The real economy: the challenge of dialectical method

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Abstract

This paper has two parts, each concerned with the dialectics of ethnographic realism. The first considers my own work on the informal economy; the second examines virtual reality and the scope for anthropology online. Anthropological ethnography is grounded in the fieldworker's lived experience, not objective records. An objectively real economy is less plausible in the context of the internet. A dialectic of the imagined and the real took shape in my Accra research on the informal economy. No idea can capture what people really do. So I set out to document the real economy of the slum through the formal/informal pair.

Hegel begins with experience. An idea gives part of it 'form'. He shows the error of taking an idea for reality using the 'house' as concept and material process. The formal/informal pair was based on an opposition between state and market. To be human is not just to take part in everyday life, but to engage with large-scale ideas and practices that are ultimately global. We must think creatively in terms that both reflect reality and reach out for imagined possibilities. As a result of neoliberal deregulation, the informal economy has taken over the world.

Virtual reality is a process of extension from the real to the imagined. The digital revolution aims to replicate at distance or by means of computers experiences that we normally associate with face-to-face encounters. What interests me is how what we do offline influences what we do on it and *vice versa*. I draw on late Kant and Heidegger's metaphysics to revisit dialectics in terms relevant to online and offline experience. Every human subject makes a world whose centre is the self. This opens up only if we recognize ourselves as finite individuals living in concrete time and place. The dialectical pair, personal and impersonal, links engagement with the internet to other questions, such as money.

Anthropologists today have to make sense of the world revolution we are living through. The Open Anthropology Cooperative now has 20,000 members, providing a forum of experimentation that yields significant lessons for anthropology. Anthropology online is caught between social networks and academia. Ethnographic precedents don't help if your aim is to found a social movement. The paper concludes with a few thoughts on digital anthropology. Taken together, its two parts should throw light on the dialectics of realism in anthropology.

The realism of ethnography

Raymond Williams defined 'realism' as a modern literary genre.[1] 1. It revealed a new class to the reading public. 2. It was contemporary rather than backward-looking. 3. It dismantled the sacred

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[1] Williams, Raymond. Realism and the contemporary novel, in *The Long Revolution,* Parthian Books, Swansea (1961).

myths of old society. Malinowski fulfilled all three criteria in *Argonauts of the Western Pacific* (1922). The Trobriand Islanders organized international trade without markets, money, states or an ethos of buy cheap, sell dear. Like the hit movie, *Nanook of the North*, they offered a dignified alternative to a western civilization demoralized by mass death. By insisting on encountering them as they currently were, Malinowski abolished an evolutionism that saw them only as precursors of civilization. And the main sacred myth of the day, *homo economicus*, was consigned to the dustbin of history (perhaps). Fieldwork-based ethnography was a winning recipe and it has served anthropologists well ever since.

Ethnography has not only taken over anthropology, but it has been adopted by many other disciplines. Anthropologists know that their version is different and superior, but they have been inhibited in developing the point by Malinowski's other legacy – his claim that ethnography was a science. Ethnography for non-anthropologists usually means making qualitative observations in limited time and space. These then become public documents to be cited in any analysis. Anthropologists collect field notes in similar vein, but they don't grant public access to them, except sometimes after death. Why this reticence? Because the relationship between ethnographic analysis and the field notes is speculative rather than positivist.

Durkheim taught us that we internalise ideas by living in society. This is one consequence of extended fieldwork, we absorb much from the place we live in, but this knowledge often lacks the concrete objectivity of a documentary record. We may start from notes, but we place them within a broader understanding of that society. It is this reaching out for more general intuitions that distinguishes anthropology from other disciplines. We may well discover more profound truths in this way, but we can't demonstrate their source, as a science should be able to. That might be less embarrassing if the discipline had not sold itself to the academy as a science at the height of positivism. As a result, anthropologists don't feel able to celebrate their method and often end up representing a speculative humanism as science.

Since 1990 my main excursions into ethnography have been online. This has led me to explore the dialectics of virtual reality. The idea of an objectively real economy is less plausible when relations are mediated by the internet. Dialectical reason is intended to capture the movement of thought in society and history. Rather than merely reproduce the status quo, we imagine future possibilities whose initial conditions are actual. The movement of thought and practice is thus from the actual to the possible. Rather than being restricted to a positivist version of reality, we can embrace a world of change, grounded in what currently is.

