INDIVIDUAL AND SOCIAL ADAPTATIONS TO HUMAN VULNERABILITY
RESEARCH IN ECONOMIC ANTHROPOLOGY

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INDIVIDUAL AND SOCIAL ADAPTATIONS TO HUMAN VULNERABILITY

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INTRODUCTION: INDIVIDUAL AND SOCIAL ADAPTATIONS TO VULNERABILITY

Donald C. Wood

This volume of Research in Economic Anthropology celebrates the series’ 40 anniversary by tackling an issue of universal anthropological interest, but one that has never before been the main theme of an REA volume. That issue is vulnerability. Here, 10 peer-reviewed anthropological papers commonly concerned with this important human issue come together to explore its essence, causes, effects, continuity, and possible mitigating factors.

In some ways, by focusing on vulnerability, this volume expands on recent Society for Economic Anthropology (SEA) explorations of risk and resilience, which the SEA undertook in the form of its 2016 annual meeting and also in an analogous issue of Economic Anthropology, published the following year. Vulnerability is, however, more of an underlying situation that influences attitudes toward risk and helps to determine levels of resilience. “Variable and harmful situations are omnipresent in human experience and in the natural world,” as Tucker and Nelson remind us in their introduction to the above-mentioned SEA volume (2017), and these situations, over which people have different levels of control, influence vulnerability. Unlike the case with risk, one can rarely choose how vulnerable they would like to be to the kinds of situations to which Tucker and Nelson refer. In general, it can be said that the papers in this volume (to varying degrees) work from a focus on vulnerability back toward the ways in which individual actors and societies deal with risk. Resilience emerges from these interactions.

The first two papers in the present volume share a strong concern with microfinance, which has been much lauded by proponents — but also much scrutinised by researchers — in recent years. First, Daniel Murphy examines the influences
of microcredit in the lives of pastoralists in Mongolia, a region that has been held up as a microfinance success story, perhaps erroneously. By comparing conditions facing, and strategies pursued by, herders in two geographic locations, he identifies a cycle of borrowing and loan repayment that functions in very different ways — as a kind of vulnerability amplification trap in one place but as a vehicle for capitalistic opportunism in the other. Key factors include environmental conditions and market accessibility. Murphy’s research suggests a need for greater synchronicity between microcredit schemes and (better-planned) development efforts.

Next, Megan Hinrichsen explores the roles that microfinance plays among vendors in Quito, Ecuador. She argues that microfinance echoes the neoliberal ideologies that inform it — by emphasizing individual responsibility and lessening the state’s liability — and that it tends to take the form of “well-intentioned debt” within a cycle of vulnerability, poverty, and microentrepreneurship. Hinrichsen finds that households she studied tend to become dependent on microfinance, which magnifies their vulnerability. Again, the potential for microfinance (and the services it provides) to improve the lives of people living on the margins is not contested, but its exaltation as a panacea is, especially if underlying structural problems remain unaddressed.

Subsequently, Elena Sischarenco takes a decidedly humanistic look at ways of dealing with vulnerability — specifically, feelings of fragility — among entrepreneurs and business leaders in the northern Italian construction industry. In a shrinking and unstable market dominated by relatively small businesses, Sischarenco’s informants reveal striking senses of dispossession and also disorientation — powerlessness, even — with regard to the environment in which they have managed to survive. They are shown, in general, to conceptualize their “daily vulnerability” as it relates to bureaucratic encumbrances, the vicissitudes of the banking industry, and their own responsibilities to their employees and others. We see that they have coped with their fragility at least in part through the formation and maintenance of personal relations grounded in feelings of trust.

The fourth paper steers the volume’s attention back to Latin America; Sarah Lyon takes a close look at vulnerability among small-scale Oaxacan coffee farmers. She finds that uncertainties faced by these smallholders stem largely from historical and environmental factors and are exacerbated by market fluctuations and ever-changing corporate and consumer demands beyond their control. Not to be ignored are the effects of climate change, which boost weather inconsistencies that make it harder for producers to remain proactive, thereby increasing their susceptibility. Lyon finds that although fair trade associations can help protect small-scale farmers to a degree, as they struggle to cope with neoliberal trends such as diminishing state support and a range of other stressors, these organizations must constantly adjust to changing local conditions if they are to serve their intended purposes.

