ECONOMIC LIFE IN THE REAL WORLD

Economic Life in the Real World

Logic, Emotion and Ethics

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Dedicated to E. W. F. Linfoot

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Preface

This book is an exploration of the psychology of everyday economic life, written by an anthropologist who has carried out long-term fieldwork in rural China and Taiwan. It is also an attempt – not the first one, of course – to bring anthropology, psychology and economics into some kind of conversation. On the surface, this shouldn't be too huge a task. Anthropology, psychology and economics are three human science disciplines. They share a good deal in terms of their intellectual origins and their contemporary subject matter. Of particular relevance to this book is their shared interest in moral aspects of economic agency, including the question of whether ours is a fundamentally cooperative or fundamentally selfish species. Much of the time, however, scholars in these academic fields live on very different planets. In fact, anthropologists could be said to pay quite a lot of attention to economists, but this attention manifests itself in an odd way. The former are sharply critical of the latter, while having little understanding of what they actually do in their work and of the Utilitarian tradition that helped inspire this. Meanwhile, it sometimes feels as if half the economists in the world would like to turn themselves into psychologists – albeit not in a way that every psychologist would credit – while the other half are running in the opposite direction.

This complex state of affairs is not going to be resolved by one book, not least because there are political undercurrents to it. For a number of reasons, including its historical links to colonialism, anthropology

has become an intrinsically radical discipline. So far as most of today's anthropologists are concerned, to take economics seriously is tantamount to endorsing global capitalism. (I presume that Marx, a keen student of economics, would have found this a baffling inference.) To take psychology seriously also has political implications for anthropologists, although the discussion of this is usually more muted.

Speaking personally, I was attracted to anthropology because of its intrinsic radicalism. In this respect, I have not changed. But I differ from most of my colleagues in believing that we have much to learn from economists and, especially, from psychologists. This is, in part, because I am a universalist of a kind. As this book illustrates, I have spent my career studying cultural-historical particulars by means of participant observation fieldwork. At one point, for instance, I became intrigued by popular Chinese practices related to number – some of which, such as seeking lottery numbers from the gods, really captured my attention as an outsider. And yet I now believe that variation *within* societies, e.g. between people of different social 'kinds', is in some respects more interesting – and may ultimately be more important – than variation *between* societies. As a corollary of this, I am more open than most anthropologists to universalist accounts of human nature. In short, I do agree that there might be such a thing. This is a big confession for an anthropologist, and it gives me something in common with at least some economists and some psychologists.

As anthropologists see things, universalist accounts of human nature – not least the recent attempts by cognitive and evolutionary psychologists to explain 'how humans think' – make a grave error in downplaying history and culture, the two distinctive features of actual human experience in the world. As an extension of this, they hold that such accounts are not nearly political enough or even that they can be politically dangerous, i.e. when they slip towards crude biological determinism, and even racism. When it comes to their own work, anthropologists prefer to keep the focus firmly on questions of culture

and history and politics, carefully avoiding any questions of evolved psychology. As a consequence, however, we are left in a curious position. For there is surely nothing more politically significant, in the end, than the relationship between human psychology and human history. Indeed, it is *only* by virtue of our psychology – that is, by virtue of 'how humans think' – that we can become the kind of historical agents we are: the kind entangled in sociality and shared intentions from start to finish. Anthropological attacks on psychologism are thus misguided, as I see it. In fact, anthropology is well placed to make a major contribution to psychology, precisely by making it much more anthropological. In order for this to happen, however, a number of entrenched scholarly biases on all sides would have to be overcome.

* * *

At the time of my first fieldwork in rural Taiwan in the mid-1980s, it was still just about possible to take China and Taiwan as exemplars of 'communism' and 'capitalism', respectively. Even back then, however, doing this was far from straightforward. China was embracing market principles and rapidly moving away from collectivism proper. This took place under very particular circumstances, of course, and Mao's legacies could still be seen everywhere one looked, even long after Deng Xiaoping's famous southern tour in 1992 (indeed, even now). And yet, to state the obvious, today's global capitalism would look radically different were China to be suddenly taken out of the equation. Meanwhile, Taiwan's own experience of rapid economic development – its post-war 'miracle', which came much sooner than the Chinese one – also took place under very particular circumstances. This was capitalism, to be sure. And yet the Kuomintang (KMT) government played a major role in Taiwan's economy for years (they actually owned a high proportion of commercial enterprises), and there was substantial backing from the United States as part of a broader Cold War strategy for containing communism. This wasn't just a story of free markets.

