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Meanings of the Market

The Free Market in Western Culture

Edited by
James G. Carrier

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Preface

The idea of economy is an invention of western civilization
(Hart 1990: 138).

This collection is about economy, but it is not economics; it is about a phenomenon that is global, but equally rooted in the United States and Britain; it is by anthropologists, but is not distinctly anthropological. Its concern is the idea of the Free Market.

Because it is about the Market, it is about economy. However, 'the Market' is not what people do and think and how they interact when they buy and sell, give and take. Instead, it is a conception people have about an idealised form of buying and selling. This conception is important. It is invoked, implicitly or explicitly, when Americans debate the wisdom of the North American Free Trade Agreement, the balance of trade with Japan or the General Agreement on Trade and Tariffs. Likewise, it is invoked when the British debate selling state-owned industries or the Common Market or labour legislation. These debates concern many issues and reflect many interests. However, running through them, on one side or another, is a claim and a belief that a certain sort of buying and selling benefits all those involved economically, politically, socially and even morally. And that that is the sort of buying and selling associated with the Free Market.

The idea of the Market has many roots, but its most important historical ones are lodged in British soil, in the writings of political economists in Edinburgh in the eighteenth century and in Manchester in the nineteenth. However, in popular consciousness the idea flourishes best in the United States, with its long traditions of that secular, acquisitive individualism and concern with equality of process rather than of outcome that form part of the Market. America is, after all, the land where the streets have been paved with gold, where the prairies were open to those who would settle them, where equality of opportunity is a national goal. Louis

Dumont (1977) may be correct when he argues that economy has become central to Western people's conceptions of themselves. But in America, it is a certain kind of economy, the economy of the Free Market, a concept that reverberates in most areas of American life and thought.

But while America may be the land of the Market, with the growth of American power since the Second World War the Market has become more global. One way this has occurred is through the spread of financial institutions that put pressure on governments and firms to conform to the Market model of how they ought to operate. Foreign exchange and international bond markets are obvious examples of these institutions. Less obvious examples are bodies that promulgate international standards for accounting, banking and stock market regulation and the like. Although many of these institutions and the firms that operate in and through them see themselves as global, it is also true that they are oriented toward the United States. Equally, American government policy has helped put pressure on institutions around the world to conform to the Market model. Sometimes this works indirectly, through bodies dominated by the United States. The World Bank is perhaps the most obvious example (Wade 1996). Often, however, there is direct government action. The North American Free Trade Agreement, which I have mentioned already, is one illustration; another is government pressure on Japan and the Common Market to change their internal policies to make them conform to American standards.

Just as the idea of the Market can spread in many ways, so it can be approached in many ways. The concern in this collection is to treat the idea as a part of Western culture, and to tease out its assumptions and contradictions, powers and limitations. The contributors to this collection are anthropologists, commonly they refer to anthropological literature, the word 'culture' is invoked here. Equally, however, this collection is concerned with history, politics and policy, and academic economics. But this breadth is appropriate in a collection that is oriented not inward toward disciplinary concerns, but outward toward an important element of modern life and thought.

This collection reflects my interest in economy, in the broad, substantive sense of the production and circulation of objects and services. I developed this interest when I was trying to understand

Ponam, a small island society in Papua New Guinea (Carrier and Carrier 1989). I carried this interest with me when I returned to the United States in 1986, and began to investigate changes in the social aspects of the economies of Britain and the United States in the early-modern and modern eras (Carrier 1994). I found my interest sharpening when I went to Britain in 1994, and so confronted more directly the intrusion of Market thought in a society that had a much stronger collectivist tradition than did the United States – a tradition I had experienced when I lived in Britain in the 1970s.

During these migrations my initial concerns have become transformed. What had been a fairly straightforward effort to describe different ways that people in different places give and take became an interest in how anthropologists perceive and misperceive the nature of the West and its economy (Carrier 1995). This in turn led to a broader set of questions: How do Westerners understand their economy? What are the manifestations of those understandings? What are the consequences? While I am concerned to a degree with the specialist understandings of professional analysis of Western economy, which is to say with economists and economic historians, my main interest is the common understandings that I see expressed, at times obliquely, in newspaper and magazine articles, public debate and everyday thought and action. This collection is part of an attempt to answer some of those questions.

I realise that it is somewhat disingenuous to try to separate understandings of Western economy held popularly from those produced by economists. The two overlap at too many points, particularly in their fundamental assumptions. Some readers are sure to see this collection as an attack on neo-classical economics. To a degree they are justified in doing so, not least because some of the material here directly addresses aspects of academic economics. However, seeing this collection as really being about that discipline is to miss a more profound point: to the degree that the Market has become important in Western culture, we are all neo-classical economists now.

Common understandings of the economy constitute a huge topic that can be approached in many ways. This collection focuses on one particular model of the economy in Western culture, the Market model, which I describe in the Introduction. Like any cultural model, this one is complex, to some degree contradictory,

and the subject of debate and disagreement. It is, however, worth investigating as an element of Western culture in its own right, as one common way people represent aspects of their own economic lives.¹ This model is distinct from, is not reducible to and will not be assessed here in terms of academic economics. In other words, I do not approach it as some economists do, as a muddled version of real economics, to which it is to be subordinated.

Although I distinguish the Market model from formal economics, and especially neo-classical economics, such a distinction is easier to maintain in theory than in practice. This is illustrated by the differing responses I have received to versions of the Introduction to this collection. I have delivered it as a talk to a number of anthropology departmental seminars in Britain, and audiences generally seemed to think that while it was dealing with topics also dealt with by academic economics, it was ultimately about something else: Margaret Thatcher and Conservative politics. Had I delivered those talks in the United States, the general assumption probably would have been that it was ultimately about Ronald Reagan, George Bush and Newt Gingrich. In addition, three people who are economists or with strong economic backgrounds have read versions of the Introduction. Invariably, they read it as a discussion of academic economics.

In their different and restricted ways, both responses are correct. This project is motivated by the political swing to the right in the 1980s, a shift that was accompanied by a surge of talk about the virtues of the Market and consumer choice. Equally, those readers with backgrounds in economics are right because this collection touches on, and considers alternative understandings of, areas that academic economics has claimed as its own. It is almost impossible to separate fully the Market model and neo-classical economics, so that a consideration of the former looks inevitably like a consideration of the latter. The model contains many elements that resemble neo-classical economics, and many academic economists have written for and spoken to popular audiences in what I, but possibly not they, would see as an effort to shape the Market model. Perhaps more important, however, is the fact that academic economics is an expansive discipline – a point I return to in the Introduction. Its practitioners seek to apply its basic assumptions to areas of life well outside its conventional area of concern, the behaviour of market actors. In effect, then, any consideration of how people think about material decisions, any discussion of how

they make those decisions and, indeed, almost any discussion of how people make decisions at all, can be seen as a challenge to economics.