Rounding out the first half of the volume is Raja Swamy’s analysis of post-tsunami reconstruction in Tamil Nadu, India, which sheds light on ways in which the state formulated an official concept/version of “vulnerability”
grounded in preexisting social inequalities and employed this to relocate artisanal fishers in order to “open up” the coast, which generally magnified prior disparities. Moreover, through a careful consideration of the situation as seen through the eyes of the artisanal coastal fishers, Swamy identifies strong incongruities between the fishers’ perceptions of themselves as not only contenders for coastal and marine resources but also custodians of these, and the state’s view of them as problematic barriers to modernization and business development. Swamy’s analysis reminds us of the fact that very complex conditions, and relationships between individuals and societies and the state, often underlie situations that are academically recognized as exhibiting vulnerability and that the term itself is often hotly contested.

The second half of the volume begins with two papers that focus on ways in which vulnerable women in different geographic locations seek security. First, Janneke Verheijen ethnographically investigates women’s survival strategies and the nature of cash flows (centring on women) in an extremely poor rural village in Malawi, southeast Africa. Verheijen presents a case in which, despite their severe impoverishment, women normally spend cash quickly rather than try to hoard it. This behavior emerges as one facet of their overall range of strategies employed to establish security for themselves and their (younger) children—strategies grounded in a recognition of the importance of social relations over the possession of material wealth. Verheijen’s paper recalls (without resurrecting the formalist-substantivist debate) the arguments of many researchers to-date that have pointed to the intrinsically moral and social nature of “economic” transactions and values, and discussions of the nature and value of the “social capital” concept. Importantly, it should serve as a guide for macroeconomists and others who often fail to realise that success and wealth are not always measurable by the same yardsticks. And next, Lai Wo scrutinises vulnerability within intimate relationships and transactions between Western men and Southeast Asian women in Hong Kong. Eschewing a focus on health risks or on violence against women, Wo teases out nuances in the operation and embodiment of vulnerability in this particular environment, where men attempt to exercise what power they can and where many of the women—officially employed as domestic workers—are under pressure to send remittances to families back home in parts of Southeast Asia. She reveals a situation in which the (obviously more vulnerable) women manage to take advantage of men’s vulnerabilities in a highly volatile exchange environment.

In the eighth paper of the volume, Courtney Lewis explores an attempt to establish political and economic sovereignty among the Eastern Band of Cherokee Indians in North Carolina, USA, in the wake of the Great Recession. Importantly, she demonstrates that although realizing economic power is necessary for achieving economic sovereignty, the latter does not necessarily result from the former. And more significant to this particular volume of REA is Lewis’ assertion that for an indigenous community to attain the former without successfully building the kind of diversified economy (complete with healthy small businesses) that gives rise to and maintains the latter may actually be detrimental to said community. The author illustrates related processes with evidence
from other studies and from her own ongoing fieldwork. To summarize the core of her argument with regard to the Native Nations: a large casino enterprise that is successful on paper still has the potential to increase community vulnerability in the absence of true economic sovereignty.

Last, the volume turns to the past with Kari Henquinet’s examination of the evolution of American faith-based overseas development-aid projects in the twentieth century, and Serge Svizzero’s and Clement Tisdell’s analysis of Early Bronze Age gazelle-trapping desert kite use in parts of Southwest Asia. First, Henquinet traces the roots of evangelical aid programs, with a special focus on one organization in particular, demonstrating that these stretch back relatively far into the recent history of the USA and that they have been tightly intertwined in many cases with Cold War ideology. Importantly, Henquinet’s paper echoes two major take-home points of Megan Hinrichsen’s paper that helped to open this volume — a tendency for outside interventions to (1) reflect neoliberal values that inform them and (2) increase vulnerability in many instances. Last, Svizzero and Tisdell offer a number of possible explanations for the widespread use of desert kites (walled traps) during their period of concern, including regional socioeconomic development and market accessibility. Although speculative, Svizzero and Tisdell’s analysis suggests that kite use may have been very useful in coping with vulnerability in a changing world.

As noted at the beginning of this introduction, concern with vulnerability is nothing new for REA. A number of papers appearing in the series in recent years have directly addressed the issue, ethnographically and theoretically (e.g., Kwiatkowski, 2007; Majejowsky, 2015; West, Roncoli, & Yakam, 2016). Many others — too many to mention here — have also done so less directly. This is also not the first time for REA to work in a complementary manner with the SEA; two papers (Johnson, 2017; Zwissler, 2017) carried in REA 37 were initially presented at the 2016 SEA conference on risk and resilience. The present volume, however, takes REA into new territory by seeking (through the lens of economic anthropology) to shine new light on the complexity of the human condition of vulnerability — which all people share to a degree — and to advance the academic study of this complex and critical issue in new and exciting directions. It is hoped that this has been achieved. Finally, looking ahead, Volume 39 of REA, edited by Peter Luetchford and Giovanni Orlando, will focus on just prices. It will seek to answer questions about the formulation of fair prices in economies and in economic transactions, for example, in a range of ethnographic settings and from a variety of academic perspectives.

