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The Real Economy: Past, Present and Emergent

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Advance Abstract: The concept of the real economy is several centuries old, to indicate the correspondence between the values expressed in market demand and livelihood needs, and the money price of the goods, under national currency systems as the nation state wrested control of the money supply from the wash of bullion that flowed through Europe after the conquest of the Americas. In the 20th century, this relationship was formalized, to produce indices of national standards of living, rates of inflation, and to contribute to the calculation of GDP, for comparative international purposes monitored by the International Financial Institutions. In recent years, the concept of a class of economies defined and ranked as "emerging economies (and markets)" has been developed within the financial sector, largely as an index for private investment purposes. In part 3 of this paper, I examine certain literature about "emerging markets", particularly to assess how the old theme of inflation and the value of the currency figures in judgments about the future, and how the "near future" (defined time horizons) is weighed and measured. I use Nigeria as an example.

TEXT for WORKSHOP

Introduction

This paper reviews, schematically:

a) The complex "**past**": the brief history of the phases in the referent of the "real", starting with the ancient and medieval/early modern notions of monetary values corresponding to real shared values about the components of collective livelihood and the good life, whether in the *oikos* or the political community. There was an expectation of stability in these equations being crafted through highly skilled and legally enforced management of the money supply (no counterfeiting, coin clipping etc.) to reflect national culture. Later Keynes applied the concept of the "real exchange economy" to the situation where money itself is neutral and prices are created by supply and demand for goods in markets, simply mediated by money. Governments instituted a formal index, with a number-value accorded to the growth or decline in correspondence between monetary prices for goods and the need for them as mediated by the returns to labor in the market for wage work and the income it earned (the "real economy"). This was, and remains, the Consumer Price Index (CPI). This number then became widely applied to assess national economic growth (GDP), inflation, economic promise/stability, and eventually, policies with respect to the welfare of the citizenry.

b) The "**present**" use of the "real" as a material "basket of consumer goods" whose monetary cost can serve as an official source to judge standards of living at

the *oikos* level and the monetary inflation rate at the national level. A more detailed version of this recent history is in the final chapter of my essay collection, *Legacies. Logics. Logistics. Essays in the Anthropology of the Platform Economy* (2016). And finally,

c) The very recent development of international indices oriented to the "**future as emergent**", that is, the identification of economies that are promising in ways that are possible to envisage and even measure, but indeterminate in their exact pace, composition and trajectory: the Emerging Markets index (which ranks the "65 most influential cities"), and the EAGLEs (Emergent and Growth Leading Economies) classification of national economic futures. There is another index called NEST (or EAGLEs NEST), of economies whose growth rates are promising but predicted as slower than EAGLEs. Both indices are oriented towards evaluating investment opportunities, which in part would depend on the rate of inflation as judged from the CPI and monitored by the International Financial Institutions. At the end, I use Nigeria as an example, with just schematic attention to key issues (since our topic is large enough to demand a book-length treatment).

In an international anthropological discussion of meanings in our own time, the "past" is fairly recuperable, since the evidence has built up in various archives. The "present" can be described from whatever sources we have, events we can attend and instances we can document. The future as "emergent" is the particular challenge; how are these qualities identified, and by whom, for what purposes, and in what time frames? Certainly the Consumer Price Index is used for policy purposes, to benchmark government expenditures to "real incomes", "real prices", and the rate of inflation, generally acted upon on an annual basis. We can ask how the indices are applied, in the third era, to investment by international finance. If so, we can ask exactly how it is this related to government policies, bond issue and other national dynamics. The novelty and complexity of these new configurations, around such ancient and weighty concepts as "the real", pose quite classic ethnographic challenges for the study of the "formal sector", with all the components of historical elements that I defined as "legacies", that contribute to the assemblages that are analyzed with increasing sophistication in the anthropology of finance. But also, we do not abandon the vernacular terms and living conditions. In this paper I can only *open pathways*, which, no doubt, our papers can explore in much more detail.

So for us: The creation of such assemblages of past, present and emergent components, and the expansion of the range of domains to which the money/real equation is applied, is a topic of rising importance. I devote more of the paper to the "emergent", and the first visions of this as a frontier for future anthropological study (in part under the rubrics of an anthropology of finance, and in part an anthropology of livelihoods). This is because it applies so much more powerfully to "the South", where the use of indices is most recent, and it is still a "work in progress" under the surveillance of the IFIs, facing challenges in documentation as the conditions of life seem hardly to follow a "trend" but rather follow seasonal and haphazardly

unpredictable changes, as distinct from steady movements in definable and measurable directions. These topics where the "real" is invoked with different emphases of meaning, are especially relevant to inflation, monetary turbulence, multiplicity and exchange rates for mobile populations, and, thereby, leading us back again to the question of "real" life for the working and just-managing populations, as distinct from the investors. This is a very large topic for us, for future attention, so can simply be identified here, as a focus for us moving to another phase of our work, and drawing on recent other work in the anthropology of finance, such as Douglas Holmes' study of central banks: *Economy of Words. Communicative Imperatives in Central Banks* (2014). In fact, the "words" used in the arenas where government, the private economic units of various kinds (productive and financial), and the voice of the people actually meet and discuss, may be an important topic to tackle.

