Introduction

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What Crisis?

The world went into an economic recession in 1873. It mainly affected the United States (where it was known as a 'long depression' lasting until 1879) and Europe, especially Britain, which was considered to be in continuous depression for over two decades. It was known there as 'The Great Depression' of 1873 to 1896 and was widely thought to be global in scope (Capie and Wood 1997). In retrospect, economic historians view the last decades of the nineteenth century and the run up to the First World War as a time of tremendous expansion for the world economy, fuelled by Brazil's rubber, South Africa's gold, Siberian minerals, an oil boom, the scramble for Africa and much else. Fifty million Europeans migrated to lands of temperate zone new settlement and a similar number of Indians and Chinese indentured labourers went mostly to the tropics (Lewis 1978). Yet in Britain, whose industry was facing intense competition from Germany and the United States, profits were squeezed and returns on middle-class savings in consolidated annuities ('consols') fell. This was a world crisis, for after all the British Empire was the world. Meanwhile the rest got on with building the twentieth-century economy. Russia was the China of its day, experiencing 10 per cent average annual economic growth from 1890 to 1913, and we all know what happened next.

The financial crisis precipitated by the fall of Lehman Brothers bank in September 2008 likewise affected the United States and Europe first, and has been widely seen as being global in scope ever since. Comparison with the Great Depression of the 1930s has been commonplace, but the last time that three decades of financial globalization ended in world war (1913 to 1914) has been mentioned less often. China, India, Brazil and some African countries have continued to post impressive growth rates since 2008, although signs of possible economic weakness have been noted, particularly in the Western media, and insurrections in North Africa and the Middle East, not to mention the general crisis gripping

Southern Europe, raise the possibility that in some regions at least the economic downturn may be taking a political turn.

The Human Economy Programme at the University of Pretoria was launched to bring an added perspective from the global South (beyond the existing prominence of Latin America) to the movement for a better world known as 'alter-globalization' (Pleyers 2010). The present volume – a series of case studies from Southern Africa, plus South Asia, Brazil and Atlantic Africa – is mainly concerned with showing how ordinary people from a wide range of class positions experience the contemporary world economy from their particular place in it. But we also aim to make a contribution to understanding the political economy of the world we all live in, and so local circumstances are inserted into a comparative perspective, which gives priority to the experience of the global South. It becomes immediately obvious that any notion of crisis, whether global or whatever, cannot be readily extended from the North Atlantic societies to the South.

Many of the places considered in this volume did not participate in the credit boom that fuelled growth in the West from the 1980s. That decade was notable for the 'Third World debt crisis' and for structural adjustment policies imposed by the International Monetary Fund (IMF) and World Bank that had ruinous consequences for many African countries. Equally, rising commodity prices from the millennium have boosted some raw material–exporting countries. Of the countries included here: the Democratic Republic of Congo has suffered a devastating war and collapse of infrastructure; Zimbabwe has endured hyperinflation and continuing political crisis; Nepal has gone through a short-term export boom and bust, followed by a sort of Maoist revolution; South Africa is in the economic doldrums despite having been admitted to emerging markets' elite club, the BRICS; tiny Cape Verde is fairly buoyant on the proceeds of world music and tourism; and Mozambique, coming out of a crippling civil war, is currently one of the top ten fastest-growing economies in the world.

It is hard to make sense of any of this in terms of global generalizations about political economy, but we begin here by situating our case studies in a historical narrative about the relationship between political power and money – the state and market pair which between them, not least as the ideological face of the Cold War, did so much to make the twentieth century the most murderous in history. First, however, we establish a more limited goal for this volume. Almost all our contributors here came to the Human Economy Programme as anthropologists and their common method is ethnography, combined in varying degrees with a historical and comparative approach. The remainder of this introduction considers the roots of the human economy approach in anthropology, then addresses the theme of people, money and power, and finally summarizes the contributions made by individual chapters.

The Anthropological Roots of the Human Economy Programme

The Human Economy research programme combines two intellectual traditions from the twentieth century, social anthropology and development studies. Social anthropology's principal method has long been ethnography, a commitment to joining people where they live in order to find out what they do and think. The key terms of this process are 'fieldwork' and 'participant observation', meaning engagement with local people's lives and activities for a prolonged period. Many other disciplines have taken up what they call 'ethnography', which generally means making qualitative observations on the spot for quite short periods. Social anthropologists, however, by virtue of their long-term immersion in local society, internalize its norms and this encourages them to generalize about the society as the project.