This paper highlights a persistent thread in my work which might be called 'the dialectics of realism'. In an interview with Federico Neiburg and Fernando Rabossi ('Trying to make a meaningful connection', Rio 2011, shortly to appear in *Mana*), I recalled how as a teenager I felt keenly the need to bridge the gap between myself and impersonal society. I felt oppressed by anonymous examiners and sought to influence them through a variety of techniques of self-presentation. Later this became an *idée fixe* of my anthropology, connecting the everyday with the wider reaches of a society whose principal mechanisms were impersonal – state bureaucracies, capitalist markets and science.

This took shape in my Accra research on the informal economy. Around 1970 the state was considered universally to be the main actor in development. Economists were either Marxist or Keynesian, with liberals extremely scarce. I knew that no idea, however big and strong, could ever capture what people really do. So I set out to document the real economy of the slum, with Hegel as my guide.

Hegelian dialectics

G.W.F. Hegel pioneered dialectical method in *The Science of Logic* (1812-16). The object of philosophy for him was not individuals, but societies. Societies move because they are in history. So how can thought move systematically along with its object? The answer is dialectic. Dialectical method is often considered to be difficult, especially in the Anglophone tradition of empirical reasoning. But it is part of human thinking in general, where it is known as conversation. The other method of thinking in movement is story and this has not yet become a branch of philosophy.

Hegel begins with experience, a disorganized muddle. An idea gives part of it 'form'. Form is an idea whose origin lies in the mind. It is the rule, the invariant in the variable, predictable and easily recognized. In a birdwatcher's guide, it would not do to illustrate each species with a photograph of a particular bird. It might be looking the wrong way or missing a leg… So a caricature shows the distinctive beak, the wing markings and so on. So idealist philosophers from Plato onwards thought the general idea of something was more real than the thing itself. Words are forms, of course.

Hegel shows the error of taking the idea for reality. We all know the word 'house' and might think there is nothing more to owning one than saying 'my house'. But before long the roof will leak, the paint will peel and we are forced to acknowledge that the house is a material process requiring

attention. It is legitimate to oppose the real to ideal abstraction. But Hegel wanted a more inclusive historical method. He therefore came up with the following sequence.

An idea gives form to experience. If it is a powerful idea, like the state or family or economy, it may come to be seen as being synonymous with society itself. But the idea is not reality and a complementary category may eventually organize what this one is not. The movement of this paired negation may come to stand for society. This is positive dialectic. Hegel went beyond mere empiricism in this way. We need to know society as it is, but we also aspire to do better than that. Dialectic allows us to consider possibility in relation to the actual. When a people aims to realise a powerful idea, they may be disappointed and will try again, replacing the status quo by revolution.

In time the dialectical pair loses its power. Each side leaks into the other and the division between them becomes blurred until the negation appears to be spurious. This is negative dialectic. Perhaps a new idea will organize reality and the process of positive dialectic starts all over. Despite Hegel's reputation as an idealist philosopher, his main preoccupation was with the mutual determination of ideas and reality. To return to the house example, what do we do when we words are not enough? Redecorate? Read poetry while the place falls apart? Are a leaky roof and cracks in the walls the only reality? Or do we reclaim our ownership and learn how to fix the house?

The formal/informal pair
The formal/informal pair first saw light during the world crisis of the early 70s – a sequence of events that took in America's losing war in Vietnam, the dollar's detachment from gold in 1971, the invention of money market futures the following year and the dismantling of the Bretton Woods regime of fixed parity exchange rates. This was soon followed by a world depression induced by the oil price hike of 1973 and by a glut of petrodollar loans that ended up as the Third World debt crisis of the 80s. 'Stagflation' in the West (high unemployment and inflation) prepared the ground for Reagan and Thatcher from 1979-80 onwards. After the 'modernization' boom of the 60s, the idea that poor countries could become rich by emulating 'us' gave way to gloomier scenarios, fed by zero-sum theories of 'underdevelopment', 'dependency' and 'the world system'. In development policy-making circles, this trend was manifested as fear of 'Third World urban unemployment'. Cities were growing rapidly, but without comparable growth in 'jobs', conceived of as regular public and private sector employment. The question was how are 'we' (the bureaucracy and its academic advisors) going to provide the people with the jobs, health, housing etc. that they need? And what will happen if we don't? The spectre of urban riots and revolution raised their head. Some advocated forcibly

returning the urban mob to peasant agriculture where they could do less damage. 'Unemployment' evoked images of the Great Depression, of broken men huddling on street corners ("Buddy, can you spare a dime?").