As for coming back to "life on the ground", and livelihoods: my newspaper one morning (*The Washington Post*, (article author Bearak) May 11th, p.A11) provided an apposite final footnote for this Introduction, to bring "present ethnography" of an "emergent future" fully into our picture. It contains a story about the money gained by youthful pirate gangs who kidnap ship crews to hold them for ransom, off the coast of Nigeria. Every ransom, here and also off the Somali coast, is reported in U.S. dollars: from $400,000 to $5 million. This would probably make piracy climb the ranks among "emergent" gainful economic activities in Africa, at a time when the profits from the extractive industries are plummeting, digital industries growing, but unemployment rates are high and a "precariat" is emerging, in part through land dispossession (Peters 2013; Cliggett TBA). But, then, how does this dollar circulation, both legal and illegal, work with respect to any of the indices depicted under the "real economy'? And, from another piece of relevant news, how does Zimbabwe propose to gain the right – as it plans to do – to print a Zimbabwean dollar in the image of the U.S dollar for internal circulation? What will happen to prices and savings? (see Jones 2010 for the last era of the dollarization of the Zimbabwean economy, BUT with – supposedly – genuine U.S.-minted dollars).

The coexistence of multiple currencies returns in yet a new era, although it is one of the oldest challenges of monetary valuations. Gresham's Law that bad money drives out good (meaning the best quality money is kept out of rapid and regular circulation, to be saved as an asset), dates from at least the sixteenth century if not earlier, and has operated with utter rational predictability in many places (Mintz 1964, on the Caribbean region during the era of slavery), although probably through a variety of management techniques.

Our topic for the workshop is vast, and of compelling importance, calling for both case studies and comparative work, as well as a probing, of the Douglas Holmes (2014) kind, of the central authorities and their definitions. The impressive paper abstracts for the workshop promise to do that. This introductory paper is schematic and simply indicative of some pathways onward.

The Real Economy in the Past: the Classical Mode

The relationship between values, in the moral-political-cultural sense, and prices, in the monetary register, arose as a challenge to conceptualize and analyze at an early phase of modern national history, as the bullion imports from the New World had produced market unpredictability, and the state took increasingly formalized control of the money supply. The classical theorists identified a dichotomy between monetary price and real value: Adam Smith and David Hume are said (see Wikipedia entries for very succinct versions) to have written that the "real price of every thing ... is the toil and trouble of acquiring it". Most thinkers of the pre-industrial era saw market prices as based in a cultural estimation and a labor theory of value. The monetary value of a market item, in the era when money was indexed to gold and silver, depended on the availability and accepted neutrality of the medium of exchange/store of value. Indeed, the concept of money as necessarily crafted, and its quality protected, to reflect and embody "real values" within a society, or political community, is much older than the 18th century theorists. The Trial of the Pyx, undertaken annually in London by the goldsmiths' guild, to test the quality of the officially minted coins, dates from the twelfth century. Copernicus, the son of a Hansa trader, developed the idea in 1526 in his *Treatise on Money*, written for the king at the time of the reinstatement of the Polish State, that control of the money supply was to stabilize prices in order to undergird confidence in shared valuations of goods in markets.

Einaudi (1953), in his review of monetary concepts in the late medieval and early modern period, traces the link between the purity of the metal, belief in the enduring value of concepts infused with a religious valuation that connected material and spiritual valences, and the centrality of the state in national life. He quotes Galiani (1750) that prices should reflect "the consensus of the public", in a culture where "the longing of medieval men for the eternal, the immutable, the universal, (was) accompanied by an abhorrence of the transitory, the mutable, and the particular" (1953:246). The acceptance of scarcity, rent and profit as components of the price/value regime comes much later, probably as all the resources for *production* entered the market, banking became developed, and rapid innovations and changes in economic life introduced a much greater expectation of fluctuation.

As the production of national monies moved into fiat money, and became a major policy domain, especially with the development of Central Banks and the rising complexity of international trade and politics in the twentieth century, the relationship between money and "real" value (the value of the thing itself, as *res:* the Latin etymology for "real") moved into a major technical concern, as well as a national political-cultural concern. The industrial revolution brought two related dynamics into play, both of them giving greater profile to monetary planning over much longer time periods than in the previous era when the rich and powerful, and the state, could simply depend on gold reserves and land ownership. First, there was the rise in long-term investment, indexed to future productivity. And then there was the necessity of shifting the care, and perceived public danger, of "paupers" from

local poorhouses to some other kind of safety net, once the "poor" increased from primarily the disabled and the destitute, to the unemployed and asset-less population, deprived of other ways of making a living. When investment, debt and life-cycle confidence in the livability of economic conditions became a management problem for the state, which now issued the fiat money, rather than a problem of the quality of the monetary form (in gold, silver or other materials), money price theory shifted into demand and supply conditions for the goods that people wanted and needed, for the various purposes of life. Political confidence and economic planning would depend on there being some predictability to the "real": that is, an ongoing reflection of the composition and level of needs and values with respect to things in life (the real economy) and their price in markets (the real price, the real exchange economy, real wages). The "real" was a mode of tracking and assessment of the relationship between money price and the goods that money can buy, especially the essential goods: housing, food, clothing, medical supports, perhaps even mandatory taxes (such as the English Hearth Tax, but to be researched further).