The raw material of observation and interaction may be the same across disciplines: particular events occur in real life, people say whatever comes to mind and conversation takes place. In the empirical tradition of positivist science, that is all there is to it. But human beings – and social anthropologists drawn temporarily into sharing their local worlds – bring broader forms of understanding to these interactions and build much wider patterns of association from them. If it were not possible for us all to extend the range of our comprehension beyond the minutiae of everyday life, there would be no cities, nations, regional federations, empires or world religions. The whole project of addressing the human predicament as a whole would be impossible. As the idealist philosophers have always insisted, without the general idea of a cat we would not know the specimen that just jumped onto our lap, and it is the same with society even if how we know it lacks the concreteness of daily encounters.

The humanities in general are not afraid of making this leap from particulars to universal propositions: great literature and literary criticism depend on it, judges make case law on this basis, and philosophers construct imagined examples to illustrate general truths. What makes ethnography anthropological is this willingness to link concrete persons and events to universal propositions concerning local society and even humanity as a whole. There is nothing scientific about this and anthropologists – who nowadays find themselves pigeonholed as a social science – usually do not dwell publicly on this aspect of their procedures. Many of them have retreated from the aspiration to address the human predicament into a much narrower version of empirically verifiable ethnography. But if the human economy approach is to stand a chance of linking local circumstances to the world society that is emerging in our times, this aspect of our method will have to be made much more explicit.

Almost all the contributors to this volume were trained as social anthropologists (one is a historian with a predilection for ethnographic research). They report here on case studies that they carried out previously as part of their doctoral research programmes. Additional chapters were commissioned from social anthropologists based in Pretoria. In the course of preparing this volume, we conducted a quite intense conversation among ourselves, comparing these case studies to each other in the light of a general discussion about the principles of a research programme on human economy. As social anthropologists ourselves, the editors were content to leave many aspects of our programme vague, while we sought to uncover some general ideas and methods that might inform a human economy agenda (see this book's preface).

The leap to human universals is particularly difficult in this instance since, in the last half-century, world society has emerged as the real framework for general propositions about humanity – not an idea, but the fact of seven billion people trying to find a way of living together on a planet whose problems are very widely shared. Given that social consciousness is still closely defined by local or national concerns, the task of a human economy project is not to move directly to generalizations about world society (although this remains our ultimate goal), but rather to extend the framework of inquiry to more inclusive levels. In many instances this first involves placing a local case study within a national framework, but sometimes it is possible to go further. The authors assembled here all saw their prime responsibility as providing an accurate and realistic depiction of the places and people they studied intensively. From there they took one or more of several routes towards broader generalization. These included engagement with questions of development, historical extension of research horizons in time and space, the comparative method, issues of national politics and analysis informed by a wide range of economic, and social and anthropological theory.

If one leg of our methodology is ethnography, the other is an institutional approach. Against the prevailing rational choice assumption to economics, we examine the set of particular institutions through which people experience an economy whose principles are always plural, not singular. This approach has its roots in German historicism and it comes to us through Max Weber's historical sociology, the institutional economics of Thorstein Veblen and in economic anthropology under the influence of Karl Polanyi. A dispute arose in the 1890s between Gustav von Schmoller, the doyen of German historical economics, and the Austrian followers of Carl Menger, one of the founders of marginalist economics. It hinged on the oikos (house) thesis of Karl Rodbertus, published thirty years earlier. Schmoller endorsed Rodbertus's idea that ancient Greek economy, following Xenophon and Aristotle, was organized on different principles from those of contemporary German capitalism, being focused rather on household management. However, the economists, and sympathizers such as Eduard Meyer, could point to the existence of thoroughly modern capitalist firms in Athens and elsewhere producing for international markets.

A 'battle over methods' (Methodenstreit) was waged over whether the new economics could offer a universal foundation for the pursuit of human welfare. The anthropologist Karl Bücher held a middle position: he sympathized with Menger's aspirations to scientific rigor, but held that it was not possible to apply the same body of theory to each historical stage of the economy. The German historicists insisted on contextualizing economic life: the principles of the market and the new methodological individualism could not explain all economic behaviour, not even in modern Germany. Max Weber, the leading sociologist of the time, put the lid on this argument in his magisterial Economy and Society (1978) by suggesting that we would not be interested in ancient Greece unless it was different and we could not understand it unless our knowledge was capable of embracing the Greeks as the same as us in some sense.