This collection can be seen to challenge economics in another way. With the decay of the older political economy late in the nineteenth century, economics turned increasingly to the formal modelling of abstract economic activities. The discipline, in other words, largely abandoned the description of the economic activities that occurred among and between social units, and pursued instead the strategy used by disciplines like physics, concerned with the formal modelling of abstract processes and relationships. Just as physics has its point masses, frictionless surfaces and pure vacuums, so positive economics has its cost-less transactions, rational actors and perfect knowledge. Economists, understandably enough, sought to become scientists and adopted the rhetoric of science, as Donald McCloskey (1986) has observed. This strategy might be called the Power of Positive Thinking, for economists saw themselves as pursuing a positivist scientific approach. However, economics differs from physics in one way that is particularly important to anthropologists: it is about people, us. Hence, economists face a test physicists do not: do their models make sense to the entities being described? Atoms are not notably self-reflective; they do not seem to care very much what you say about them. People are; they do. By addressing how people think about their economic lives, this collection necessarily, if only implicitly, challenges those who would ignore what people think.

To repeat, this collection is concerned not with economy itself, but with popular representations of it. Should justification be thought necessary for a collection that deals with popular Western representations of the Market, it is this: those representations affect how people in the West understand their world, affect the symbols people invoke to persuade each other, affect how people act in the world, and those representations have these effects because people adopt, espouse and respond to them, not because they are true.

Although this collection comes within the ambit of the general and growing scholarly interest in representation, I am made somewhat uneasy by the prospect of being the editor of a collection on 'representations of the Market'. This is because interest in representation carries at times an air of cultural idealism, of the belief that representations and their associated discourses con-

stitute a realm that 'is potentially unrelated to reality and can be left to float off on its own' (Jameson 1991: 264). This idealism has two aspects. One is a sense that cultural representations live only in a world of representations and need not be, perhaps can not be, linked to material factors and social practices, either as cause or consequence. The other is a sense that we can construe, perhaps should or even must construe, these representations without regard for the degree to which they are distortions or partial renderings of the things they are supposed to represent.

Both of these aspects strike me as a failure on the part of cultural idealists that reflects a presumption of a radical separation of culture and society, and thus a failure to keep in mind that ideas have practical social origins, manifestations and consequences. Letting these origins, manifestations and consequences slip from mind is particularly unfortunate when the representations at issue concern the economy. Representations of the economy have become especially salient over the last ten or fifteen years, and their salience has been profoundly political. As I note in the Introduction, models of the economy have been used to guide and justify government actions in liberal capitalist countries and in formerly Communist ones, not to mention in Third World countries whose governments seek to conform to the strictures of national and international granting and lending agencies, bond traders and commercial banks. In the light of these facts, treating assumptions about the economy in terms of cultural idealism seems positively perverse. To illuminate the Market, then, a concern with culture and representation must be complemented by an awareness that it is linked with how people behave in their economic activities and with the social, economic and political consequences of the Market model.

Particularly since around 1980 there has been a flurry of books by anthropologists on markets and market systems. A jaundiced reader may want to know why yet another is necessary. In answering, I want to locate this book in relation to those, a task that also will help explain its conceptual boundaries.

One such collection is Roger Friedland and A. F. Robertson's *Beyond the Marketplace* (1990 b). Several of their contributors address cultural understandings of the economy and economic processes (most notably Marcus 1990). However, the purpose of that collection is not to analyse 'the market' as a cultural entity.

Rather, the market is an empirical entity, and the goal is to understand the relationship between the market and society more adequately, to see how social, political and economic forces interact. As Friedland and Robertson (1990 a: 1) themselves put it, their collection revolves around two distinct, albeit related, questions, 'the pursuit of economic meaning in society and the pursuit of social meaning in the economy'.

Another such work is *Markets and Marketing*, a collection edited by Stuart Plattner (1985). Like the Friedland and Robertson collection, this one takes markets and their related processes to be empirical entities to be described, rather than conceptual categories to be analysed. However, Plattner's collection differs from *Beyond the Marketplace* and from this collection because, reflecting its origins in economic anthropology, its contributors overwhelmingly are concerned with economic activities outside the modern West (the primary exception is Acheson 1985). A concern with events outside the West also characterises the work of two writers with very different theoretical orientations, Stephen Gudeman (1986; Gudeman and Rivera 1991) and Michael Taussig (1977, 1980). Both deal with Latin America, and thus fall outside the geographical focus of this collection. However, their scholarly concerns are not at all distant. Although both describe economic activities, these are not topics of analysis in their own right. Instead, Gudeman and Taussig use these to illustrate and expand upon their main concern, the ways that people think about and understand those activities, their models of economic activities.

The work that this volume most closely approaches is Roy Dilley's (1992 b) collection *Contesting Markets*. Like Dilley's, the present work is concerned more with analysing how people conceive of market systems than it is with analysing the operation of those systems themselves or the activities of market actors. However, there are important differences between the two sets of papers. One of Dilley's main concerns is 'the articulation of economic discourses' (Dilley 1992 a: 1). Pursuing this interest entails attending to the ways that different sets of people, located beyond or on the edge of the modern West, construe economy, and seeing how those constructions interact with dominant Western ones. Such a concern means that Dilley's work is focused less intensely on those dominant Western constructions than is this one.

As my brief attempts to locate this collection in terms of some of the existing anthropological and sociological work indicate, its

purpose is to supplement rather than displace that work. It seeks to provide the beginnings of a description of an important Western, public understanding of the economy, and to identify some of the influences of that understanding on public and private life.

Notes

1. While there is little anthropological work on common Western understandings of the economy, there is work on understandings in societies outside the modern West. Perhaps the most noteworthy of these are by Stephen Gudeman (1986; Gudeman and Rivera 1991), Antonius Robben (1989) and Michael Taussig (1977, 1980).

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Introduction

Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economist. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back.

John Maynard Keynes, *The General Theory*

The long decade of the 1980s was framed by parallel political events. It began in 1979 with the victory of the Conservatives in Britain, marking clearly a shift to the right in Western political regimes. It ended, less sharply, in the early 1990s with the victory of anti-Communists in Eastern Europe, marking clearly a shift to the right in regimes there. These events frame a period during which the concept of the Market solidified its hold in Western culture. The concept has had a long history in the West, and has been particularly important in the United States, with its fascination with free enterprise and starting your own business (Berthoff 1980). However, it is the case that since around the Second World War the Market had existed primarily as a political icon or a formal economic abstraction. The attraction of the Market was, after all, swamped by the Keynesian consensus that markets definitely were *not* best left alone, and by the belief, held by many, that all people were entitled to minimal standards of living (Morgan and Evans 1993). This consensus faded in the 1970s for a number of reasons, arguably including the very success of that older consensus, in generating economic security. During the long 1980s the notion of the Market became as important for understanding the West as *ie* is for understanding Japan or *nif* is for understanding the Kabyle.

