

Human Economy Research Programme Book Launch at the Centre for the Advancement of Scholarship, University of Pretoria, 26 July 2017

Keith Hart and John Sharp (eds.) 2016. *People, Money and Power in the Economic Crisis: Perspectives from the Global South*. (Volume 1 in the Human Economy Series). Oxford & New York: Berghahn Books

Address by the South Africa Director of the Human Economy Research Programme, John Sharp

Our purpose today is to launch the paperback edition of *People, Money and Power in the Economic Crisis: Perspectives from the Global South*. This book laid the foundation for a series of publications which now runs to five volumes in the Berghahn Books Human Economy Series, edited by Keith Hart and John Sharp, as well as two journal special issues – the most recent of which appeared in the *Review of African Political Economy* (special issue on ‘Extraction and Beyond’, edited by Vito Laterza and John Sharp).

People, Money and Power also laid the foundation for our collective thinking in the University of Pretoria’s Human Economy Research Programme. Our thinking has been developed and expanded in the successor publications and in current, ongoing research.

A brief background to our collective thinking is in order. The Human Economy programme at this university was inspired by Keith Hart’s involvement in a network of scholars and activists who, in the wake of the first World Social Forum meeting in Porto Alegre in 2001, produced a book (in various languages) called *The Other Economy*. This book was a counter to the mainstream economic analysis which informed discussion at the World Economic Forum meetings in Davos. The argument was that mainstream, neoliberal analysis had become a tool for managing the economy by, and in the interests of, the main players at Davos – states and large business corporations (something that many economists, including the distinguished economist Ronald Coase, were prepared to acknowledge).

So *The Other Economy* volume took up the cause of the people – the party conspicuously absent from Davos, but present at the World Social Forum. The book explored concepts such as ‘solidarity economy’, ‘popular economy’ and the ‘third sector’, providing sketches of ways in which people could come together to fashion a more democratic way of organising economic life.

Just before he became Visiting Professor at UP, Keith edited a volume called *The Human Economy: a Citizen’s Guide* with Jean-Louis Laville and Antonio Cattani, which was intended as a companion to, and extension of, the *Other Economy* argument. Much of *The Human Economy* was still a series of quite programmatic sketches of ways to organise an alternative to the economy dominated by states and large corporations, but Keith’s introduction posed the question of why scholars and activists inspired by the World Social Forum should choose to confine their thinking to a part of the whole, as their *Other Economy* title implied. As he reminded his fellow authors, the economy has become globalised and we live in a ‘world society’, particularly in so far as many of the challenges we face – resource depletion, climate change, seven billion people trying to find ways to live together – confront humanity as a whole. The people can’t deal with these challenges, he argued, simply by setting up an alternative economy based on small, face-to-face co-operatives run on lines of social solidarity. They need communications satellites, for instance, to do so, but – to use one of Keith’s favourite sayings – ‘how many co-operatives do you know that are in a position to launch one?’

So that is the ambition with which the Human Economy programme at UP started in 2011 – to go beyond the limits of the ‘other economy’ idea, and to think about ways to bridge the gap between people’s initiatives for greater economic democracy in their daily lives and the circumstances of humanity as a whole. Another aim was to go beyond programmatic statements about solidarity, and undertake detailed research about the ways in which the highly unequal economy presided over by the Davos invitees impacts on people on the ground and the initiatives they themselves devise in response to this. Although the Human Economy programme was conceived of as interdisciplinary, the importance we attached to getting out to where the people are was, of course, a mark of our own anthropological background. A third aim, given our physical location, was to privilege voices from the South, and particularly from Africa.

People, Money and Power (Volume 1 in the Human Economy Series) was therefore a series of case studies from Africa (mainly), Asia and South America. These showed the way in which the economic crisis impacted on people’s lives and how they responded. The economic crisis we had at the back of our minds was the financial crisis of 2007-8, which was the culmination of a long period, starting in the 1970s, in which what we called ‘national capitalism’ had started to break down. We defined national capitalism, which reached its height in the decades after World War 2, as the attempt to manage money, markets and accumulation through a central bureaucracy in the interests of a community of national citizens.