The Real in the Twentieth Century, as Institutionalized in the CPI, and extended to the formal financial implications

A formalized monitoring of the correspondence, from year to year, between money prices and a standardized "basket of goods", to measure the cost of living within national economies, was instated as a technique of governance at the time of the Great War in Britain. People's access to necessities would be affected by the war, and the economy would have to be managed by the state, although not as profoundly as would be the case in World War II. The Consumer Price Index was created in 1913. A "basket of goods" needed and desired by the population as a whole – food, housing, clothing, education, and with other goods added as the economy changed - was standardized, and priced every year.

The vast political-economic fluctuations of the twentieth century probably lie behind this capacity-building in the state for its assumption of responsibility for the maintenance of life. The CPI is still a key technique for indexing policies over time, and, later, with the establishment of the International Financial Institutions after WWII (Bretton Woods), for monitoring at the international level. So economic theory has gone through several shifts over this period, from classical to neoclassical and monetarist, to international, with some places taking socialism into this realm and others using real economy indices to guide and adjust social policy for populations with very varied cash incomes.

For several hundred years, then, there have been shifting theoretical frameworks and empirical endeavors with respect to the relationship between the money supply (quantitative and qualitative) and the daily livelihood valuations and experiences of the people. Inflation, market price determinants (demand and supply), and all the monitoring processes, are at issue with respect to our revisiting – in 2016 – of the concept of "the real economy" and its own repertoire of valuational techniques, especially in the increasingly – post-1989 - calculative world of the global monetary flows and exchange rates among currencies which are still, mainly – except the euro

in the European Union and the franc CFA in Africa – exclusively national monies as they are issued, but perhaps increasingly *inter*national in their popular usage.

I include (below) a paragraph from a chapter of my own that appears in my essay collection *Legacies, Logics, Logistics* (2016), to illustrate the shift from the "real economy" in its classical economic mode, to the "real exchange economy" of the capitalist mode, and then the international comparative monitoring mode. We can track, here, the building of a *financial* instrument – a measure of inflation – onto what was first – and to some degree remains - a depiction of the *quality of life/standard of living*, using the same measurement technology.

> The more that economic activity moved into money-making, the less "real" it would be. Brought forward into the 20th century, and into market economics, the "real exchange economy" was a concept used by Keynes to identify how classical economic theory brought the "real" in as a misrepresentation, as itself a fiction, in order to maintain a general theory of value and to control the place of money and finance in their analyses. He writes (General Theory of Money, end of Ch 3, p.30): "It may well be that the classical theory represents the way in which we should like our Economy to behave. But to assume that it actually does so is to assume our difficulties away". In fact, Keynes writes of the "real economy" assumption: "this procedure deprives our analysis of all reality" (p.60). With his focus on employment conditions, he argues that the supply of labor is not solely a function of real wages, and that we need a different framework in order to examine "the actual employment" (p.8). Fantacci argues that Keynes' writings on money were aimed at escaping from this relegation of money to only the question of quantity, consigning it to being a "veil", in order to address money as it actually operates, which he saw as a kind of capital that redistributes income towards rents, which then pulls it out of the kind of investment that generates employment. Hence a theory of value, that used to undergird all reference to the "real" in economics, went into cold storage, often replaced by "actual", for reference to economic activity. In technical terms, it survived only as an index of inflation rates." (Guyer 2016, Ch. 12)