One purpose that unites the contributors to this collection is making this central concept seem strange. We can not make it as strange to a Western readership as *ie* or *nif*, but we can try to make it seem somewhat less self-evident. I will begin this process by presenting a brief description of the concept. This is cast in terms

as simple as those used by an ethnographer giving a first description of a concept important in an exotic culture about which the reader knows nothing. Like all such introductory ethnographic renderings, this brief description of *Market* is not only simple, but necessarily simplistic, a blunt instrument that cracks open a notion at the cost of rendering practical possibilities as cultural certainties and replacing the shading and colour of ambiguity and subtlety with a monochrome cartoon. However, this rendering will provide a start in investigating this important cultural symbol, and from this start the associations, nuances and contradictions can be filled in. Moreover, and unlike many ethnographic simplifications, the simplicity of my rendering here is warranted to the degree that it reflects what many who espouse the model see as one of its advantages. That is the way that, as the British Market advocate John O'Sullivan put it, the model 'provides clear, consistent and above all, simple solutions to the problems thrown up by society and the economy' (quoted in Cockett 1994: 194).

The cultural model of *Market* rests on certain assumptions that are far-reaching and that I want to present first in their most pronounced and idealised form. Perhaps the most basic assumption is that the world consists only of free individuals. The belief that these individuals are free means that they are the only source and judge of their desires and that these individuals are not subject to constraints other than those they accept voluntarily, as in the constraint accepted by an individual who contracts to deliver a ton of coking coal to a certain place on a certain day. There is, consequently, no imperative structure beyond the individual, no definitive moral framework, no general will. Indeed, there is no 'public' except in the statistical sense of the aggregate of individual choices and actions. As Alan Haworth (1994: 12) summarises this view, 'the fully developed market economy is "nothing more than" (or "reducible to") the sum ... of its discrete components, the individual bilateral exchanges which actually take place'.

Associated with this individualism is the assumption that the reasons why people desire this or that thing are irrelevant. All that matters is that they want it, with the corollary that they should have it if they can afford it. The other key assumption is that people are instrumentally rational. In essence this means that they want more for less, however difficult that may be to achieve in practice. When confronted with two things in identical settings that are identical in all regards but price, for instance, people will buy the

cheaper. The cultural justification for this assumption is that *buyers* who pay a lower price have more money left with which to buy further things they want, which is good. Forcing consumers to pay double for ... their choice or buy something else, hardly makes them better off' (Economist 1995).

The model posits a world that consists only of *buyers* and *sellers*. These may be individuals or organisations, and an actor who is a *buyer* at one time may be a *seller* at another. *Buyers* and *sellers* both want more for less, so that there is inevitably conflict between them. All other things being equal, the *buyer* wants to pay the least money for an item and the *seller* wants to charge the most money for it. The resolution of this conflict favours *buyers* over *sellers*, through the mechanism of *buyer choice*. When *buyers* exercise choice, they select among the things offered by *sellers* the one that most satisfies their desires, taking price into account. In aggregate the choices of individual *buyers* provide information to *sellers* about what *buyers* want at what price. Thus *Market* functions as a means of communication between consumers and producers.

The model asserts that anything that restricts the choice of *buyers* is bad, and that anything that extends that choice is good. This assertion rests on two premisses. One is that choice is a moral good, for it is the way that *buyers* can get what they want most rationally. The second premiss that supports *buyer choice* rests less on the morality of choice than on its consequences. It is that choice entails competition among *sellers*. Competition has two consequences. The first is that *sellers* will innovate, will try to offer new things to *buyers* and so increase the range of *buyer choice*. The second consequence is that *sellers* are induced or obliged to try to increase their efficiency (Leibenstein 1980: Chap. 3), which will allow them to sell at a lower price than other *sellers*. This benefits the *buyers*, who, remember, want more for less. This nexus of choice, competition and efficiency means that monopolies and cartels among firms, and unions among people selling their labour power, are bad, as are tariffs and subsidies for firms and unemployment benefits for workers.

The individualist orientation of the Market model does not just reflect the micro-economics that has influenced it. In addition, it resonates with a strong thread in British and American thought (see Carrier 1994: 157-166; Robbins 1994: 30-37), one that values individual identity and autonomy, celebrated as freely-chosen difference, and that commonly takes a more populist form. This individualistic orientation accounts for some of the popular

support the model has received. For instance, in Britain, Paul Johnson switched his allegiance from the Labour Party to the Tory right publicly in the *Sunday Telegraph* in 1977. The imagery he uses in his statement illustrates the nature and strength of the appeal that can be exerted by the model's individualism.

One reason why I joined the Labour Party was that I believed it stood by the helpless and persecuted, and by the angular non-conformist who – wrong-headedly perhaps – reserved the right to think for himself. Labour's closed shop legislation represented a historic shift in its doctrinal loyalties, from the beleaguered individual to the grinning triumph of the field-grey regiment (quoted in Cockett 1994: 227).

The attraction of the model's individualism, here cast in the populist imagery of the self-directed non-conformist confronting the field-grey regiments of bureaucratic uniformity, seems to account for the switch to the Tory right of several Labour supporters in the 1970s (see Cockett 1994: Chaps 6, 7). While this populist individualism accounts for some of the support for the model in the United States (see Nash 1979: Chap. 1), the migration of influential people from the left to the right in the United States late in the 1960s and early in the 1970s seems to have resonated with other concerns, especially a dismay at the civil disorder of anti-war and other forms of public protest (Nash 1979: 320–327).

The rightward political shift of the long 1980s was not the only event that made the Market especially visible and important. Another was the growing sense that industrial production is of decreasing significance in Western economies, a sense signalled by books with titles like *The Coming of Post-Industrial Society* (Bell 1983), *The Post-Industrial Society* (Touraine 1971) and *Postindustrial Possibilities* (Block 1990). The industrial production on which the West was said to rely was commercial, and so necessarily entailed market transactions. Even so, the primary cultural image of industrial society was of manufacturing activity within an organisation, rather than buying and selling among organisations and individuals; it was of the factory rather than the shop. The spreading popular sense of the relative decline of industrial production, a decline often facilitated by Market-oriented government policies in the 1980s, has led to a search for new dominant images and foci of attention. These revolve around the Market.

For many of those who are more economically inclined, the decline of manufacturing has meant the rise of services. While internal relations and activities in most service industries resemble those in manufacturing, much of the imagery surrounding services refers to the provision of the service rather than its production. In other words, the imagery pertains to the Market. Among those who still see a place for industrial production in the West, it is commonly argued that Fordism is dead, that manufacturing firms can survive only by becoming flexible organisations that can respond quickly to changing demand. In other words, they can survive only by making themselves much more sensitive to the Market, though interestingly, in practice this has often meant the capital market as much as the market for manufactures (see Sassen 1990).