This story didn't square with my fieldwork experience in the slums of Accra (1965-68). In trying to work out why, I did not consult my field notes, but my store of intuitive knowledge. The people I knew were working, often for small and erratic returns, but were not 'unemployed'. The result was a paper for a 1971 IDS, Sussex conference. It eventually appeared in 1973 as 'Informal income opportunities and urban employment in Ghana', after an ILO report led by the organizers of the Sussex conference had launched the idea of an 'informal sector' in Kenya.[2] I hoped to persuade development economists, from my ethnographic perspective, to abandon the 'unemployment' model and accept that there was more going on at the grassroots than their bureaucratic imagination allowed for. My first section was a vivid Malinowskian description ("I have been there and you haven't"); the second engaged with development theory, using 'economese' (how to sound like an economist without formal training in the discipline) which I had learned by moonlighting for *The Economist.* I had no ambition to coin a concept, just to insert a particular vision of irregular economic activity into the ongoing debates of development professionals. It was a classic move in the genre of 'realism'. The ILO Kenya report did want to coin a concept, which is what it subsequently became, a keyword that organized a segment of the academic and policy-making bureaucracy. So the 'informal economy' has a double provenance, between bureaucracy (the ILO) and the people (ethnography).

Much later, I published a critique[3] that validated drawing attention to activities that had been invisible to the bureaucratic gaze, but I was struck by how *static* my analysis had been. I held that no single idea ('the state') can ever capture the complexity of real life, leaving the residue as potential material for another idea, its negation. But I had first conceived of informal income opportunities as a minor appendage of the state-made economy, going nowhere. I refused to announce the informal sector as a new means of bootstrap development.

Yet I could not anticipate what happened next: under a neoliberal imperative to reduce the state's grip on 'the free market', manifested in Africa as 'structural adjustment', national economies and the world economy itself were radically informalized. Not only did the management of money go

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[2] *Journal of Modern African Studies* 11. 3, 61-89 (1973). International Labour Office *Incomes, Employment and Equality in Kenya*, Geneva: ILO (1972).

[3] Market and state after the Cold War: the informal economy reconsidered, in R. Dilley (ed) *Contesting Markets*, Edinburgh University Press, Edinburgh, 214-227 (1992).

offshore, but corporations outsourced, downsized and casualized their labour forces, public functions were privatized, often corruptly, the drugs and illicit arms trades took off, the global war over 'intellectual property' assumed central place in capitalism's contradictions, and whole countries, such as Mobutu's Zaire, abandoned any pretence of formality in their economic affairs. Here was no 'hole-in-the-wall' operation living in the cracks of the law. The market frenzy led to the 'commanding heights' of the informal economy taking over the bureaucracy. Just as the Cold War ended in a 'negative dialectic' of confusion – 'state capitalism', 'market socialism', the Pentagon -- the largest non-market collective in world history -- fighting for the free market, so too the formal/informal pair, inspired by the state/market opposition, were now often indistinguishable. What is the difference between a Wall Street bank laundering gangsters' money through the Cayman Islands and the mafias running opium out of Afghanistan with the support of several national governments?[4]

So the informal economy concept was insufficiently dynamic. My next criticism was that 'informal' says what these activities are not, but not what they are. If the phase of negative dialectic ('deconstruction' and 'postmodernism' in the 1970s and 80s) might be succeeded by a new positive idea ('globalization'), we needed to know more about what was going on under the rubric of 'informal' ('the market') than just to lump everything together in a catchall phrase that gave bureaucrats the impression of understanding what they never could. I still think that the urgent task is to expose what the principles organizing the informal economy in a historical context. But there are political uses for the idea, lending focus to lobbying for women's rights and conditions of work, as well as empirical applications.

The dialectics of form

"General Forms have their vitality in Particulars, and every Particular is a Man". *William Blake*.