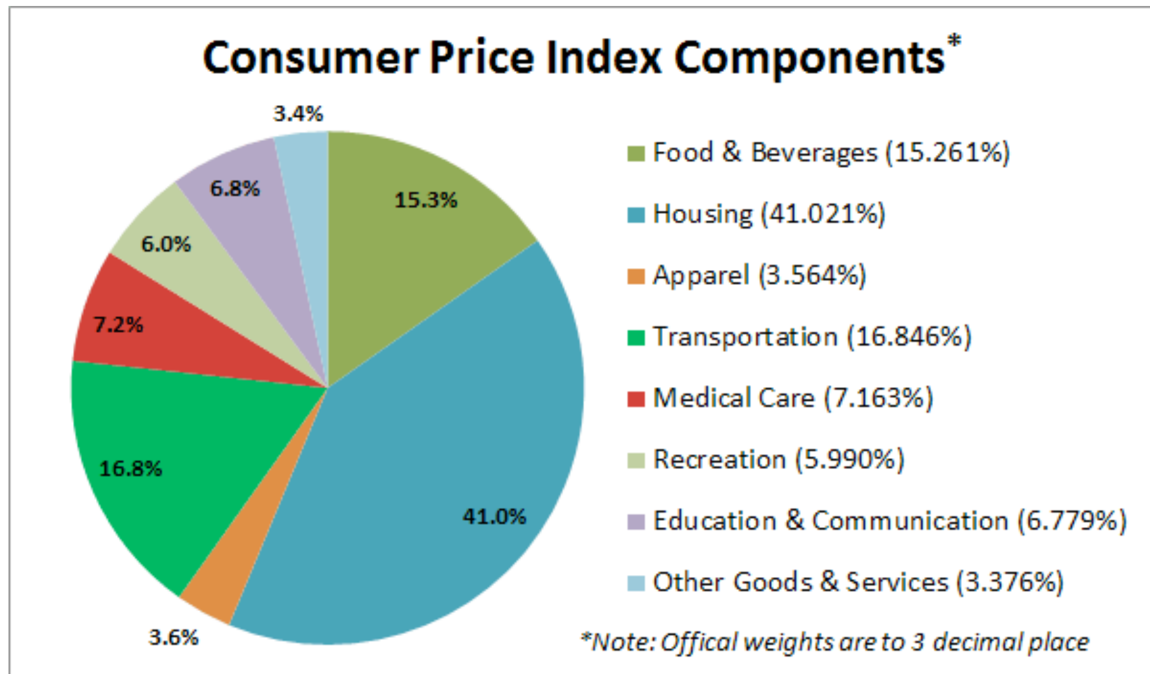
It appears, then, that the "capital" aspect of money and its "purchasing power" aspect began to be disaggregated. So the composition of the CPI in any time and place requires very detailed work on the part of the officials, which in the U.S. is located in the Bureau of Labor Statistics: sampling of the population and creation of diaries, the composition of the list of the goods to be included, the according of weights to them for the production of a single index, and the reporting of the results as a) the inflation rate and b) the basis for a summary of the components of people's cost (and standard) of living. At certain moments, the definitions have been changed. For example as housing values rose on the market from the late 1980s, the CPI specialists disaggregated the "returns to investment" aspect of home ownership from the cost of what was depicted as consumption, under the rubric of "shelter services". This allowed them to index "shelter services" to the rental equivalent of the residence. Even then, the composition is complex, since rent comprises financial

as well as consumption-upkeep costs, and taxes. In a review of the CPI on housing, Verbrugge writes: "consumer price indexes seek to track inflation in current consumption. But for a homeowner, a house is an investment good as well as a consumption good. The statistical agency must estimate the price or value of the consumption services, but – since these are considered out-of-scope for most price indexes – must separate out the financial aspects of homeownership (2006: 42)". A *Washington Post* newspaper article (Davis May 12th 2016: A1) attributes the recent rapid rise in family homelessness in the city to the "rapidly rising costs of the country's hottest real estate markets". As global elites place their capital in real estate, all over the world, we are clearly facing an ever-larger CPI challenge with respect to the classical "standard of living" reference of the "real" in relation to the "monetary", especially with respect to housing (as investment) and shelter (as consumption). The detailed negotiations continue, and their technical applicability to different domains of economic governance - such as welfare payments and provisions, medical support, and various subsidies - also continues.

Here (below) is a recent depiction of the United States CPI components, in the cost of living, rather than the inflation-measurement, mode. Housing has risen significantly since the 1950s, when it was about 30% of total expenditure, whereas in 2012 it was 41%. At the same time, many other components have been added, such as computers and phones, and probably transport has grown. So the "present" phase in the "real economy" as understood in the classical mode of reflecting need and value, may be seen as resting on a continuing formal process of intricate adjustment of an increasing myriad of components. How these reflect the actual values of the consumers – smaller house? more leisure pursuits? high cost of transport to work (and parking?)? etc. - would be a research topic, as would the ways in which officials in different countries and in the IFIs manage the insertion of *values* into the weighting of the index, as distinct from simply describing the proportional expenditure. (What they call "weights" for the items is a process to look at closely, for which I did not yet have the opportunity to search).

From Federico Neiburg's comments on my first draft, I was drawn back to this depiction and realized that the financial aspects of *people's* budgets are not included as a specific category, perhaps since they do not count as "consumption" for the inflation-tracking purpose: for example, interest on debt (which we see very prominently figured in several of the workshop papers), the cost of insurance, social contributions, and probably other household-based expenditures (since the household is the unit for documentation). Taxes do not figure, although from the "consumer household perspective", they pay for certain kinds of "consumption" that would make up the people's sense of a "standard of living", and they are clearly factored into people's budgets and choices of where to live. The political dynamics of the CPI composition clearly become increasingly important as the financial aspect pulls away from the "standard of living" aspect, except perhaps for the instances where it is written into the provisions of social safety nets that are financed through taxes. As Federico suggested, we could develop further an ethnographic probing into exactly how the labor unions conceptualized their own claims, in order to influence

policies with important safety-net implications, especially under the twentieth century approach which combined some of the classical meanings of the "real" with the indexical meanings for the value of the national currency.



Source: BLS; The most recent reweighting was in December 2012.