For many of those who are more anthropologically and sociologically inclined, on the other hand, the decline of manufacturing has meant the elevation of consumption as the key to understanding Western life (e.g. Gabriel and Lang 1995; Miller 1995 a; Mort 1986). This is striking in the case of Marshall Sahlins's *Culture and Practical Reason* (1976). Sahlins explicitly rejected the contention that the organisation of production is the key to social and cultural order. Instead, he argued that the cultural interpretation of objects, which is embodied in buyers' demand, is autonomous and crucial for explaining production.¹ Here too, though perhaps less clearly than with the popular rhetoric of service industries, the master image is associated with Market processes and transactions. After all, these are the ways that people get what they consume and are important for shaping how people perceive what they consume. Likewise, as Daniel Miller (1995 b) argues, these processes and transactions are crucial causes of the sense of the rupture, distance and reflexivity that he says are central elements of modernity. Indeed, and perhaps paradoxically, they also seem to underlie and summarise much of what some describe as post-modernity, 'the consumption of sheer commodification as a process' (Jameson 1991: x).

In this shift, many academics found themselves speaking of 'consumption' and 'the market' to describe what they had previously spoken of in terms of 'classes' and 'capitalism.' As I argue at length later in this Introduction, this shift, though terminological, has been much more than just terminological. One aspect of this change in terminology is, however, worth noting

here. The shift from terms and concepts that revolved around capitalism and its processes and structures to those that revolve around the Market appears to have rendered irrelevant the mass of critical scholarly and polemical literature concerned with capitalism, and with production more broadly. It is hardly contentious to observe that the Market is, after all, the *capitalist* Market, that what is at issue is 'a system of private ownership of the means of production, i.e., . . . a market society, or capitalism' (von Mises 1944: 48). Karl Polanyi (1957 c) made this point clearly some time ago, and a few others have tried to repeat it more recently (e.g. McNally 1993). Be that as it may, Bruce Kapferer (pers. comm.) is right when he says that 'the Market' is a bleached 'capitalism': the institutions and relations involved remain the same, but the scholarly and polemical overtones have been washed away, the old arguments and analyses forgotten, the old academic literature jettisoned as inapplicable.

I have described political events and changing perceptions that made the Market more salient in public and scholarly thought than it had been previously. At the same time, these events and others made the notion of the Market more accessible and problematic. For one thing, the very political successes of those who advocate the Market made possible a greater critical scrutiny of the concept. This is because their attempts to implement the Market necessarily entailed turning this abstraction into precise practice, entailed dissolving the concept into a set of concrete institutions, actors and forms of behaviour. The economists and politicians, whether in Eastern Europe or the West, who sought economic liberalisation could not, after all, implement the Market any more than anyone can implement Justice, Liberty or any abstract notion. Instead, they had to settle on and impose specific policies. They had to create specific organisations and specific objects and encourage or oblige people to act in appropriate ways, and they have had to confront the specific corollaries and consequences, intended or not, of what they had done. Whether or not these specificities led to the results that these economists and politicians desired, they made the concept of the Market concrete, and hence more accessible and problematic, than it had been before.

The decade that saw the ascendancy of political regimes that espoused the Market saw another event, less sudden and dramatic than electoral results or the destruction of the Berlin Wall – an event that also, ultimately, made the notion of the Market more

problematic. That event was the spreading popular perception of Japan as a country with significant economic power, yet with an economic system that, in important ways, deviated from the Market, a perception that ultimately expanded to become 'East Asia' and what the World Bank (1993) called *The East Asian Miracle*.² The Japanese were not only producing automobiles, televisions and a host of other products better and cheaper than Western firms, and they were not only becoming richer than people in many Western countries. In addition, they were doing so in the context of cartels, restrictive trade practices, lifelong employment and collaboration between the state and commercial organisations, all of which restricted the nexus of competition and buyer choice that is a central feature of the model.

In the 1980s, even the casual reader of periodicals like *Business Week*, the *Economist*, *Fortune* and the *Harvard Business Review* frequently came across articles that described, analysed and drew lessons from the relative success of 'Japan', a term that subsumes the organisation and operation of Japanese firms, their relationship with the government and that government's policies and practices regarding trade and industry. Such articles would routinely point out ways that Japan departs from the Market model, and use that departure to assess the desirability of different elements of it, often by posing a series of questions: Is Japan becoming more like the West? Less? Ought we to become more like them? Ought they to become more like us? The changing perception of Japan operated in different ways from the rightward political shift that I have mentioned, and it called forth different political responses. However, the concern to understand and the attempt to counter or emulate Japanese success produced a similar result, for it also led people to unpack the abstract notion of the Market into specific sorts of institutions and practices, and subject them to scrutiny and debate.

Finally, the 1980s saw other events that also raised uncertainties about the model's adequacy, in the shape of evidence of the wealth of nations in the two countries where the Market model was espoused most visibly as government policy. I refer to Britain under the Conservative government of Margaret Thatcher and the United States under the Republican presidency of Ronald Reagan. By the early 1980s, Thatcher's policies were associated with the worst economic depression since the 1930s and the disappearance of much of the country's manufacturing industry. Things improved

only after a change in government fiscal policy, which led to the Lawson boom of the later 1980s, followed by a further weakening of the economy. In the United States there was severe disruption of manufacturing, and between 1980 and 1990 the real wages of production workers, which had been rising every decade since the Second World War, fell to what they had been in the middle of the 1960s (see Schor 1991: 80–81). Considering changes in income inequality only makes the picture more bleak (see Gilbert and Kahl 1987: 98).

The facts of economic life do not prove the model is wrong as a guide to what governments ought to do and how economies ought to run, any more than does the East Asian Miracle. Some argue that the bad economic state of the 1980s was the inevitable consequence of the profligate and unsustainable policies of earlier governments; some argue that it reflects, not too much of the Market model, but too little. But, like the success of Japan, these events led people to unpack and question the Market model.

Questioning the Market

Debates about the nature of Japan, like those about the concrete policies introduced by right-leaning governments and economic performance under those governments, signal ways that some, at least, are uncertain about the relationship between the model on the one hand, and on the other economic success and what economic actors do. Scholarly studies of market actors buttress this uncertainty. These studies address the degree to which markets and market actors actually resemble the Market and actors in it. The points I draw from these studies remind us of what, in a sense, we already know or suspect, rather than shocking us with something totally unexpected. They indicate that, in the words of E. P. Thompson (1971: 91), the Market model is 'a superstition', a 'self-validating essay in logic'. Like a superstition, the model may be true after all. If it is true, however, it is not so in any self-evident way or for the reasons that the model uses to arrive at its truths.