This was based on the dialectical method of Hegel and, before him, Kant – sameness in difference, not same versus different. Weber made much of Kant's dualistic conception of the human faculties, the division between 'form' arising from the operations of the mind and 'substance' or perception of the material world through the senses. He argued that not only were the formal and substantive rationalities of capitalism different, but they were often at odds. The 'bottom line' of accountancy for profit could, and often did, lead to economic failure (unemployment and the like) at the cost of disruption to people's livelihoods. Weber, as a liberal, was sympathetic to the subjective individualism of the new economics, but as a sociologist he could hardly discount the human disasters wreaked in its name. The Methodenstreit resurfaced in American economic anthropology after the Second World War as 'the formalist-substantivist debate' (Hann and Hart 2011).

Economic anthropology flourished in the decades after the Second World War. Karl Polanyi did more than anyone to establish the field as a self-conscious intellectual community. In his seminal essay 'The Economy as Instituted Process', Polanyi (1957) argued that the 'formal' and 'substantive' meanings of the word 'economic' had been erroneously conflated. The first refers to a means-end relationship, the mental process of economizing, whereas the second is concerned with general provisioning of material wants in society. A 'formalist' approach emphasizes the regular operation of ideas, in this case the universal claims of neoclassical economics, while a 'substantivist' approach gives priority to the actual empirical content of material circumstances and disputes that this diversity can be adequately grasped through just one set of concepts.

Both formalists and substantivists recognized the importance of markets for economic coordination, but for Polanyi the market principle was not the main 'form of integration' in world economic history. The principles of reciprocity and redistribution were of greater significance than the market in non-industrial societies. Markets were present in primitive and archaic societies but they did not yet pose a threat to the integration of the economy in the wider social system (being 'embedded' in it). In Polanyi's philosophy of history, the rupture created by industrialization – and above all the creation of a market for free wage labour in Victorian England – led to a 'disembedding' of the economy. This 'utopian' elevation of the market principle to the dominant form of economic integration was bound to fail. He identified a 'double movement': on the one hand the economics of laissez-faire, and on the other social resistance to it. The resulting dynamic led inevitably to the crises and world wars of the twentieth century (Polanyi 2001 [1944]). Polanyi's followers, notably Paul Bohannan and George Dalton, applied these insights to non-Western regions.

Unlike the substantivists, their opponents – economic anthropologists known as 'formalists' – were not led by a single seminal figure. Rather than chart a new paradigm, they generally saw themselves as applying the refined instruments of mainstream economics to unfamiliar settings. For them, the central concepts were in principle applicable everywhere, because they defined economics in terms of the choices made by individual actors under conditions of scarcity. They thus extended the logic of rational individualism to settings where the substantivists considered it to be inappropriate, since reciprocity and redistribution were the dominant forms of integration there rather than impersonal markets. For example, Polanyi made much use of Bronislaw Malinowski's (1922) Trobriand ethnography to show how the economy was substantively embedded in local social networks. But formalists, such as Robbins Burling (1962), could readily reinterpret these materials to confirm standard neoclassical assumptions. In the absence of advanced technologies and storage facilities, the accumulation of productive capital was not an option. Malinowski's demonstration that the Trobrianders produced many more yams than they were able to consume, in order to display them to neighbours and fulfil obligations to matrilineages, was consistent with the utility-maximizing assumptions of the modern economists.

The influence of development studies is to be found in the theme that underlies this collection and in one or two of our chapters, but the question of how the human economy project might contribute to a progressive political agenda of development is only suggested here. The second volume in this series addresses this question directly and fully. In this volume we seek to build bridges between ethnography and world history by focusing on the perennial conflicts and alliances between classes formed by political power and money respectively. This was the broadest level of comparison that we achieved in our first year. Subsequent waves of recruitment were able to build on this foundation while extending our group's interdisciplinary and geographical range to include the North as well as the South. But this collection brings together authors who either come from the global South (Braz Dias, Gordon), are citizens of the countries they write about (Inaka, Krige, Mpofu, Shakya, Sharp) or have lived there for extended periods (McNeill, Sumich, Trapido).

Rulers and Moneymakers in World History

The last half-century saw a Cold War between superpowers claiming to represent state socialism and the free market respectively. Since 1945 the world has seen three decades of social democracy marked by state management of the leading capitalist economies, followed after the watershed of the 1970s by another three decades of neoliberal globalization, which culminated in today's general economic crisis. It is important to grasp where this relationship between government and business came from and how it is unfolding now. The case studies presented here illustrate the historical process from the perspective of ordinary people's lives in places which do not normally figure prominently in global discourse. It is relatively easy for anthropologists to show that diverse realities undermine prevalent ideas, but more difficult to build a vision of the world from such particulars.