The proximity (on the page of this paper) to the visual depiction of the CPI components in the USA seems an apposite place to indicate that in a conclusion to the next section on **emergence**, which is primarily based on the macro-financial bundling of the CPI with other indicators of *investment* potential, I turn back, at the end of this section, to a brief review of how the CPI is calculated in just one of those emergent countries, Nigeria, with respect to the classical meaning of "real". We can then ask how the unpredictability of life, as distinct from the poverty of life, as depicted by Guy Standing's (2014) concept of "the precariat" (now also taken on by the IFI reports on poverty, see The World Bank 2001), may be reflected in any new modes of attention to the "real economy" (in any of its theoretical versions). How, for example, can there be "real wages" in economies where very few people earn "wages" at all? And what are "real prices", where food may take up a much higher proportion of total expenditure than in the U.S., and where it is subject to much wider seasonal fluctuations and has increasing *imported* components whose local prices are affected by the exchange rate? And possibly, what is being measured when anyone who does earn "a wage" takes up responsibility for a far wider range of kin than any classic definition of "the household" as one man, one wife, and their children would cover? Wage-earners may function as banks for their kin.

Emergent Economies, as Depicted in Indices

The concept of emergence has itself "emerged" in fairly recent years, apparently to capture the relative imprecision of prediction in a world where definitive historical tracks of development are no longer anticipated in exact step-by-step fashion from now into the future, or according to clearly defined plans. We see this implicit open, although perhaps exemplary, indeterminacy in such popular publications as Alec Ross's *Industries of the Future* (2016), several of which – such as digital money - he sees developing fastest in Africa. Jean and John Comaroff (2011) make the suggestion that new forms of labor organization are being tested out in the "global south", for application elsewhere. The concept of emergence itself comes from the science of complex systems, which are composed through ongoing dynamic interactions amongst smaller and simpler entities.

In response to Federico Neiburg's draft paper on "emergencies" and the real economy, I was encouraged to link the two concepts of "emergent" and "emergency" and trace their etymology, in order to see how they might imply one another. That is, the "emergent" economies are very promising (as if coming out of a chrysalis) and also indeterminate in a way that might be very unstable. *Etymologyonline* offers: for emergency, "unforeseen occurrence requiring immediate attention" and for emergence, "a process of coming forth". The application of these terms may be a line of enquiry to pursue closely with respect to the mobilization of the concept of the "real", in its previous senses, in order to sense a "real' of the near future. It is striking (and addressed in a conference paper I wrote recently, Guyer 2016 b) how frequently the popular literature on the economies of Africa use the concept of "next" to depict the future, such Bright and Hruby's (2015) *The Next Africa. An Emerging Continent Becomes a Global Powerhouse*. I bring the time-line question, and its terminology, back in my Conclusion.

The two macro-economic indices in which "emergence" is a concept, and where the CPI figures in certain of its "real economy" referents, are: a) the Emerging Markets index (which ranks the "65 most influential cities"), and b) the EAGLEs (Emergent and Growth Leading Economies), which now includes 13 countries whose rates of GDP growth (which would also depend on normalization through the inflation rate and the CPI) are comparable with the G6 countries (the most wealthy). Oddly, the membership in this category overlaps with the BRICS, but then this latter acronym is formed of the names of the countries themselves (Brazil, Russia, India, China, South Africa, which were first to "emerge" into the global economy, post 1989), probably by size and industrial dynamism rather than being defined by a comprehensive inventory of their qualities. Brazil, Russia, India and China are still EAGLEs. (To note: this is yet another official definition into which we could dig for understanding its designation, composition, shift in membership and deployment over time). Here, below, is the application of the findings of the national CPIs to define inflation, largely for investment purposes. For comparison, we can note that inflation for the so-called "hard currencies" was, most recently, under 1%.

Table: EAGLEs, Rates of Inflation, as judged from the CPI (source: the currency entries on Wikipedia, May 2016)

Bangladesh	6.17%
Brazil	10.71%
China	1.4%
India	5.41%
Indonesia	4.00%
Iraq	2.00%
Mexico	-2.5%
Nigeria	9%
Pakistan	1.8%
Philippines	-1.1%
Russia	12.9%
Saudi Arabia	3%
Thailand	3.02%
Turkey	6.57%

Predictability on returns to investment earned in these economies presumably also depends on the exchange rate over time, especially vis-à-vis the hard currencies in which most capital is kept these days, and the terms written into contracts. How domestic rates of inflation might affect foreign investment is unclear to me (an anthropological reader, not yet schooled in these mechanisms), but the IFIs appear to be most focused on some level of predictability, in each national context. But what, then, is the "future" as a calculated horizon in such "emergent" economies with higher rates of inflation than the "hard currency economies" and more unstable/declining exchange rates against the dollar, the euro and the pound sterling (and perhaps, in emergent fashion, the Chinese renmimbi)?

Our deeper question, as anthropologists focused on The South, becomes: How do the two-digit rates of inflation, calculated based on the CPI, work at the worker-consumer level of the "real" in Russia, Brazil and perhaps extending to Nigeria (reported at 9%, which has fluctuated in the recent past)? This would be a key research topic to open up. There appears to be an embedded assumption in the "emergent growth" index that capital investment, by large financial funds, is going to pay off for the investors: with the time frame formalized in what they call "forecasting'. But exactly how, in which domains, and with what results for employment and "real incomes" at the worker level, seems to be left to private observations and decisions (unless such discussions take place off the publicly accessible page).