While the Market model is complex and even internally contradictory, a point I will return to later, an important element is the notion that Market actors are autonomous individuals who deal with each other at arm's length. Such actors are important to the model, because only independence allows the considered,

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dispassionate judgement that is necessary if purchasers are to get the greatest benefit for the least cost. For firms, rational independence is necessary for the greatest possible profit, which is necessary for survival in competition with other dispassionate, independent market actors. However, the fact is that not all firms conform to this ideal, and those who deviate are not always at a disadvantage relative to those who conform. An illustration of this is the New England fishing fleet. To anticipate a point I will make later in this Introduction, the Market model would predict that the fishing firms that recruited crews and money in the impersonal labour and capital markets would be ascendant over firms that recruited through personal relationships. However, the reverse seems to be the case. Firms that recruit through kin ties have been ascendant for the past few decades, while firms that rely on impersonal markets are going out of business or changing the way they operate (Doeringer, Moss and Terkla 1986). This sort of recruitment, moreover, is fairly widespread in a number of industries. Margaret Grieco (1987) describes how a variety of British firms recruit many of their new workers from among the kin of existing workers. Such recruitment violates the dictates of the Market model; but, as Grieco argues, it has important attractions for both firms and workers.

Ronald Dore and Mark Granovetter have provided what are probably the best-known sociological arguments against the idea that markets are populated by autonomous actors. They describe practices in different countries, Dore dealing with Japan and Britain, Granovetter with the United States. Even so, the patterns they describe are similar. When firms deal with each other over any significant length of time, commonly they abandon the impersonality and autonomy of the Market, and instead establish relatively durable relationships that have a clear moral component (see also Block 1990: 69–73; Macaulay 1963). For Dore (1983: 479), these relationships 'become regulated by criteria of fairness'. For Granovetter (1985: 490), these relationships carry 'strong expectations of trust and abstention from opportunism'. For both, then, these market actors may be autonomous some of the time. Equally, however, many of them abandon that autonomy and the competitiveness that goes with it, and instead develop moral relationships with each other. It is, of course, possible to incorporate this sort of trust into a market model. It is possible to see trustworthiness as a market attribute that makes the actor more attractive (see, for

example, Gambetta 1988), just as some consumer-goods firms portray themselves in their advertising as trustworthy and seek to promote durable moral relationships with customers (see Carrier 1990). Such an analytic strategy is likely to produce a model that more closely represents the actual behaviour of firms, as James Acheson (1985) shows in his discussion of the Maine lobster industry. However, to anticipate a point I make later, it marks a retreat from the conception of the impersonal and asocial Market, a retreat from the notion of the disembedded commercial sphere.

I said that another common element of the model of the Market is that actors are clear-headed and economically rational. One could argue that Markets require not rational actors, but only actors who make choices. In practice, however, such an argument reduces the model to the assertion that people want what they want given the circumstances. An example of this, in formal economics, is an assertion of Gary Becker's: 'A person enters the marriage market if he expects his marital income to exceed his single income' (1991: 119; 'market' and 'income' are technical terms). In other words, single people think about getting married when they think getting married might be nicer than staying single. This proposition is a tautology, its truth following automatically from the specialised definitions of 'market' and 'income'. It is only by positing some basis of choice, like rationality (or, for anthropologists, culture), that tautology is avoided, a step that also makes the proposition's truth problematic.³

In the Market, clear-headed calculation is an attribute that is forced on firms especially, if only because those who lack it will fail in competition with those who have it. Again, however, not all market actors conform to this expectation, as is apparent in William O'Barr and John Conley's (1992) description of actors at the core of capitalism, Wall Street. They studied the managers of pension funds, who, they found, deviated from the model's standards in important ways. Here I focus on only one aspect of their discussion: the ways that pension fund officials dealt with the outside investment firms that they had contracted to manage some of the pension's funds. O'Barr and Conley found that, once hired, these outside managers were almost never fired because of their objective performance, their rate of return. Outside managers were selected on the basis of their investment strategy, and so long as they maintained that strategy they were effectively exempt from dispassionate scrutiny by fund officials and their position was

secure. The reason that fund officials gave for this is that poor performance by an outside manager is likely to reflect only the fact that the manager's investment strategy is ill-suited to the current phase in the cycle of the stock market. The outside manager would do better at the appropriate phase of the cycle.

This argument appears to be rational in Market terms, for it speaks of the rational calculation of material gain. However, that appearance is deceptive. The argument reflects not the calculated financial judgement of fund officers, according to O'Barr and Conley, but the uncertainties that confront any official who wants to assess the objective performance of outside managers. Should they be assessed relative to the performance of the stock market generally? If so, against what measure of the market? There are many measures, such as the Dow-Jones Industrial Average, the Standard and Poor's 100, the Standard and Poor's 500, the Wilshire 1000, the Wilshire 3000, the Wilshire 2000 (which is the Wilshire 3000 minus the Wilshire 1000), the Wilshire 5000 and the New York Stock Exchange index, and they produce different statements about the performance of the stock market – sometimes markedly different. Alternatively, should outside managers be assessed against other managers who followed a similar investment strategy? This would seem reasonable, but information on rates of return of other managers was secret and effectively unavailable, so that this means of assessment is foreclosed. Also there is uncertainty about the period over which the outside manager should be assessed. Ought it to be a short period like three months or a year? Some argue that they should be assessed over a whole market cycle; but this is an ambiguous period defined by an uncertain concept. Some say that the market went through an entire cycle in the 1987 crash; some deny that cycles exist.

This sort of uncertainty pervaded many aspects of the world of fund officials, and in the face of it commonly they retreated to subjective interpersonal evaluations of outside managers: are they pleasant, are they easy to deal with, do they seem sensible? The retreat to these evaluations may be reasonable, given the circumstances in which these officials find themselves. However, they are not rational in Market terms.

These reasonable but not rational officials do not, however, represent a pocket of incompetence at the heart of the American capital market. Instead, they represent a failure of the model of the Market. In asserting that Market actors are rational calculators,

the model assumes that actors can foresee the consequences of their actions reasonably well and that they can foresee the actions of others reasonably well. No doubt in some circumstances some actors do have the foresight necessary for most practical purposes. These fund officials do not, however, even though they oversee funds of enormous proportions and have the resources to command extensive market research. One could argue, of course, that the model does not apply here, because the stock market is so imperfect that it is not a true market. But if the New York Stock Exchange is not a market, then what in this world is?

The lesson I draw from O'Barr and Conley's work is simple and hardly surprising. The greater the uncertainty, the less it is possible to be a rational, calculating Market actor. To a degree uncertainty is a function of the length of time between making a decision and being able to assess its outcome; and these fund officials were thinking in relatively long terms. Their situation resembles that of the firms that Dore and Granovetter described. There too, actors were thinking in the relatively long term, and thus confronted the associated uncertainties. And in consequence it makes sense for them to try to build and rely on stable, moral relationships rather than trying to meet each situation anew with fresh dispassionate calculations of the abilities and intentions of other firms.

