resist exploitation and discrimination in the society. Of particular interest is the discussion of how cultural practices incorporate the political and economic interest of the dominant groups, which become moral values guiding people’s behavior. These moral values then become common sense. Therefore, culture can be used to manufacture the consent of the people. Using the same line of argument, neoliberalism and capitalism are also regarded as hegemonic because people accept and

justify them even if they are adversely affected. These concepts are discussed in detail in chapter 2, along with a discussion on globalization.

Chapters 3 through 6 deal with local social production and the integration of local society with macro-economic processes. The issue of moral economy, the need for social investment of various types, and their role in maintaining existing inequalities and domination is examined here in detail. It is also shown here that with proper investment in social or moral gain (like in deriving *ijjat*, or prestige), one can amass property or income even through unfair means like sheer cheating, but without receiving any punishment or retribution. It is very difficult for me to accept this finding (especially in the present context) because I clearly see that today people go to a place where they can buy or trade their goods or labor for more profit or gain. In the past people might have accepted persons who had cheated them, but it was more because of their lack of information (like knowledge of the legal system) or possible rebuttal by the misuse of power, than because of ritual or cultural factors. Resentments also existed and were expressed in various ways. Within cultures there are also systems to express these resentments. For example, among Tharus there is a system whereby they can express resentment to their landlords or even terminate their relationship in Maghi. But it is also true that as they do not have many opportunities, they sometimes have no choice but to accept exploitation. Even in this book Rankin mentions that people do have critical capacities or consciousness to question injustices rooted in ideological grounds.

In that context, it is “providing opportunities for the poor” that will break existing exploitative relationships. Again we see it in recent changes in the economy. For example, even members of “low castes” now do not abide by the patron-client relationships or the ideology inherent in the local cultures. The recent trend of “foreign labor migration” has helped some low caste members to go to the Gulf and has empowered them to boycott exploitative relationships within existing cultural practices. I have seen high caste and wealthier households complaining that low caste members do not give any value to them. In a sense, this has been created more by the “availability of opportunities” for deprived people, allowing them to go against the existing ideology or escape from the moral economy that puts them in a subservient position. Considering the recent changes, dominant groups are also refraining from investing in the “moral economy.” I have seen higher positioned Newars complaining of the need to invest in social ceremonies that are becoming a burden to them. Some of them have also gone to live in new places to

escape this burden. In the hill caste society also, I have seen Brahmins and Chettris doing all the farm work, not abiding by the caste regulated division of work. They also complain that they no longer maintain the traditional moral economy by employing low caste people and instead take on obligations themselves. Therefore, I feel that local cultural practices based on exploitative ideology are breaking down and will break if opportunities are provided. Therefore, a major concern should be how to reach the needy people with these opportunities and how to sustain them. I think this is the challenge for planners.

The major problem now is that as the role of state is declining, the targeted “opportunities for the poor” and their capacity to take the available opportunities will also decline even if the policy of “social inclusion” is followed. Therefore, I concur with Rankin that the role of state should be increased for the social protection of the poor and marginalized.

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