Social science originates in the liberal attempt to carve out a space for civil society separate from that of the sovereign. Society is here conceived of as a formal order governed by laws. At the same time we all know that the real world is more confused than this, and we need to somehow keep both ideas in our heads at once. The idea of an informal economy (Hart 1973, 2006) came out of an ethnographic perception that there is more to the economy than the prevailing emphasis on its regulation by the state: fieldwork revealed economic activities that were largely invisible to bureaucracy, but formal and informal dimensions of the economy were integrated in reality. In recent decades, an anti-liberal tendency has criticized the bourgeois separation of subject and object, individual and society, personal and impersonal; but collapsing the difference between them is just as dangerous.

The basic issue is the claim that public and private interests are normatively and even legally separated in capitalist societies. This was the objective of the bourgeois revolutions of the seventeenth to nineteenth centuries. But in the second half of the nineteenth century, having abandoned hope of making an alliance with the workers against the landlords, the capitalists forged a new alliance with their erstwhile enemies, the military aristocracy, to form governments capable of containing the social energies released by industrialization. The resulting synthesis – which we call 'national capitalism' – soon provided a platform for the emergence of large business corporations as the engine of economic development. The neoliberal phase of world economy – which began in the late 1970s and is still flourishing despite or because of the financial meltdown (Mirowski 2013) – hinged on withdrawing political controls from markets and money and on the extension of commercial principles into public and domestic life. The result has been the wholesale privatization of public assets in the name of a 'free market', which disguises the abuse of political power to accumulate personal wealth. In the meantime, two-thirds of the one hundred largest economic entities on the planet are corporations, not countries, and the drive for their self-government, when they are not content with buying governments, continues apace.

Is this what is 'new' about neoliberalism? Not really, if we mean the collapse of the boundary separating public and private interests. A strong case can be made that private capital and political power have been in bed together for half a millennium at least. The public/private divide has been illusory when it comes to the management of money since the invention of central banking over three centuries ago. The Bank of England, Banque de France and US Federal Reserve all appear to be part of the state apparatus when they are hybrid entities formed by the sovereign and the banks, but outside effective political control. Their public face makes much of their being subject to the laws, but in practice they serve the interests of private capital. This is an old story. Politicians need money and money men need political cover. Perhaps the only thing new about today's economy is that, whereas the privatization of public interests was covered up before, now it is made an open virtue.

The idea of 'economy' comes from a Greek word meaning 'household management'. The concept of *oikonomia* arose to express the interests of one side in a long war that crystallized the basic conflict of the agrarian empires, which emerged in the late Bronze Age. The two sides would later be known, with reference to medieval Europe, as 'feudalism' and 'capitalism', systems of property and politics based on control of the land and money respectively. A military aristocracy with manor houses in the countryside extracted rents from a servile agricultural labour force, while cities linked by seaborne trade supported their populations through commerce. In the Greek case the political slogans of the two sides were 'aristocracy' and 'democracy', rule by the best versus rule by the people (not all of the people, but a significant proportion of the male population). In most parts of the Mediterranean throughout the first millennium BC, aristocratic and democratic factions contended for power, forming alliances with like-minded parties that cross-cut geographical divisions. The result was an endless series of wars and revolutions ranging from local fights to international conflicts lasting decades. The sequence was suspended when Rome defeated Carthage and annexed the Eastern Mediterranean to its empire.

By the beginning of the next millennium, military landlordism had triumphed over waterborne commerce and the ancient world was unified under Rome. It took another 1,500 years for merchants to take on landed power again and win, this time in Northwest Europe. England was the main site of that victory, but its apostate colony, the United States, soon eclipsed Britain in shaping the global capitalism we know today. When Marx and Engels pointed out in the *Manifesto of the Communist Party* (1848) that the history of class struggle was between town and countryside, they had in mind this European history.