Deviation from the ideal of the Market is also described in an influential sociological paper by Paul DiMaggio and Walter Powell (1983) that seeks to explain why the structures and practices of firms within an industry resemble each other so much; why, for instance, steel manufacturing firms tend to share similar corporate structures and practices. Based on their analysis of American corporations, they argue that many firms adopt practices and strategies for reasons that do not spring from a dispassionate calculation of their financial costs and benefits. Instead, they adopt them because, to put it crudely, they are in fashion, and anyone who reads the business literature quickly learns that fashions change with speed and regularity. Again, however, this concern with fashion marks a shortcoming in the Market model rather than incompetence in the actors. The firm that conforms to fashion will fit in with the expectations within the industry of what a competent and thoughtful firm ought to be doing. Put in other words, the conforming firm will appear worthy of trust and respect and will appear predictable.⁴

Here too, however, the situation reflects uncertainty. Without extensive and expensive investigation, it is difficult for one market actor to be able to predict the behaviour of another over any significant length of time. In the absence of the evidence such an investigation might produce, it is reasonable to look for clues that the actor in question will conform to expectations about what any competent and sensible actor would do, just as pension officials looked for clues about their outside managers. Conformity to current fashion is one such clue, and, it appears, an important one. The point I am making here is hardly novel. Indeed, it reflects Keynes's view of how economic actors face uncertainty and how their decisions can become self-fulfilling (see Wiley 1983: 43–45), a view that helps show how the Market model can be right for the wrong reasons. If conformity to the current conception of good business practice does help to make a business succeed, there is reason to suspect that it does not do so simply because of the overt reason, that conformity to good practice makes a firm objectively more efficient. Rather, it may facilitate success because conformity to the standards of good business practice is a sign that the firm is a good business, a sign that makes it more likely that other firms will be willing to do business with it. To put this more conservatively, the failure to conform to good business practice is likely to be a sign that the firm is unreliable and unpredictable, one to be avoided and hence one that is likely to fail.

I have described work that indicates that market actors deviate from common elements of the Market model, and I have suggested that assessing the results of their conformity may not be so straightforward as it may appear. As I said, I have done so only to illustrate some of the ways that the model is vulnerable, the subject of debate and uncertainty. Certainly the sorts of things I have described can be, as they have been, accounted for among neo-classical economists by elaborating and extending the model. Perhaps the most noteworthy such extension of recent decades is the new institutional economics (e.g. Williamson 1975; but cf. Buckley and Chapman 1995), associated with notions like transaction costs and information costs. Those who put forward these extensions and elaborations are reformers, for their intent is to improve a model that they see as being fundamentally correct. In this they differ from critics such as Sahlin and, of course, Keynes, who see the model as being fundamentally inadequate.

However, if these reformist elaborations and extensions became

incorporated into popular constructs of the Market, that model would begin to change in significant ways. First, these complications would weaken the rhetorical appeal of the model. Its clear, compelling vision would become hedged, qualified and elaborated; its spare and logical clarity and its straightforward predictions and explanations of real firms and real people would be lost. Secondly, and relatedly, these elaborations and qualifications would let in by the back door what some of the model's advocates grandly shoo out by the front, the sociality, morality and cultural values that were denied in the idea that Market actors are and must be autonomous individuals. A prime example of such an advocate is Margaret Thatcher, especially with her notorious claim that there is no such thing as society. This claim, on its face empirical, was a logical and normative expression of the Market model. There can not be society, because actors constrained by it and its pressures are disadvantaged in the Market relatively to those not constrained; there should be no society, which interferes with the Market and so reduces its benefits. But, despite Thatcher, it seems that the social collectivity and its manifestations that are denied by the ideal of the autonomous rational calculator end up having a significant place in what market actors actually do when they find that rational calculation will not serve.

The Market as a Model

Thus far I have sought to make a relatively simple point: the Market model bears a questionable relationship to the world it seems to describe. The debates and empirical studies I have described can not disprove the model, but they can make it seem less secure. Those already sceptical of the model's validity may think it unnecessary to spend time establishing this point; but I think it is important. It makes more plausible the purpose of this collection, analysing the model as an element of Western culture. I want now to return to a consideration of the Market as a cultural model.

That model resembles the model promulgated by economists, and particularly the neo-classical economists who dominate the discipline. As Thurman Arnold observed some time ago (Arnold 1937), economists are a small but influential group, who serve effectively as the priestly keepers of the concept and who strive to

render it in a clear and consistent way. Because of this resemblance, the consideration of the Market model in this collection is likely to be seen as a consideration of the discipline of economics itself. While it would be silly to pretend that those involved in this collection never concern themselves with the academic economic model of the Market, it would also be silly to deny that there is an important distinction between the concept in public debate and its place in the discipline. This is more true in principle, however, than in practice. While the discipline of economics is distinct from public debate, a number of economists have engaged in that debate, using their economics to justify their particular political positions. In terms of the Market model, the most noteworthy of such economists are probably F. A. Hayek and Milton Friedman (see Bosanquet 1983: Chaps 2, 3) and, of course, Keynes, whose somewhat hyperbolic passage quoted at the beginning of this Introduction points to the porosity of the boundary between discipline and public. Indeed, given the prominent place of the economy in public debate, and even in Western self-conception (Dumont 1977), it would seem difficult to distinguish clearly between economics and culture, economic analysis and policy prescription.

Economists generally use 'the market' as a model in the technical sense of a simplification of a more complex whole that aids prediction and thus is not concerned with what Weber calls interpretative understanding. So, in a classic defence of the simplified model that economists use, Milton Friedman argued that the issue is not whether the model is so simple as to be an unrecognisable caricature of actual human beings. Rather, the issue is whether the predictions based on that simplified model work for the purposes at hand (Friedman 1953; for description and criticism see Hodgson 1988: 28-35; Leibenstein 1980: Chap. 2; Marsden 1986: Chap. 2). In public debate, on the other hand, the model is assumed to have a clear interpretative element, as a strong link is asserted or assumed between the model and the real world of what motivates people and how they think about what they do. As with any important cultural concept, the link can be descriptive or prescriptive: the model can be taken as a true description of how people really think and act; or it can be taken as a guide to how people should think and act. In practice, of course, the boundary between description and prescription is vague, and people often switch from one to the other unreflectively.

This is most notable when people invoke the laws of the market-place (or, more vaguely, the way the market works) in order to persuade people to think and act in certain ways.

This core economic construction of the market is, by virtue of its abstraction, necessarily distinct from the concrete practices and institutions by which people live their economic lives. These concrete practices and institutions are expressed by more restricted notions, such as 'the housing market', 'the art market' or 'the automobile market'. The distinction between the abstraction of the market and these specific institutions and practices is important for economists. This is because it allows the assertion that specific institutions are not pure manifestations of the market as economists construct it, but contain imperfections, often referred to as 'distortions'. The concept of imperfection serves as a *cordon sanitaire* that protects the discipline's construction of the market from criticisms based on its failure to predict or explain concrete markets. As these markets have imperfections, it is possible to assert that it is the imperfections that cause the failure, not flaws in the model itself, just as it is possible to see the predictive successes of the model as springing from the accuracy of the model itself, rather than from the things that are defined as imperfections (see, for example, Hollis and Nell 1975: Chap. 1; Ormerod 1994).