Most academics live substantially inside the formal economy. This is a world of salaries paid on time, regular mortgage payments, clean credit ratings, fear of the tax authorities, regular meals, moderate use of stimulants, good health cover, pension contributions, school fees, driving to the commuter station, summer holidays by the sea. Of course households suffer economic crises from time to time and some people feel permanently vulnerable, especially students. But what makes this lifestyle 'formal' is the regularity of its order, a predictable rhythm and sense of control that we often take for granted. I only discovered how natural this had become to me when I first went to live in Accra.

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[4] *The Hit Man's Dilemma: or business, personal and impersonal*, Chicago: Prickly Paradigm (2005).

I would ask questions that didn't make sense, like how much do you spend on food in a week? Households were often unbounded and transient. If someone had a regular wage (which many didn't), it was pitifully small; the wage-earner might live it up for a day or two and then was broke, relying on credit and help from family and friends or not eating at all. A married man might use his wage to buy a sack of rice and pay the rent, knowing that he would have to hustle outside work until the next pay check. In the street economy people were boosting everything from marijuana to refrigerators in an economy of flux more than stable income. I later worked in a development studies institute, where I tried to convey my ethnographic experience to development economists. The formal/informal pair came out of those conversations.

The formal and informal aspects of society are already linked of course, since the idea of an 'informal economy' is entailed by the institutional effort to organize society along formal lines. 'Form' is an idea of what ought to be universal in social life; and for most of the twentieth century the dominant forms were bureaucratic, particularly those of national bureaucracy, since society had become identified with nation-states. This identity has been weakened by neoliberal world economy and the digital revolution in communications. The relations between public bureaucracy and informal popular practices must be put in this historical context.

The formal and informal appear to be separate entities because of the use of the term '*sector*'. This gives the impression that the two are located in different places, like agriculture and manufacturing, whereas the formal/informal dialectic is internal to the bureaucracy and its antithesis as well as between them. Their relationship often approximates to a class war between the bureaucracy and the people. It was not supposed to be like this. Modern bureaucracy was part of a democratic political project to give citizens equal access to what was theirs as a right. It still has the ability to co-ordinate public services on a scale beyond the reach of individuals and most groups. So it is a pity that bureaucracy ('the power of public office') should be seen as the negation of democracy ('the power of the people') rather than as its natural ally.

Forms are necessarily abstract and a lot of social life is left out as a result. The gap may be reduced by creating new abstractions incorporating informal practices into the formal model. The 'informal sector' is one such devise. They appear to be informal because their forms are largely invisible to the bureaucratic gaze. Mobilizing the informal economy will require a pluralistic approach based on acknowledgement of those forms. Equally, the formal sphere of society is not just abstract, but consists of the people who staff bureaucracies and their informal practices.

What makes something 'formal' is its conformity with an idea or rule. Thus formal dress means that the men will come dressed like penguins, but the women are free to come as variegated butterflies.

The men should look the same and so a 'uniform' cancels out their individuality. Formality endows a class of people with universal qualities, with being the same and equal. What makes dress 'informal' is the absence of a shared code. But any observer of an informally dressed crowd will notice that the clothing styles are not random. What are these informal forms? The world's ruling elite is known as 'the men in suits', because they wear a style invented in the 1920s as an informal alternative to formal evening dress. The dialectic is infinitely recursive. No wonder that economists find the conceptual dichotomy confusing and impossible to measure.

There is a hierarchy of forms and this hierarchy is not fixed for ever. The dominant economic forms of the twentieth century were bureaucratic and closely linked to the state as source of universal law. Conventionally these were divided into 'public' and 'private' sectors. This uneasy alliance of governments and corporations is now classified as 'the formal sector'. What they share, in principle, is conformity to the rule of law at the national and international levels. How might non-conformist activities, 'the informal economy', relate to this formal order? This may be in any of four ways: as *division*, *content*, *negation* and *residue*.

The moral economy of capitalist societies seeks to keep separate impersonal and personal spheres of social life. The formal public sphere entailed another based on domestic privacy. The two constitute together complementary halves of a single whole. Most people, traditionally men more than women, divide themselves every day between production and consumption, paid and unpaid work, submission to impersonal rules in the office and the free play of personality at home. Money brings the two sides are together. Their interaction is an endless process of separation and integration that I call 'division'. The division of the sexes into male and female is the master metaphor for this dialectic of complementary unity. Focusing on informal practices in a bureaucracy implies a blurring of the utopian ideal.