REFERENCES


Introduction: Individual and Social Adaptations to Vulnerability


“WE’RE LIVING FROM LOAN-TO-LOAN”: PASTORAL VULNERABILITY AND THE CASHMERE-DEBT CYCLE IN MONGOLIA

Daniel J. Murphy

ABSTRACT

This paper explores the emerging articulations between microfinance and livestock production cycles among Mongolian pastoralists in contexts plagued by disaster and commodity market fluctuations. Ethnographic investigations of household production and vulnerability in two rural districts of eastern and western Mongolia demonstrates that both poor and wealthy households have become ensnared in a cashmere-debt cycle but that the bifurcation of livestock asset trajectories between large and small herds has also fostered diverse financial and herd management strategies that further exacerbate existing inequalities.

Keywords: Pastoralism; vulnerability; microfinance; disaster; livelihoods

INTRODUCTION

In recent years, key issues in rural Mongolia have captured international headlines including the massive increase in cashmere goat numbers and resulting overgrazing (Berger et al., 2013; Liu et al., 2013; Ng & Berger, 2017), the widespread indebtedness of Mongolians on both national and individual scales (Hornby, 2016), and the dzud disaster in 2010, a catastrophic winter event in which 10 million of 40 million head of livestock perished in a matter of months. Commentators and scholars have suggested that these events are in fact deeply
entangled in pastoral regions of the country (Sneath, 2012), but little research has explored their connections at the household level. As a response, this paper uses ethnographic and household survey data to examine the emerging articulations, at the household level, of microfinance and livestock production cycles among Mongolian pastoralists in contexts differentially exposed to dzud disaster and commodity market fluctuations. The article argues that by tracking herd dynamics through herd growth and loss, it is possible to uncover how these linkages are shaped by household vulnerability and the ways in which minimum herd thresholds can constrain pastoral livelihoods. Results of the research describe what could be called the “cashmere-debt cycle,” the shift in herd management toward cashmere production as a means to repay loans or the use of loans to smooth income. Yet, the research also describes clear differences in the use and function of the cashmere-debt cycle depending on exposure to dzud risk and market conditions. In Uliastai, a district with high dzud risk and poor market access, households have become ensnared in the cashmere-debt cycle, as loans temporarily allow them to weather such booms and busts but amplify their long-term vulnerability. In Uguumur, a district with low dzud risk and excellent market access, the cashmere-debt cycle represents, increasingly, an opportunity to engage in livestock speculation and nonpastoral investments. Consequently, the article argues in conclusion that these findings should refocus pastoral development efforts on disaster risk management and sustainable regional market development.

LITERATURE AND BACKGROUND

Mongolia is often cited as being one of the most successful cases of microfinance implementation in the world with the growth and profitability of “herder loans” (malchnii zeel). Moreover, it is also one of the few pastoral regions in the world where mobile herders are specifically targeted for loans and other financial products like index insurance (Taylor, 2016). However, scholars note a number of potential problematic impacts of this widespread adoption of debt (Empson, 2014, 2016; Marin, 2008; Waters, 2016). Sneath (2012), in particular, has argued that these financial products create a perverse cycle whereby herders utilize loans to smooth income streams from cashmere production, thereby increasing and deepening dependencies on debt. Here, I refer to this as the “cashmere-debt cycle.” The simultaneous explosion in goat herds since decollectivization (from less than 20% of the national herd in the early 1990s to over 50% in recent years), rising percentage of herder income derived from cashmere (approximately 70–80% in some regions according to Addison & Brown, 2014), and substantial growth in the number and volume of loans provide support for this.

Yet, little research has explored how such dependencies and divergent strategies might operate at the household level. For instance, Janes and Oyuntsetseg (2016) have hypothesized that loans might not only smooth income from year to year but also might be used by wealthy herders to “garner the capital necessary to invest in productive assets,” but there has been no research demonstrating that this is, in fact, the case. Moreover, there has been little exploration of the wide variations in pastoral production across the ecologically and culturally