

Chapter Objectives

- Examine how human groups organize themselves to ensure their survival
- Consider the material things all humans need to survive
 - Food
 - Shelter
 - Clothing
- Explore the range of economic patterns developed by human societies
- Discuss how local economic practices shape and are re-shaped by interactions with non-local groups

How Do Societies Evolve?

- No society anywhere in the world is static.
- The power that human beings have to reproduce or to change their social organization is an important focus of anthropological study.
- Anthropologists are interested in how cultures change but question some **cultural evolutionary** schemes.

How Do Societies Evolve?

- **Cultural evolution** is change over time in learned beliefs and behaviors that shape human development and social life.
- All cultures do not follow the same sequence of development.
- **Multilinear evolution** is a theory that argues different societies followed their own routes to similar levels of social complexity.

How Do Anthropologists Study Economic Relations?

- **Culture** helps humans organize their social lives to meet challenges of material realities of their day-to-day existence.
- **Social organization** is the patterning of human interdependence in a given society through the actions and decisions of its members.

How Do Anthropologists Study Economic Relations?

- Anthropologists investigate differences in three key domains of human social organization:
 - Economic relations
 - Political relations
 - Human relatedness (kinship)
- **Economic anthropologists** debate issues of human nature related directly to the decisions of daily life and making a living.

How Do Anthropologists Study Economic Relations?

- Some views of economy focus on *individuals* maximizing their utility under conditions of scarcity.
- Others focus on *institutions*.
- **Institutions** are complex, variable, and enduring forms of cultural practices that organize social life.
- Economic processes cannot be understood apart from other cultural institutions in which they are imbedded.

How Do Anthropologists Study Economic Relations?

- Three theoretical camps have been identified in economic anthropology.
- **Self-interested model** assumes individual selfishness is natural.
- **Social model** of human nature assumes people identify with groups to which they belong, leading to a focus on *institutions*.
- **Moral model** sees people's actions motivated by culturally specific belief systems and values.

How Do Anthropologists Study Economic Relations?

- **Economic activity** can be usefully subdivided into three distinct phases:
 - *Production*: transforming raw materials into products
 - *Distribution*: getting products to people
 - *Consumption*: using up the products
- Anthropologists debate which phase is central to the functioning of economies.

How Are Goods Distributed and Exchanged?

- **Capitalism** is an economic system dominated by the supply–demand–price mechanism called the “market.”
- **Neoclassical economic theory** is a formal attempt to explain the workings of capitalist enterprise, with particular attention to distribution.

How Are Goods Distributed and Exchanged?

- **Commodity exchanges** are
 - Impersonal and typical of the capitalist market
 - Goods are exchanged for cash
 - Exchange partners need have no further contacts
- **Gift exchanges** are non-capitalist forms of economic exchange that are deeply embedded in social relations and always require a return gift.

What are Modes of Exchange?

- Non-capitalist societies regularly rely on nonmarket modes of exchange, such as reciprocity and redistribution.
- **Modes of exchange** are patterns according to which distribution takes place:
 - Reciprocity
 - Redistribution
 - Market exchange
- Different modes of exchange can coexist within a single society.

What Is Reciprocity?

- **Reciprocity** is the exchange of goods and services of equal value.
- Anthropologists distinguish three forms of reciprocity:
 - *Generalized*: neither time nor value of return gift is specified
 - *Balanced*: return gift of equal value expected within a specific time
 - *Negative*: goal of exchange is to get something for nothing

What Is Redistribution?

- **Redistribution** is a mode of exchange that requires some form of centralized social organization
 - To receive economic contributions from all members of the group
 - To redistribute them in such a way as to provide for every group member

What Is Market Exchange?

- **Market Exchange** involves
 - *Trade*: the exchange of goods
 - *Money*: a multipurpose medium of exchange that assigns values to goods
 - *Market*: supply–demand–price mechanism for regulating exchange

Does Production Drive Economic Activities?

- **Labor** is the activity linking human social groups to the material world
- **Modes of production** represent the ways different human groups carry out production
 - *Means of production*: The tools, skills, organization, and knowledge used to extract energy from nature
 - *Relations of production*: The social relations linking the people who use a given means of production within a particular mode of production

Does Production Drive Economic Activities?

- **Modes of production** contain within them the potential for conflict between *classes* of people who receive differential benefits and losses from the productive process.

Does Production Drive Economic Activities?

- **Classes** are ranked groups within a hierarchically stratified society whose membership is defined by
 - Wealth
 - Occupation
 - Other economic criteria

Does Production Drive Economic Activities?

- Eric Wolf expands on Marx and sees three modes of production important in human history:
 - *Kin-ordered mode*: social labor is deployed on the basis of kinship
 - *Tributary mode*: payment of goods or labor extracted by political or military means
 - *Capitalist mode*: workers sell their labor to a capitalist class

What Is the Role of Conflict in Material Life?

- Anthropologists have traditionally emphasized societies as operating harmoniously when meeting their subsistence needs.
- Others have focuses on the more complex and unequal involvement of different classes in the mode of production.
- Marxian approach focuses on conflict and disorder.

Why Do People Consume What They Do?

- **Consumption** refers to the using up of material goods necessary for survival.
- Anthropologists have taken three basic approaches to explain consumption:
 - *Internal explanation:* Malinowski emphasized human dependence on the physical world for survival
 - *External explanation:* cultural ecologists look at resources specific to habitats
 - *Cultural explanation:* humans construct their own niches and own patterns of consumption

How Is Consumption Studied Today?

- Consumption is recognized as culturally patterned.
- Anthropologists note that the imposition of Western colonialism has regularly undermined alternative consumption practices.
- In a global world where commodities are provided by a capitalist market, some economic anthropologists focus on
 - Inequalities of access
 - The negative impact of contemporary economic institutions on most of the world's population