This would be a very large field to explore, but I return, more briefly than the subject deserves, to the composition of the CPI and its implication for the classical sense of the "real economy" of values and livelihood, in an EAGLE (Emergent and Growth Leading Economy), Nigeria.

Example: The Nigerian CPI, and the relevance of "the precariat"

This section is not as developed as I had hoped it would be. I might need a new visit to Nigeria to amplify it. The "basket of goods" is almost as voluminous as for the United States (800 items); Nigeria measures 740 goods and services (National Bureau of Statistics, CPI report, No. 507 May 2012).

"The index weights are based on expenditures of both urban and rural households in the 36 states. The most important categories in the CPI are Food and Non Alcoholic Beverages (51.8 percent of total weight); Housing, Water, Electricity, Gas and Other Fuel (16.7 percent) and Clothing and Footwear (7.7 percent). Transports account for 6.5 percent of total index and Furnishings and Household Equipment Maintenance for 5 percent. Education represents 3.9 percent of total weight, Health 3 percent, Miscellaneous Goods and Services 1.7 percent and Restaurants and Hotels 1.2 percent. Alcoholic Beverages, Tobacco and Kola account for 1.1 percent of total index, Communications for 0.7 percent and Recreation and Culture for the remaining 0.7 percent. [1]

http://www.tradingeconomics.com/nigeria/inflation-cpi

We can compare this with the USA proportions (page 6), percentage weight:

	Nigeria	USA
Food, non-alcohol bev.	51.8	15.3
Housing, fuel, water etc.	16.7	41
Clothing, footware	7.7	3.6
Transport	6.5	16.9
Education	3.9	6.8
Health	3	7.2
Miscellaneous	1.7	3.4
Recreation and culture	0.7	9.0

Whereas housing and transport might be most vulnerable to fluctuations in money value and money income in the USA, with perhaps other categories of expenditure

[1] For change over time, same website as above:
Year-on-year, food cost made the biggest upward contribution (prices increased 12.7 percent following an 11.3 percent rise in February). Additional upward pressure came from cost of housing, water, electricity and gas (15.9 percent from 13.9 percent in February); clothing and footwear (12.0 percent from 10.6 percent); transport (13.2 percent from 11.5 percent); furnishings and household equipment (9.1 percent from 8 percent); education (12.9 percent from 12.1 percent); health (8.9 percent from 8.6 percent); miscellaneous goods and services (10.3 percent from 9.5 percent) and alcoholic beverages, tobacco and kola (10.9 percent from 9.9 percent). Prices of restaurants and hotels increased by 8.7 percent slowing slightly from an 8.9 percent rise in February.

being curtailed in order to navigate the shifts and changes, clearly food takes central place in Nigeria. We can ask, then, how, the building of longer-term assets, as distinct from devotion to immediate consumption, plays out for the people in these two systems, offering a kind of back-up security in situations with increasing unpredictability in the classical "real economy". We might look first, then, at the breakdown of items generally considered to be "consumption" items but which have quite different temporal implications for building up assets with longer term value: material assets, dependable social relationships, and any other category, particularly for the precariat.

The Nigerian analyses separate food, and then group *all* consumer items together, to track the change in value from year to year. And they do so state by state. So this makes it possible to track the changes in emphasis in the cost of living: over time and space. Using the official source for 2012, I illustrate the different elements in the following text and table, and the changes they underwent from 2008 to 2012.

The major changes over those four years were in education and health costs, which rose. (There is no pagination in the report, so quotations are simply offered. The Table is composed from the evidence).

> "On a month-on-month basis, the core index increased by 1.1 percent in May 2012. The rise in the "Core" index could be attributable to higher price levels in divisions that compose the index, such as clothing and footwear, gas and other fuels, transportation, and other class items such as carpets and floor coverings, and education materials."

This observation leaves open the possibility that the elements most susceptible to price rise might well be imports, susceptible to the unstable exchange rate, as well as to other determinants of price. Out of 37 states (36 plus the Federal Capital Territory, Abuja), I took a) the ten with the highest rise in the composite "all item" CPI, b) the ten with the least rise, and c) the three with the most prominent cities: Lagos, Kano and Abuja.

From the numbers, and a map I made, we can make two inferences:

1. The "all item" rate rise was higher than the food component in only four of the top-rise states, although the margin was very narrow in all but two (Bauchi and Edo States). The "all item" category was higher in just one state with an important urban population. And five of the lower-change states saw the "all item" index rise higher than the food index. So food prices are an important component of the rise in the cost of living in all cases, although not entirely responsible for it, and perhaps least responsible where the full range of goods was wide and inclusive. Are the states where food accounts for the main rise in the CPI, then, amongst the overall poorest? Are they those where the population makes a particularly precarious living?

2. From the map (which I may include in a final version), I could see that there appears to be no geographical or economic concentration. The question of regional variation would be a theme to explore.