The Perspective of People from the Global South

This fluctuating relationship between public power and private money is not the only feature of recent patterns of global alliance and conflict between interests conceived of as 'state' and 'market', but it does provide one common thread to the chapters assembled here. World history and much of prevailing social thought has been written from the perspective of North Atlantic society – Europe and North America – as a way of expressing and reinforcing their dominance. The nine case studies assembled in this volume are drawn from the global South – six from Southern Africa, where the Human Economy project is located, and one each from South Asia, Brazil and Atlantic Africa. The economy is human at all levels of society and our case studies illustrate a range of class positions organized in a sequence that moves, roughly speaking, from the bottom to the top. We start with the urban poor of a city in Zimbabwe, followed by a depressed rural area of South Africa. Next we consider inhabitants of that country's black townships, working-class young men with aspirations for upward mobility, and their white counterparts who have experienced downward mobility since the end of apartheid. Many members of the dominant black population of Salvador in Brazil have moved into the middle classes in recent decades, while the small island society of Cape Verde has prospered from a mixture of migration, tourism and world music without generating strong class divisions so far. Migration is a prominent feature of our last three case studies. The movement of Congolese to South Africa is here illustrated by a cross-section of classes: the poorest are in no position to leave the Democratic Republic of Congo (DRC), but the experience of lower-class, middle-class and elite migrants differs sharply. The last include political exiles and capitalists who offer a bridge to two Indian trading communities in Mozambique and Nepal, both of whom have had to negotiate political upheavals in recent decades. Most of our chapters refer to historical developments, but in these last three, as well as the chapters on Zimbabwe's urban poor and South Africa's white working class, analysis of the human economy is strongly anchored in a historical narrative.

Busani Mpofu is a historian who prefers to visit the archives with questions informed by previous ethnographic fieldwork. He provides insight into Zimbabwe's tragedy by focusing on the worsening circumstances of the residents of Bulawayo, his home city and once the centre of Zimbabwe's textile manufacturing industry. The demise of manufacturing since the 1980s has swollen the ranks of the city's informal economy. For a time after the war of independence, the central government and urban authorities briefly endorsed the development potential of such informal economic activities as street trading. But before long they reverted to the colonial pattern of antagonism towards the uncontrolled presence of rural Africans in Southern Rhodesia's 'white' towns and cities. The post-colonial government's hostility was based first on the attempt to create an urban environment conducive to the development of indigenous enterprise though foreign investment; but this degenerated into aversion to the presence in the cities of poor masses who displayed a marked tendency to vote for the opposition to the ruling party. As Zimbabwe lurched, by the end of the 1990s, into the condition of a 'failed state', the ruling elite devised various stratagems to muscle into the informal economy itself, bending the interface between informal activities and the state in the interest of their own accumulation. As Mpofu observes, this just shows how desperate Zimbabwe's ruling elite has become today. Without access to or an accommodation with a significant moneymaking elite, the ruling party has been obliged to turn to a latter-day form of 'primitive accumulation', scrabbling for the means of staying in power by dispossessing poor citizens of the small resources at their disposal.

The next three chapters deal with the resilience of South Africans in the face of an increasingly unequal political economy, although none points to significant ways of reversing an institutional pattern of social exclusion. One focuses on the rural masses of a remote poverty-stricken region who spend their state grants on funerals; a second looks at a few young aspiring city dwellers in South Africa's largest black township; while the third examines the downward mobility of the Afrikaner working class through one life history.

Fraser McNeill shows how the rural poor live in South Africa, taking the Venda district of Limpopo Province as his case study. He describes the dramatic rise in unemployment there since the end of apartheid, and how social grants and pensions help to maintain the population's loyalty to the ruling African National Congress. Moreover, the province's poor are afflicted by the HIV/AIDS epidemic, which has spawned a local 'death' industry comprising undertakers and funeral insurers, tombstone makers and gravediggers. Given the paucity of wage incomes, this industry is funded largely out of pensions and social grants. McNeill shows how funeral insurance agents follow the vehicles paying out pensions from one site to the next, resulting in a substantial portion of receipts being paid out in contributions within minutes. Some locals benefit from job creation in this industry (as they do from the jobs created by AIDS education initiatives), but it is also significant enough to attract the attention of big insurance capital, which works through local agents to claw back some of the money contributed in taxes to fund social grants. It is small wonder, given their involvement in this gravity-defying circuit, that Venda's poor explain what is happening by invoking occult notions.