The argument that the crisis comprised the breakdown of this attempt had some purchase in South Africa, which went through a racially-exclusive form of national capitalism before and after World War 2. We had a case study of the effects of its breakdown on people who had been included in the system (and in the project of Afrikaner Nationalism) until its demise in the 1980s. We also had case studies which started from the state’s failure – not entirely surprising in view of the timing – to bring about a more inclusive form of national capitalism after apartheid, and examined the effects of this on people who had been excluded all along.

But other parts of the global South from which we drew ethnographic case studies had not gone through a period of national capitalism at all, and the authors – mostly postdoctoral fellows in our programme – were obliged to consider the specifics of relationships between rulers and money-makers which did not conform to this. Their guideline was an astute observation by one of our post-docs, who said that these parties always rely on each other in some way, because rulers need money and money-makers need political cover. But the terms of this relationship vary widely across space and time.

This was as far as we went in Volume 1. Volume 2 in the Human Economy series (*Economy For and Against Democracy*) provided case studies based on ethnographic observation of people’s initiatives to counter the crisis by way of, for instance, anti-middleman movements (in Greece) and alternative, local currencies (in Argentina). Here first-hand field research sought to expand and clarify the programmatic statements about the virtues of solidarity and popular economies in *The Other Economy* volume. Volume 3 was about *Gypsy Economy*, a valuable collection written and edited by academics outside the Human Economy programme at UP. Volume 4 returns to the theme of Volume 2, this time in the form of a full-length ethnographic monograph on the Sicilian Anti-Mafia movement by one of our former post-docs, Theo Rakopoulos.

Volume 5 – *Money in a Human Economy* – is a collection edited by Keith Hart which is based on the papers given by a host of international scholars at one of the three workshops the Human Economy programme has hosted at UP to date. The book is a development of the idea that two of the key means of extension from the parochial to the world-at-large are, and always have been, money and

markets. We often hold a jaundiced view of money and markets because our thinking about them derives from the age of high capitalism and of state monopoly over issuing currency. This leads to the common notion that they are first and foremost vehicles for limiting the options open to most of humanity. But that state monopoly has been relatively brief and is now, in any event, broken. Keith's contributors explore the prospects of money and markets, in new forms, contributing to economic democracy and the making of a human economy.

A final word on current research. One thrust of this, involving a number of our post-docs and doctoral students (now all from Africa) is to explore the potential for democratisation of the economy in the rapidly evolving marriage between money and communications technologies.

The cell phone is, very obviously, a bridge between one's local environment and the social universe – you can phone anyone anywhere and, if the phone is smart, you can download information about anything at any time. You can also, thanks to the rise of money transfer companies, use the cell phone to send money in virtual form across distances cheaply and instantly. Mobile money technology scales the individual up and world society down, and in principle works as well for the poor as it does for the rich. But there is nothing inevitable about its success, as my colleagues remind me. In South Africa the banks were reluctant to provide services to the poor after apartheid fell, saying that it was impossible because the costs were prohibitive. The new money transfer companies proved them wrong on that, by limiting overheads. But in very recent times, the banks are muscling back onto the scene, and beginning to reposition the mobile money operators as their agents to whom they outsource the most risky aspects of banking and money transfer for the poor. Whether the banks' involvement in this way is good or bad for the poor remains to be seen.

There are many dehumanizing forces at work in the present era of financial capital's dominance. One of my students has just completed a mind-blowing analysis of the South African social grants saga, showing that the media's focus on the 'bad apples' involved and their personal incompetence and corruptibility is too limited. Incompetence and corruption abound in the saga, but they are systemic rather than simply the failings of individuals. They are indeed an integral part of the process by which corporations – and Net1 UEPS is a financial corporation – have gained more and more power relative to states (and to people) in recent decades. Hardly anyone points to the problems involved in this shift in the balance of power, which is a global phenomenon. Instead we celebrate arguments which make out that a 'win-win' outcome will emerge inevitably when the corporations recognise that there is a fortune to be made at 'the bottom of the pyramid'.

The Human Economy programme argues for selective collaboration with big bureaucracy and big money as the means to scale popular initiatives for economic democracy up. One of our urgent tasks is to assist people to figure out how best to make this selection.