For a rule to be translated into human action, something else must be brought into play, such as personal judgment. So informality is built into bureaucratic forms as unspecified 'content'. Workable solutions to problems of administration invariably contain processes that are invisible to the formal order. For example, workers sometimes 'work-to-rule'. They follow their job descriptions to the letter (the formal abstraction of what they actually do) without any of the informal practices that normally allow these abstractions to function. Everything grinds to a halt. Or take a commodity chain from production by a transnational corporation to final consumption in an African city. Invisible actors fill the gaps that the bureaucracy cannot handle directly, from the factories to the docks to the supermarkets and street traders who supply the cigarettes to smokers. Informality is indispensable to the trade, as variable content to the general form.

Some of these activities break the law -- a breach of health and safety regulations, tax evasion, smuggling, the use of child labour, selling without a licence etc. Informal activities relate to formal organization as its 'negation'. Rule-breaking takes place both within bureaucracy and outside it; and so the informal is often illegal. For some this undermines the informal sector as a legitimate sphere, since it is hard to distinguish between women selling oranges on the street and the gangsters who supply them. When the law is weak, criminal forms often emerge in the vacuum. Much effort is spent protecting the public image of bureaucracy from a corrupt and criminal reality. We accept the realism of movies about cops and robbers, but we detach them from belief in the law that helps us to sleep at night.

Some 'informal' activities exist in parallel, as 'residue'. They are just separate from the bureaucracy. It would be stretching the logic of the formal/informal pair to include domesticity, peasant economy and traditional institutions under the rubric of 'informal'. Yet their typical social forms often shape informal economic practices and *vice versa*. Is society one thing – one state with its rule of law – or is legal pluralism acceptable? Communities allow their members understand each other for practical purposes; they operate through culture. They use implicit rules (customs) rather than state-made laws and usually regulate their members informally, relying on the sanction of exclusion rather than punishment. European empires, faced with a shortage of administrators, turned to 'indirect rule' as a way of incorporating semi-autonomous subject peoples into their systems of government. This legal pluralism delegated supervision of indigenous customary forms to appointed chiefs and headmen, reserving the key levers of power to the colonial regime. Anthropologists played their part in this, as we know.

How the informal economy took over the world

The informal economy was born when the post-war era of developmental states was drawing to a close. The 1970s were a watershed between three decades of state management of the economy and the free market decades of one-world capitalism. It seems now that the economy has escaped from all attempts to make it publicly accountable. What forms of state can regulate a world of money that is now essentially lawless? The formal/informal pair started off as a way of talking about the Third World urban poor living in the cracks of a rule system that could not reach down to their level. Now the rule system itself is in question. Everyone ignores the rules, especially the people at the top — the politicians and bureaucrats, the corporations, the banks — and they routinely escape being held responsible for their illegal actions. Privatization of public interests is a universal, but

neoliberalism is new in that the alliance between money and power used to be covert, but now it is celebrated as a virtue, wrapped in liberal ideology. The informal economy has taken over the world, while cloaking itself in the rhetoric of free markets.

We are witnessing the world-historic collapse of the twentieth-century's attempt to impose national controls on the economy. Inevitably, we dream of restoring the post-war era of social democracy, developmental states and even Stalinism. The rules operated then with some success. This nostalgia for the heyday of "national capitalism" will not serve us well today.[5] Above all, we should acknowledge that the core problem is not narrowly economic, but one of political failure, both national and international. Money and markets have escaped from public control and cannot be put back in that straitjacket. So what democratically accountable structures could regulate the world economy and under what social conditions?

To talk of the world economy being "informalized" suggests that there is a global rule-system, whereas effective rules are now absent at all levels of society, from the top to the bottom. We need to be clear about the different dimensions of this crisis. It is not merely financial, a moment in the historical cycle of credit and debt. It is a formative episode in the history of money. The removal of political controls over money in recent decades has led to a situation where politics is still mainly national, but the money circuit is global and lawless. The money system that the world lived by in the twentieth century has been unravelling since the U.S. dollar went off gold in 1971 and its chief symbol today is the euro crisis, a single currency meant to protect European countries from their vulnerability in isolation. As the need for international cooperation grows, the disconnection between economic and political institutions makes effective solutions unattainable.

