

ECONOMIC ANTHROPOLOGY





NEW

SZÉCHENYI PLAN

ECONOMIC ANTHROPOLOGY

Sponsored by a Grant TÁMOP-4.1.2-08/2/A/KMR-2009-0041

Course Material Developed by Department of Economics,

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The project is supported
by the European Union.

National Development Agency
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The projects have been supported
by the European Union.

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June 2011

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Week 10

Distribution and redistribution

Tamás Dombos, Viola Zentai

The concept of redistribution

- Gathering goods and services in a centre and distributing them according to some principle
- Depends on the existence of a central power (distributive centre) (chief, king, state)
- Operates on different levels:
 - household (pooling income)
 - religious groups (tithe)
 - state: central taxes
- Distributive principle rests on custom or law
- Reasons:
 - levelling differences in soil or climate
 - overcome temporal differences between production and consumption (need for storage)

Redistribution and state

- Redistribution one of the key functions of state
- State formation dependent on stabilizing redistributive function
- Tributary mode of production (Amin 1976):
 - extracting labour and goods through extra-economic (political) means (coercion, violence)
- Modern redistributive state:
 - provision of public goods
 - reducing income inequality (monetary transfers)
 - allocation of resources for “development goals” (branches of industry, strategic corporations)

The petrostate

- Coronil (1997)
- Political history of oil-funded development in Venezuela, 1936-1979
- Common aim after the fall of Gómez dictatorship (1936): modernizing society and increasing welfare through income from oil
- Two bodies of the nation:
 - political body: citizens
 - natural body: rich subsoil (oil)
- “magical power” of the state:
 - intermediary between oil and foreign oil companies ⇒ building up political capacity and financial resources to
 - monopoly over violence + economy

The petrostate

- 1970s:
 - Large-scale development plans
 - economic independence, decreasing dependence on oil
 - case studies: manufacturing vehicles locally, tractor producing firm owned by state and multinationals
 - lack of success: permanent conflict between circulation of rent and production of value (rent circulation as source of state power permanently disguised)
- Growing financial speculation:
 - state at mercy of open markets
 - abstraction from materiality of oil as source of state power weakens the nation state



Social planned economy

- Bureaucratic redistribution (Verdery 1996)
 - reducing role of the market principle: right to work + welfare through the central distribution of all goods produced
 - nationalizing means of production + centralised distribution of goods
 - “the plan”: central plan detailing allocation of all resources
 - social ties based on reciprocity is central in practice:
 - horizontal reciprocity: system of favours among managers of firms (to deal with shortage)
 - vertical reciprocity (clientelism) (“protekció”, “blat”)
- Economy of shortage (Kornai 1980, 1993)
 - soft budgetary constraints, generalised shortage
 - firms: hoarding of resources
 - consumers: queuing

A soviet kolkhoz

- Humphrey (1983)
- Two agricultural cooperatives in Buryat region
- "Manipulable resources": good produced beyond those required by the plan, (legal, but illegitimate) surplus that can be used locally
- Used for:
 - buying extra labour power
 - negotiating easy to fulfil plans
- Success: producing "manipulable resources" (depends on plans)
- Public and private production inextricable linked



Market socialism

- Inability to satisfy social needs: limited market reforms
- Emergence of “second”, “normal”, “shadow economy”
- Differences in timing and depth
 - Hungary: encourages from 1968 (“new economic mechanism”)
 - Romania: prosecuted even in 1980s
- Utilizing resources owned by the firm (machines, raw materials) :
 - “fusizás”
 - high productivity subsidised by resources from first (“official”) economy
 - “grey economy”: legality is questionable

Socialism and the commodification of labour

- Lampland (1991, 1995)
- Commodification of labour in rural Hungary (Sárospatak)
- Socialist state policies contributed to emergence of capitalist work culture
- Collectivisation: regulated, monetised labour
- Second economy (“háztáji”): emergence of entrepreneurial culture
- Differences between generations:
 - elder: rivalry of diligence, increase in traditional production
 - younger: labour as utility, calculation of investment and profit



Anthropology of postsocialism

- New entrepreneurs, economic elites
 - Buchowski 1997, Eyal et al. 1998
- Transformation of property relationships
 - privatization, “fuzzy property”, “recombinant property” (Verdery 1999, Hann 2003, Stark 1998)
- „Coping” strategies:
 - everyday livelihood under circumstances of economic disintegration and hardship (Humphrey 1995; Bridger&Pine 1998)
- Birth of consumer society:
 - Western goods (Watson 1997; Fehérváry 2002; Rausing 2002); shopping tourism (Wessely-Dessweeffy 2002); nostalgic consumption (Berdahl 1999)