Poor South Africans are caught between the state's neglect and failure to create employment and the saving grace of welfare payments. Without the latter they would join the Zimbabwean and Congolese millions who migrate to escape their misery. But the fact that they stay where they are or move only within South Africa does not imply that they are passive. Detlev Krige tells the story of a group of young men in Soweto, a cluster of townships as populous as each of the country's three main cities, who attempt to take matters into their own hands in interesting ways. These men are not from Soweto's poorest stratum, but they are far below the local elite, which has benefited from black empowerment policies allowing some of them to leave the townships for Johannesburg's formerly white suburbs. As Krige explains, they occupy an uncomfortably intermediate position – close enough to Soweto's growing middle class to share their ambitions and desires, but without the resources of education and property that would allow them to be upwardly mobile. In their thirties, many of them still live in their parents' homes and struggle to find jobs that would allow them to marry and establish themselves as independent adult men. What they do have is a fair understanding of how money is made in the present South African dispensation. Whether this represents a plausible means of upward mobility is another matter.

Krige relates how these men try to figure out ways of overcoming the obstacles in their path by jumping in one go from small-scale savings clubs (*stokvels*), which have long been a feature of social life in Soweto, to the world of high finance. Their aim is to find a way to invest the money they pool on the stock exchange, thereby making 'our money work for us'. This reversal of the old order where one expected to work for one's money, suggests that they have fathomed the secret of a neoliberal economy dominated by financiers who make money without any apparent effort. Many of the poor in rural Venda may still be bewildered by this occult economy, but these young men in Soweto apparently understand its principles. The real question, to which no clear answer can yet be given, is whether they have any realistic chance of fulfilling their ambition.

South Africa's white working class was strongly favoured by the apartheid regime, especially in and around the capital, Pretoria, which was and to some extent still is a bastion of Afrikaner power. Now their key industries have been dismantled and many members of this class have good reason to think they have been discarded by the state. John Sharp's is a story of downward mobility on the part of an Afrikaner working-class man who lost his job after the end of apartheid. He used his severance pay, like many others, to launch a self-employed enterprise. His first white partner cheated him and later he hired a black worker whose family came to live with his. Their partnership echoed relations between Boer farmers and African sharecroppers earlier. This arrangement ended acrimoniously, but our protagonist was saved from making a go of it as a businessman by finding secure and well-paid wage employment as an electrician once more. On this basis he formed an impromptu social club with some of his white friends, which combined drinking and karaoke with building and disbursing a small fund used to promote the welfare of all members of their racially mixed neighbourhood. This man was lucky enough to find a job and he expressed his gratitude through a form of charity.

Whereas the British-dominated liberal economy oversimplified humanity for the sake of accumulation through trade, the Afrikaners devised a system that was inhuman in practice and conception, reducing people to ethnic stereotypes and labelling them as different nations conceived of as being formally equal while kept apart. Many Afrikaners were economic losers when South Africa was incorporated into the empire. This obliged some of them to interact with Africans as rounded human beings, which does not mean they necessarily liked or behaved nicely towards them. Later many took time to acclimatize to the ruling vision of imposed exclusion. Then they were economic losers again and rediscovered their humanity in this context. They drew partly on their past, but working people must look beyond ideology to survive. This segment of South Africa's population has responded more flexibly than most to changing configurations of race and class.

Brazil offers an interesting comparison with the countries of southern Africa. It is, along with South Africa, one of the most unequal societies in the world, where white landowners and industrialists still exercise considerable political power and the descendants of African slaves are disproportionately poor. But over the last two decades, unlike South Africa, Brazil has enjoyed remarkable economic growth while implementing redistributive policies on a large scale, recapitulating in its own way that combination of national capitalism and social democracy, which marked the post-war decades in Western Europe. While it seemed at first that Brazil was not seriously inconvenienced by the financial crisis, cracks have appeared recently in the edifice that Lula built. There has been a run on the national currency and widespread social protest culminated during 2013 in the largest demonstrations since the military dictatorship.

The city of Salvador, where Doreen Gordon carried out her research, has recently suffered gridlock and escalating violence during a police strike. So perhaps it is too early to say that the class compromise between capital and state after the dictatorship has reduced racial and other forms of conflict in Brazil. Gordon describes the rising black middle class in Salvador, Brazil's third-largest city. These are people who have benefited from the oil industry there and other developments in what was once one of Brazil's poorest regions. She questions whether Brazil was ever a 'racial democracy' in which 'colour' and life trajectories were infinitely negotiable. Overt prejudice against black Brazilians may have been less harsh than in the South African case, but the poverty of the vast majority of Brazil's black people speaks to a history of structural racism there. Gordon describes individual members of the black middle class, looking at their life trajectories, personal qualities and social relationships.