Economics is not peculiar in having this conservative tendency. It is common to organised and institutionalised systems of thought about the world, being just a local manifestation of the same general process that Thomas Kuhn (1970) describes in his treatment of the way that scientific disciplines handle anomalies. Moreover, its equivalent exists in popular thought about the Market. And there, interestingly, this conservative tendency allows people to engage in practical criticism of the Market; it allows them to adhere to the notion of the Market in the abstract, while having practical reservations about the operation of specific markets or the actions of specific market actors. Gouging, chicanery, inequality and sheer offensive greed seem, to many people, to go with markets, and the ranks of the corrupt and corrupting entrepreneurs are better known than the honest and assiduous. This conceptual separation of individual entrepreneurs and practices from the markets in which they operate is a sign of the way that markets are, in Marx's sense, fetishised. That is, people tend to endow markets with an efficacy and even a life of their own that is not connected clearly

to the activities of the individuals who constitute the Market model.

However, these practical criticisms are kept narrow, for the undesirable aspects of real markets tend to be seen as individual failures and aberrations and rarely form the basis of a condemnation of the principle of the Market itself.⁵ Thus, Lord Vaizey, defecting to the Tories in 1975, distinguished between the free market and 'those who for purely selfish interests . . . seek to make money for themselves and let the rest go to hell' (quoted in Cockett 1994: 228). Similarly, in the introduction to his description of the Prudential-Bache securities scandal in the United States, Kurt Eichenwald warns against the fraudulent few who betray 'the investor faith that is an essential building block of the American economy' (Eichenwald 1995: 8). Just as undesirable aspects are seen as individual failures, so people who experience undesirable consequences of the operation of markets often do not see this as a failure of the Market to deliver its promised prosperity. Instead, these people tend to manifest (and tend to be exposed to) this same differentiation of the Market from markets. For example, house owners who suffer from falling prices tend to see (and to be told) that the housing market is weak, which does not improve their security or question the virtues of markets as ways of allocating key domestic necessities like shelter. Thus, while popular thought may not contain an articulated notion of imperfections of the sort that exists among professional economists, the practical equivalent seems to exist, and while it allows for practical criticisms of the Market, it shares clear conservative tendencies with its professional cousin.

The distinction between the abstraction and specific institutions creates what is probably the only arena that allows people to debate the desirability and applicability of the Market. Because fundamental criticism of the model effectively lost legitimacy during the 1980s, these debates see the Market as valid in essence, and restrict themselves only to relatively marginal changes in the scope and intensity that the Market should have. By variation in scope I mean that people vary in the range of things that they think ought to be transacted in the Market, ought to be available to be bought and sold. One can be an advocate of the Market but still hold that sex or policing or health care should not be sold. By variation in intensity I mean that people differ in the degree to which they think that people and institutions should be dependent on the

Market and subject to its constraints. One can adhere to the model but hold that workers, the poor or the handicapped, that fledgling or strategic industries, are exceptional cases.

These variations occasionally appear as assertions that the Market model does not apply to certain areas of life. The family is the prime such area, and if David Schneider's (1980) analysis is correct, many Americans see Market relations and values, the world of work, as being not only distinct from but antithetical to the relations and values of the family and household. This distinction is common in economics as well, for many in that discipline construe the family as a seat of altruism that is diametrically opposed to the self-regarding individualism of the Market (see England 1993). Of course, some argue that the family also conforms to Market logic (especially Becker 1991). Criticisms are likely to be most articulate when areas of life hitherto outside the Market realm become incorporated within it. Reproduction and natural resources are two notable cases. As the biological technology of human reproduction expands, things previously seen as natural processes or natural impossibilities become possible choices that can be purchased. This has engendered debates about whether they ought to be allowed to be purchased, which are debates about the proper limits of the Market, though these debates also suggest that in practical circumstances people are less sure that choice is an unalloyed good than the Market model suggests (see, for example, Hirsch 1993; for an articulate pro-Market answer to such questions, see Duxbury 1996). Debates about such limits also arise when resources previously un-owned become tradeable commodities, and hence effectively private property, such as legal authority to pollute the common air or water, or the legal authority to fish the common sea (see, for example, Pálsson 1995; Pálsson and Helgason 1995).

One of the reasons the model has the force and appeal that it does is that it roots the Market in what is construed as fundamental human nature. The Market is presented as embodying essential humanity and the ethics that spring from it. It is, in effect, what people would do spontaneously among themselves if left alone, if their propensity to truck, barter and exchange were not constrained. Consequently, any arrangements and practices that depart from the Market model require the expenditure of energy and resources, which those who adhere to the model are prone to attack as wasteful and inefficient. The converse of this is that

anything that extends aspects of the Market to areas of transaction that are not in the Market is good. Thus, hiring business consultants to advise governments on how to organise and run themselves is good. Treating citizens as customers of government services is good. Setting up internal markets is good, whether within firms or governments. And, as recent waves of corporate shrinking seem to attest, buying in the Market things and services that previously had been produced within an organisation is good.⁶

In being rooted in a conception of fundamental human nature, the Market can be used to express a range of values and pre-suppositions, many of which help explain what I have pointed to as the populist appeal of the idea of the Free Market. For example, the Market is said to be a protection against an intrusive state, and hence a guarantor of personal liberty. It is said to allow buyers greater utility and satisfaction than they would otherwise have. It is a source of efficiency, assuring the most rational allocation of resources. It is the surest motor for economic growth and personal prosperity. Underlying these is the link between the Market and the liberal capitalist West, the freest and richest place to be. This moralism exists from one of the earliest elaborations of the concept, in the foundation of Western modern economic writings during the Scottish Enlightenment. According to those writers, 'there existed behind the apparent confusion of events an order which was maintained . . . by the operation of instincts planted in men by Providence. This providence was assumed to be benign and the order so established was favourable to the welfare of men' (Habakkuk 1971: 45; see also Lubasz 1992).

As my invocation of the Scottish Enlightenment indicates, for all that the Market model flourished in the 1980s, it has been a feature of Western cultural debate for some time (Dumont 1977). Consequently, over the centuries people with disparate and even conflicting interests have interpreted it in the light of their divergent concerns and situations, so that it ends up meaning different things to different people – a diversity that was only implicit in my initial ethnographic sketch of the concept *Market*.

This diversity is less apparent among professional economists. They have, of course, criticised their own discipline's constructions of market systems and market actors, as is indicated by books with titles like *The End of Economic Man* (Marsden 1986), *Beyond Economic Man* (used twice, by Leibenstein 1980 and by Ferber and Nelson 1993) and, even more alarming, *The Death of Economics* (Ormerod

1994). The critical economic literature is broad, accessible and beyond the focus of this collection, though it must be said that much of it so assumes basic neo-classical arguments that, from the perspective of those seeking to consider the nature of the Market model, it amounts to little more than interminable squabbles over distinctions that make no apparent difference.