Table 5. Combined Urban And Rural State Consumer Price Index (Base Period: November 2009 = 100. Figures for May -2012

36 States, plus Federal Capital Territory (Abuja):
10 highest, for "all items; 10 lowest

	Food	All Items	All Items, ratio to Food
Highest rise in CPI (all items)			
Bauchi	131.5	145.2	+13.7
Edo	129.5	144.5	+15.0
Yobe	140.5	140.3	-0.2
Borno	138.1	138.9	+0.8
Kwara	130.4	138.7	+8.3
Adamawa	138.6	138.3	-0.3
Bayelsa	139	138.2	-0.8
Kaduna	137.4	137.1	-0.3
Taraba	136.8	136.8	+0
Ogun	138.1	136.2	-1.9
States with Great Urban Centers			
Kano	136.2	135.6	-0.6
Abuja	136.8	135.5	-1.3
Lagos	130.6	133.4	+2.8
Lowest rise in CPI			
Akwa Ibom	128.6	133.0	+4.4
Cross River	134.3	132.6	-1.7
Imo	136.5	132.2	-4.3
Anambra	130.1	131.5	+1.4
Plateau	128.0	130.5	+2.5
Ebonyi	129.2	130.5	+1.3
Enugu	131.9	130.3	-1.6
Kebbi	128.6	129.8	+1.2
Katsina	134.6	128.8	-4.8
Osun	131.7	128.2	-3.5

Those of us also concerned with the classic meaning of the "real economy", for the people, can pause to make an effort at a closer understanding of how these figures are informing the CPI, and its creation and deployment for international reporting and for policy adjustments, and its importance in the definition of Nigeria as an "emerging economy", as distinct from Lagos as an "emerging market" and from the oil economy as its own separate sector.

The place of inflation in investment is its own “black box” for us: to be understood, when we can. Presumably inflation depresses demand for any good that comprises elements from economies with stronger and more stable currencies. For Nigeria, reportable inflation was relatively low for about two years, when the CPI elements are bundled, the sources are merged and the national index is compiled from these data. In 2012, Nigerian inflation was about 10% and then surged to 13.7% in 2016, with a “forecast” rate of 14.3% for July 2016, as posted on the trading website:

> “Consumer prices in Nigeria surged 13.7 percent year-on-year in April of 2016, compared to a 12.8 jump in the previous month. The inflation rate accelerated for the third straight month, reaching the highest since August of 2010, boosted by higher cost of food, electricity, due to the effect of higher tariffs assigned in February and transport.”
> http://www.tradingeconomics.com/nigeria/inflation-cpi (May 24, 2016)

This site also suggested that imported food was one of the main reasons for the rise, due – they argued - to the decline in value of the naira. The exchange rate more or less stabilized between 2009 and 2012, but at the lowest ever value of the naira (about 160 to the dollar, whereas it had been about double that value ten years earlier). Politics enters in, as they note for fuel subsidies: “In Nigeria, the inflation rate decreased to 9.0 percent in January of 2013, as the effect of a year-earlier reduction in fuel subsidies dropped out of the calculation and food prices decreased.” Such political interventions surely enter into the financial monitoring by the international organizations, and probably affect private investments, which are geared to their own longer-term future.

Clearly we could try to understand how *all* these crucial indicators are conceptualized, constructed, deployed and understood by the various actors, everywhere, since they bear such import in the globalized economy, as distinct from building the classic national economies to which Copernicus and Adam Smith were directing their attention. (Several of the workshop papers take on this challenge)

For those of us in the study of actual life on the ground, it clearly poses further questions: about the national economy, for example, Why does a country with as much land and as many farmers as Nigeria have to import so much food?; and, at the other pole of the arc of analytical focus, What about the people’s own use of money beyond “consumption” in the narrow and immediate sense, so comparable to the investment, insurance and other longer term horizon costs which seem missing even in the U.S. calculation of the CPI (unless it falls under “miscellaneous”)? If we would turn back to the classic question of what money can buy in relation to income, want and need, and how people manage this in an irregular fashion in an unpredictable world with an unstable network of dependents, we have new issues to probe with respect to “standard of living” across time and the phases of life. And we would attach to the price research some attention to the practices of cash

management: in what denominations, preserved in what ways and amounts, and by whom, and with what implications for the overall money supply in circulation.[2]

As we see from many news stories - including those cited here, another on Venezuela (where there is a parallel currency market, and savings in dollars, whose exact dynamics seem inscrutable[3]) and all accounts of the payments by Syrian refugees for travel to Europe - possibly the members of the precariat of the world are moving their assets for the realization of "real values" over the life cycle, in many cases, simply for survival, into *hard currencies,* held in storage, while the investors of the world are moving their *money as capital* into the realization of emergent possibilities of unknown, and perhaps very high, money returns from "real" (i.e., real estate) property elsewhere than their home countries (London, Paris, New York, etc.). And perhaps also into investments that are backed by insurance and political alliances. These may well be complementary processes. The loss of land, whose produce could function as a component of "real income", is a phenomenon in all these unstable places where the precariat could find money income sources for at least part of the year from the farming economy, while also relying in part on *local* cash-circulation and credit practices. Dispossession leaves a migrant, dispossessed population to deal with patchwork potentials for income and different social practices for ensuring cash circulation.