Her account resists easy generalizations. Some are, in fact, downwardly mobile, having to make do with fewer resources than in previous generations, but they manoeuvre astutely to maintain their status by other means. Many are on an upward path where better economic prospects and higher educational attainment reinforce each other. Some of Gordon's most interesting observations concern black middle-class attitudes towards the consumerism that is now within their grasp. While many aspire to own their own homes, motor cars and domestic appliances, several were quite critical of the 'empty' consumerism they associate with the established (largely white) middle class. Moreover, many were determined to maintain their ties with the predominantly black, working-class neighbourhoods of their origin, either by staying there despite being wealthier or by keeping up ties – such as church membership – with the people they left behind. This contradicts the claim found in earlier literature that upwardly mobile black Brazilians renegotiate their race and are therefore obliged to dilute ties with their poorer counterparts. Such developments reflect a widespread social movement generating a sense of pride among black Brazilians. The fact that the government has recently endorsed this movement has fostered a climate propitious to its growth.

Most of the case studies considered here offer some variant of the theme of state and market refracted through the experience of different classes – politicians and capitalists, the rural and urban poor, the middle classes of several colours. Our next case is Juliana Braz Dias's evocative study of Cape Verde's music industry. This is a group of former Portuguese islands stuck in the Atlantic Ocean with a miniscule population. Despite their small size and isolation, Cape Verdeans are visible as migrants to Europe and parts of the United States. Their cultural vitality is manifested in various ways, most recently by the success of the national football team. They are a significant tourist destination. But their most striking achievement has been to make an impact on the world music scene. The recent rise of Mauritius as a vigorous island economy (Mbeki 2009) points to the possibility of engaging positively with the world economy from a small population base. In the case of Cape Verde, the government's ambitions seem to be rather limited and foreign capital is largely offshore. This has allowed some Cape Verdeans, following in the footsteps of the celebrated singer Cesária Évora, to make a direct bridge between their own local society and the world market for cultural commodities. In this sense, Braz Dias's ethnography suggests one possible route out of economic backwardness, unmediated in this case by the state or capital on any major scale.

It is salutary to consider how people from a small cluster of Atlantic islands have inserted themselves creatively into global markets as migrants and makers of music, without losing their sense of identity or being exposed to the savage contradictions documented in other chapters here. The economic crisis of our times has led to much criticism of both states and markets, even to rejection of their contemporary forms. The crisis that record labels have been facing since the digital revolution in communications is deeply intertwined with countless small-scale musical performances around the world, challenging dichotomous understandings of the relation between recorded and live music, global and local processes. Braz Dias approaches this theme through analysis of two kinds of events – Cape Verdean nights and *tokatinas* – showing how musical activities there are related to both the world market and internal national issues. Our case studies by no means demonstrate how the poor of the global South can pull themselves up by their own bootstraps. But in some of the cases presented here – Nepal, Mozambique, some segments of South African society, Brazil, Cape Verde – economic success, however limited, has been shown to rest on integrating levels of social, cultural and economic life that are discounted in mainstream analysis. In that sense, our collection points towards a more human economy by identifying its operations in contemporary social life beyond the reach of most media and academic analysis.

Citizens of the DRC have a long history of migration to European cities such as Paris, London and Brussels, but the tempo of their migration to South Africa has picked up considerably in the past decade and a half. Saint-José Inaka and Joseph Trapido take the unusual step of analyzing these streams through the class composition of migration to Gauteng (the province containing Johannesburg and South Africa's capital, Pretoria). They stress that these are not from the poorest sections of Congolese society, but are poor members of the next stratum above this who have the minimal resources needed to make the trip, but lack the formal means of negotiating work and bureaucracy in South Africa, so that they are limited to menial and irregular employment. The Congo has long produced large numbers of professionals – in this case mainly engineers and doctors – who are able find formal employment, but not without entering the informal economy in their own way. Finally the authors address members of the DRC political elite in exile whose ill-gotten gains may acquire a measure of formal legitimacy through residence in South Africa. They use the country as a refuge when their faction has fallen from favour and rely on its sophisticated financial industry to launder the proceeds of primitive accumulation at home. South African xenophobia – encouraged from the top, but manifested concretely in the townships – focuses hostility on poor Congolese migrants who are supposed to steal jobs from citizens. Inaka and Trapido remain agnostic concerning the facts of this case, but Congolese mining engineers and doctors certainly help to overcome South Africa's skills shortage. Moreover, there is rarely any criticism of the DRC political elite's presence, despite their own manipulations of the boundary between legal and illegal economic practices.