In any case, neither the people I met in rural Taiwan nor those I subsequently met in rural China, when I started doing fieldwork there a few years later, have been the main beneficiaries of the economic transformations taking place around them. They were (and mostly still are) at the margins and sometimes openly exploited. And yet quite a few of them have been excited about, indeed have felt liberated by, small-scale entrepreneurial activities of various kinds and the making of money. Moreover, most rural people that I have met – in both places – think of economic success as an *ethical* imperative: something to be pursued for family and communal purposes rather than selfish ones. Just for this reason, when it comes to strategising about economic life, the stakes for them are high and the emotions engaged. In short, they experience the economy not only as a domain of logical deliberation but also as one of emotions – and certainly as one of ethics.

Against this background, I have sometimes felt that life under the radically different, if now converging, political economies of China and Taiwan is surprisingly similar for the people I have come to know in both places, even though it is easy to list ways in which it is not. Their shared 'Chineseness', however contentious, plays a part in this, as does their shared distance from the world of urban elites. But so too, I want to suggest, does the fact that they share a *species essence*, to use the old Marxist formulation. As humans, we have no choice but to cooperate with others – kin and non-kin – because we are an essentially social species. This sets the conditions for exploitation and generates a lot of unhappiness everywhere, so far as I know. It certainly does in rural China and Taiwan. It also sets the conditions for learning and more specifically for human self-education, as I will discuss in this book. This can be liberating. For better or worse, however, the one thing we really cannot liberate ourselves from is our species essence.

* * *

In spite of significant overlap in their subject matter, the disciplines of anthropology, psychology and economics have radically different ways of approaching lived reality. Model-building economists have been accused, in recent years, of having lost touch with it altogether – a charge they find intensely frustrating, for reasons I will explain. Psychologists, as they go about doing their experiments and surveys, worry that even relatively minor biases in their sampling of reality might distort the results they end up with, leading them to draw exactly the wrong conclusions. Compared to model-building economists – who are allowed to play with any assumption they like – psychologists seem obsessed with getting reality right. By contrast, no ethnographic sample of reality can ever be said to be biased per se, so far as most anthropologists are concerned. The question is what conclusions we draw, and what interpretations we make, based on the sample we happen to end up with. And yet a colleague once told me, in semi-jest, that she always felt a bit anxious on the rare occasions during fieldwork when she walked over to the next village. Might the people there contradict everything she believed to be true about the society she was studying?

My own research in China and Taiwan has involved a good deal of moving around. Since the mid-1980s, I have done fieldwork in five different places: two rural communities in Taiwan (Angang on the eastern side and South Bridge on the western side), two rural communities in China (Dragon Head in the north-east and Protected Mountain in the south-west) and one small Chinese town/city (Western Cliff, in the north-east). The people I have met in these places – and in nearby towns and cities – are a varied group: fishermen and farmers, teachers and students, government employees and entrepreneurs. Actually, I have also met accountants, postmen, full-time grandparents, calligraphers (and artists of other kinds), hairdressers, funeral troupe performers, betel nut sellers … the list goes on. It's a fascinating sample, in fact – or at least I've personally been fascinated by the stories these people have been so generous in sharing. Indeed, one thing I learned from doing

fieldwork is that rural life is a good deal more diverse and complicated and interesting than many urban people tend to assume, one feature of this being that much of the Chinese and Taiwanese countryside has now been semi-urbanised, with all that this implies. Be that as it may, the people I've met *do* primarily come from rural backgrounds and they also come from what their compatriots would think of as relatively traditional backgrounds. It is not that they live in ahistorical bubbles, far from it. Still, they are from villages and towns where kinship connections remain a major fact of life, for most people, and where activities such as gift exchange and religious rituals help bind individuals into enduring social units.

Readers familiar with modern China and Taiwan may thus wonder how representative the observations in this book can be, based as they are on research among a handful of people in the countryside, most of whom appear to be tradition-oriented in one sense or another. After all, isn't *change* the thing that drives so many of us to want to study East Asia today? I have two reactions to this. First, I would want to assert – based on my wider experience of life in China and Taiwan – that what I have learned in the countryside remains deeply relevant across the board in these two societies. Indeed, far from being irrelevant to how most people there live now, I would argue that rural ethnography gives us a great opportunity to study – on a manageable scale, and thus holistically – the core issues, such as planning for the future and grappling with human cooperation, that continue to absorb Chinese and Taiwanese people wherever they may live. My second reaction is that my goal as an anthropologist, in any case, has *never* been to study a particular culture or society. I have never really thought of myself as a China or Taiwan expert. What interests me is how the anthropological study of a group of people, living anywhere, can illuminate broad questions about the nature of human experience. I am confident that the people I have lived alongside during fieldwork in the countryside are perfectly good representatives of humanity as a whole, and that is the spirit in which this book has been written.

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