We have a growing, and impressive, anthropological literature on this situation (Ferguson 2015, Peters 2013, Cliggett TBA, Mavhunga 2014) but have yet to examine the time lines with which the "consumers" (many of them also "producers", of goods but also of social life) judge how to devote their cash. Are they, too, in "emergent" and "emergency" modes? Over what time periods of projection?

Before concluding, I turn our ethnographic attention, briefly, to the components of the "market basket". When we look at them closely, the intricacy of their composition can be inscrutable. For example, a recent re-working of the method for the British CPI decided that "The basket of goods and services chosen reflects changes in society's buying habits. For example, on 23 March 2009, rosé wine and takeaway chicken were added to the basket, whereas volume bottled cider and boxes of wine were removed." In the American context, as mentioned earlier,

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[2] Kabiru Salami and I (2016) are co-authoring a conference paper on the patchwork cash-credit practices in a rural area of Southern Nigeria

[3] New York Times, Monday 19th Oct. 2016. *Venezuela's failing bolivar fuels black market for U.S. dollar*

The official government rate $1 = 6.3 bolivars
The black market rate $1 = 700 bolivars
(100 last year)
Minimum wage = 7,421 bolivars per month
= $1,178 at the official rate
= $10.60 at the black market rate

the rise in the price of real estate led to a revision of the definition of "housing" to focus on "shelter services" as distinct from the investment cost. Another source on the U.S. CPI lists vegetables, one by one (broccoli, asparagus, etc.). We need to track out the components for Nigeria and other countries, and the implications not only for the formal inflation rate, but for understanding the standard of living, and especially the composition of assets over time: the life cycle, the small family business process, the instability of day to day life (especially, perhaps, of income) as people move from what used to be called "subsistence" and "proletarian" occupations into the patch-worked lives of the "precariat".

The ethnographer can bridge the scenarios: from the formation of international surveillance criteria, to the national and state level monitoring and adjustment, and down to the meaning of "consumption" for those whose lives are being depicted, in their own experience and aspiration for a future with varied horizons. We can see the time frames shift at each level. Inflation matters for investment and policy-making over the time frames of formal relevance: the defined horizons of the future. At the people's experiential level, the focus on "consumption" over the very short, cumulative time-frames of the surveys is insufficient for understanding their own projections of life, including their navigation of Gresham's Law in the 21st century.

Conclusion, the Time Frames, and moving into our collective work

For us in anthropology, the question can best be turned into ethnographic mode, to ask how the CPI is actually created and applied (by the formal sector, as an index), and how the people are valuing themselves and others under the complexly composite regimes in which we now live and create values. And turning to the intellectual concepts, we have the following: "real" as the manageable equivalences amongst the basic things in life; "real" as a measure of the stability of money price and returns to labor over time; this "real" as applied to inflation, which then affects the financial side of life; "realization", in the ANT-finance school mode of focusing on performative effectuation; and the selective application of indices into investment in the "emergent" economic world, where the "next" is much closer to being "real" than any ideology or plan would depict. I would suggest, now that the concept of the "real economy" has been nuanced in different directions, that we also attend, in ethnographic spirit, to:

a) the exact ways in which the formal sector in various places has formalized the referent of the "real", as a category and a quality to be measured;

b) the ways in which different locations and contexts understand and implement it, in the context of oversight from the IFIs, the international banks and investment funds (who have created this indices), and the people on the ground who experience all the current fluctuations in exchange rates, economic growth, the precarity of work and other challenges of the personal life cycle and collective collaboration.

Precarity has no predictable time horizons. But perhaps neither does "emergence", in the mode of newness. So, back to "next", as indicated above. As a final note on my 2007 paper on the evacuation of the "near future" as planning, and its place being taken by the immediate response to rational and bureaucratic decision-making (in "punctuated time" mode) and the very long term playing out of market forces, I wrote in a recent workshop paper that the word "next" is "emerging" very strongly in many domains of economic reporting, even if it is not yet a technical term. The vernacular for the "near future" appears now to be "next":

> " "Next", in fact, is a recurrent word in much of this literature, perhaps allowing thought to get away from *all* of the old ideological and analytical terms that imply longer processes or specific goals.' (Guyer 2016b).

As if as a reminder to remain in ethnographic mode all the time, my home-delivered *Washington Post* very recently ran an article that began: "There are so many next-big-things in beauty right now, it's hard to predict what'll truly be next." (Copeland May 23rd 2016). This kind of provocation in the vernacular mode can lead us back to the formal sector calendrics with questions about how they are benchmarked with respect to an "emergent" economic world. Is it the *annual* report on the rate of inflation from the CPI results that sets horizons for economic prediction, or the "*forecasts*", or some other mode of thinking the past, present and the emergent future? And do they differ by domain of the economy?

The paper topics for our workshop look extremely promising for the "next" themes on our expansive topic to "emerge".

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