The presence of large numbers of migrants from Mozambique, Zimbabwe, the DRC and other African states is a source of popular resentment in South Africa, but there is a strong official dimension to this xenophobia. An intransigent bureaucracy creates many problems for migrants seeking refugee status or trying to renew their permission to be in South Africa, thereby spawning a lively industry forging documents for Congolese residents of Johannesburg.

Mozambique is a small country whose global image has been more prominent than its achievements. It was in the forefront of socialist revolution not long ago, endured a terrible civil war and now has adjusted to the constraints of neoliberalism by becoming one of the world's fastest-growing economies. Jason Sumich's chapter traces the political fortunes of a Mozambican Indian trading community through the country's recent history of revolution, war and capitalist development. Some members of this group have amassed considerable wealth in the period since the country abandoned its socialist experiment in the early 1990s. The ruling Frelimo party's exchange of a command economy for the virtues of the free market might lead us to expect that these Indian businessmen would have become the acceptable face of neoliberalism in the new Mozambique. But this hardly describes the situation they face.

As a small minority, the Indians were accorded significant privileges by the Portuguese colonial authorities, but were otherwise marginal to the main conflict between the colonists and the black African majority. Some of them occupied an important niche as traders, but their marginality limited their wealth and influence. During Frelimo's experiment with socialism, all Mozambique's inhabitants were expected to support the plan to centralize the economy under party control with the aim of transforming a still largely agricultural country into a developed, industrial economy within one generation. Many Indian traders found their commercial activities restricted and some were punished for profiteering, but

Frelimo's commitment to non-racialism guaranteed full membership of the new nation to any who supported the government's project.

In the post-socialist period, the Indian merchants have been given a freer hand. Mozambique's rulers now expect to make money from international trade and are willing to extend protection to the Indian minority with this end in mind, not least because of their links to India, Portugal, the Gulf and southern Africa, which the African majority lacks. The government still does not control the whole country, and Indian merchants do not have the strong external backing enjoyed by Nepal's Marwaris. Mozambican Indians are becoming the butt of African resentment. Their alliance with the ruling elite is thus decidedly uncomfortable. The government in turn can deflect blame for their own failures onto a group of 'outsiders'. The Indian minority's new freedom to accumulate has been won at the expense of their security as citizens. Despite now being richer, many Indians are replacing loyalty to the Mozambican state with adherence to a global Islamic fellowship.

Mainstream economic ideas do not describe adequately the people whose business it is to make money, never mind the rest of us. Even less do they allow us to investigate the links between rulers and money that lie at the heart of the world's economic crisis today. The Marwaris in Nepal, who form the principal focus of Mallika Shakya's case study, are part of the dominant trading diaspora in South Asia. Their entrepreneurial success comes from their business acumen, collective social cohesion and ability to form political alliances with local rulers. Nepal has undergone several major upheavals since the Marwaris were invited there by its feudal rulers in the 1850s. These included a transition to modernizing constitutional monarchy in the 1950s, a Maoist insurgency since the 1990s, a disastrous flirtation with economic liberalism around the millennium, and recently a move to install democratic socialism fuelled by another uprising by the people of Nepal's border with India, where Shakya has carried out her main research. The Marwaris, having successfully negotiated earlier political transitions, now find themselves confronting identity and class politics that brand them as privileged outsiders. But their economic expertise is still at a premium and their ability to speak with a single voice matters as much as their financial clout in helping them to ride the storm. Shakya offers a long-term account of Nepal's history in support of her claim that there are powerful continuities at work in this 'revolution'. The Marwaris take the pragmatic view that all rulers need money and are therefore predisposed to seek accommodation with those who have it, just as the owners of money need the protection of existing powers.

These last two examples raise a wider issue that is particularly relevant to countries of the global South, but by no means exclusively to them. In Nepal and Mozambique, economic behaviour is embedded in political relationships, for the simple reason that those who make wealth and those who rule these states belong to different categories of the population. Feudal landownership sustained Nepal's Himalayan isolation for centuries, but it was not enough for the modern nation building to which its rulers aspired from the 1950s. They needed alliances with 'outsiders' such as the Marwaris, who successfully displaced the small mercantile elite that already supplied the Nepali kings while they dominated political groups opposed to the monarchy. The Marwaris in Nepal could draw on their proximity to India, where more powerful Marwari organizations controlled trade, giving rise to a multi-national business network that now extends to many parts of the world, including Africa. The experience of the Mozambican Indians reminds us that these alliances between rulers and moneymakers in the global South are highly variable, as well as unstable.