The breadth of that internal criticism is illustrated by some books that are fairly recent and that address different elements of academic and professional economics from different perspectives and with different ends in view. Most conventionally economic, from an outsider's viewpoint at least, is that by Richard Nelson and Sidney Winter (1982: esp. Part I), who seek an economics that is less static or synchronic. Somewhat less conventional is the collection edited by Paul Ekins and Manfred Max-Neef (1992), which illustrates attempts to make economics more sensitive to issues of well-being and welfare. Least conventional, but still thoroughly reformist, is Donald McCloskey's (1986, 1990) criticism of the rhetoric of scientific modernism in economics. Criticisms such as these are important within economics itself, and to the degree that they are taken up more generally by analysts and critics of the model of the Market they will begin to affect common cultural conceptions.

While diversity may be fairly muted within economics, in public debate and popular culture the Market refers to a range of distinct and even competing attributes, processes and consequences. For example, some invocations of the Market connote particular attributes of individuals, such as constructions of the self (the autonomous actor) and forms of thought (self-interest, instrumental rationality). These attributes seem clear and straightforward aspects of the central model as laid out in my initial description. However, they turn out to be vague and contradictory. Thus, the simple notion that Market actors are 'self-interested' appears, on inspection, to be ambiguous, as is illustrated by debates about the relative merits of and the conflicts between short-term and long-term interest. Likewise, as Albert Hirschman (1986 *b*) recounts, in the past 'interest' has taken on meanings that range from the restricted and precise to the vacuous, all put forward with equal confidence. To complicate matters further, the common modern notion that the Market is a realm of conflict and self-interest stands in contrast to a much earlier notion that Markets have a civilising and pacifying influence (see especially Hirschman 1977).

In addition, there is ambiguity about the status of the attributes ascribed to Market actors. In some cases they are seen to be innate, as in Adam Smith's famous assertion of a human propensity to truck, barter and exchange. In others, however, they are seen as environmental, consequences or functions of the operation of the Market itself, as in the somewhat Darwinian belief that Market actors have to behave in certain ways or go under. Competition is supposed to drive the family firm out of business, for the bonds of kinship can not secure qualified management as well as can reliance on the labour market. The fate of the family firm is a special case of the belief that competition will operate against those who are not instrumentally rational, who let their perceptions and economic judgements be clouded by their sentiments, who succumb to the pressures of social obligation. Alfred Chandler (1977) is an important advocate of this view, arguing that firms with family managers lack the ability to innovate, or at least the drive to do so (see, for example, Fitzgerald 1995, but cf. Kirby and Rose 1994).

This example of the family firm shows another way that the Market is ambiguous: while some invocations refer to individual attributes, others refer to systemic ones. The operation of the Market allows, for instance, the most efficient allocation of resources, and so allows the greatest net human welfare. Here, the individuals who are so prominent in some invocations of the Market are submerged into the larger system that they shape and that shapes them. Their autonomy and interests are replaced by the systemic imperatives and attractions of things like competition and free trade. Here is an important ambiguity within the model, though it is one that is hardly peculiar to it. On the one hand is the set of Market attributes that attracted those concerned with the freedom of ordinary people in the face of over-mighty organisations, whether the state or unions (but, curiously, never corporations). These are the attributes that revolve around freedom of choice, a central element of the Market model and one associated with the political demand for a minimal state.⁷ On the other hand are the systemic imperatives of the Market, which are crucial to securing the benefits it is supposed to bring. These imperatives can exert powerful constraints on individuals, and it is only by adopting narrow definitions of 'freedom' that Market advocates can claim that those so constrained are not less free than they were before (see Haworth 1994: Chap. 5; Tomlinson 1990: 128-134).

This list of elements of the Market model could be extended, and the contributors to this collection do extend it (for an interesting discussion, see Dilley 1992). My point here, however, is not to produce an exhaustive catalogue or a table of ambiguities and contradictions in the model, or even to suggest that the Market is notably more ambiguous or contradictory than other powerful symbols in Western culture. Instead, it is to note that the model is fluid and polyvalent, so much so that one would be tempted to speak of models, rather than *the* model, were it not for the fact that these different elements are part of a common orientation and pool of images that are invoked to serve common political-economic goals. While it is important to recognise that there is divergence among advocates of the Market as well as in the ways it has been implemented, it is perhaps more important to attend to their unity. After all, the political changes of the long 1980s, which took place in many countries, shared much rhetoric and imagery, venerated many of the same writers and were often supported by the same individuals and organisations (on the activities of British Market advocates in the United States and in Eastern Europe, see Cockett 1994: 305–308).

Studying the Market

This collection seeks to take advantage of and extend the increasing accessibility of the model of the Market by subjecting it to empirical and critical analysis, to see how it affects the ways people think and act and what it tells us about ourselves. However, the goals of the collection are tentative. First, because the focus of this collection is common representations of market activity, generally its purpose is not to joust with professional economists. Economists certainly have influenced policy, debate and everyday thought, but the representations that are the concern of this collection are public, and hence do not necessarily agree with those found among members of the profession.

Second, the contributors do not seek to oust the Market model and replace it with a different and better understanding of Western market economies. Anyone who sought such an end would, in any event, be constrained by the lack of independent evidence about how firms and those within them, not to mention market actors more generally, operate. This claim may seem to be

contradicted by the abundance of statistics, company reports and the like, which would appear to provide just the sort of evidence upon which one could build an adequate model. However, these sources are shaped by the Model itself, and hence tend to reproduce it. (See, for example, criticisms of notions and measures of 'capital' and 'output' in Block 1990: Chaps 5, 6.) Likewise, they ignore many of the mundane practices and beliefs that produce the commercial and economic results that they report.

Instead, this collection treats the Market model as an important element of the culture of Western societies, an element that is a fit subject for scholarly analysis. As Karl Polanyi observed (1957 b), people's substantive economic behaviour, whether inside or outside markets, is distinct from the constructs with which people represent aspects of that behaviour. The idea of the Market is such a construct. This collection analyses the Market in a range of different ways. It raises questions about the ways that actors in market settings think and talk about what they do. It describes various manifestations of the model in order to bring to the surface the assumptions built into it. It raises questions about various aspects of the model, such as the autonomous and rational Market actor. To put this all in other terms, if the model of the Market is the way that many people think of Western economy, it is appropriate to ask what are the features of the Market model and what are the consequences of thinking about economic activity in this way.

These questions are timely. Even though the events of the 1980s made the notion of the Market more accessible and more problematic than it had been in previous decades, that notion is still powerful and commonly taken for granted. The rightward shift of governments has not been significantly reversed, and the rhetoric of the Market remains central to much political debate. Many still see the Market as embodying the social and economic genius of the modern West, a genius to be extended and exploited even further. Even among those who would dissent from the political and economic programmes that came to the fore in the 1980s, the Market remains a powerful icon of that genius.

A growing number of anthropologists have been studying and reflecting on the ways that Westerners describe and think about market institutions and the market itself (see especially Dilley 1992). One of the purposes of this collection is to bring some of this work together. Doing so will help to increase its visibility and