The informal economy's improbable rise to global dominance is the result of the mania for deregulation during the last three decades, linked to the wholesale privatization of public goods and services and to the capture of politics by high finance. Deregulation provided a fig leaf for corruption, rentier accumulation, tax evasion and public irresponsibility. This was most evident in the culture of the Wall Street banks from the 1980s. This was no secret. Each major bank generated a tell-all book written by undercover reporters or disillusioned employees.[6] The removal of official restraints on financial practices generated a culture of personal excess from the trading floor to

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[5] Money in the making of world society in C. Hann and K. Hart eds *Market and Society*, Cambridge University Press, Cambridge, 91-105 (2009).

[6] Michael Lewis, *Liar's Poker*, Norton, New York (1989); Frank Partnoy, *F.I.A.S.C.O.: The inside story of a Wall Street trader* (Penguin, New York (1999).

boardroom politics; moral responsibility towards clients was replaced by an ethos of predation. Yet, while the credit boom lasted, criticism was drowned by celebrations of unending prosperity. Even after the bust, the political ascendancy of finance has hardly been challenged. And we wonder why our leaders routinely refuse to take responsibility for their own failures. Apart from the main financial houses, the shadow banking system — hedge funds, money market funds and structured investment vehicles that lie beyond state regulation — is literally out of control. Tax evasion is an international industry that dwarfs national budgets.[7] The Cambridge economist, Sir James Mirlees, won a Nobel Prize for proving that you cannot force the rich to pay more than they are willing to. Mitt Romney's non-disclosure of his tax returns has inscribed this principle at the heart of the US presidential elections! None of this touches on the outright criminal behaviour of transnational corporations who now outnumber countries by two to one in the top 100 economic entities on the planet.[8] Where to stop? The drug cartels from Mexico and Colombia to Russia, the illegal armaments industry, the global war over intellectual property ("piracy"), fake luxury goods, the invasion and looting of Iraq, four million dead in the Congo scramble for minerals. In 2006, the Japanese electronics firm NEC discovered a criminal counterpart of itself, operating on a similar scale under the same name and more profitably because it was wholly outside the law.[9] The informal economy was always a way of labelling the unknowable, but the scale of all this passes belief.

We still tend to talk about the encroaching disaster we are living through in economic rather than political terms. Even neoliberalism's detractors reproduce the free market ideology that they claim to oppose. The euro may be the decisive nail in the coffin of the world economy today. We are at the end of something. What is ending is "national capitalism", the synthesis of nation-states and industrial capitalism. Its main symbol has been national monopoly currency (legal tender). It was the institutional attempt to manage money, markets and accumulation through central bureaucracy within a cultural community of national citizens. National capitalism was never the only active principle in world political economy: regional federations, empires and globalization are at least as old or much older.

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[7] Nicholas Shaxson, *Treasure Islands: Tax havens and the men who stole the world*, Bodley Head, London (2011).

[8] John Perkins, *Confessions of an Economic Hit Man*, Plume, New York (2004).

[9] Adrian Johns, *Piracy: The intellectual property wars from Gutenberg to Gates*, University of Chicago Press, Chicago (2009).

I would draw attention to the different scales of informality in our world. I once studied identifiable persons scratching a living in a West African slum. It seemed unlikely to add up to much. It seemed plausible to name these activities 'real'. But what are we to make of a world economy where corporations and governments run amok in blatant defiance of the law? Global finance is often portrayed as unreal and abstract. I don't see how that can be so, but then our workshop's purpose is to debate that question.

The real and the virtual

The digital revolution seeks to replicate at distance or by means of computers experiences that we associate with face-to-face encounters. All communication, whether the exchange of words or money, has a virtual aspect in that symbols and their media of circulation stand for what people really do for each other. It usually involves the exercise of imagination, an ability to construct meanings across the gap between symbol and reality. The power of the book depended on sustaining that leap of faith in human communication. In that sense, capitalism was always virtual. Indeed Marx showed how the power of money was mystified through its appearance as things (coins, products, machinery) rather than relations between living men. Both Marx and Weber emphasized how capitalists sought to detach their money-making activities from real conditions that could obstruct their purposes. Money-lending, the practice of charging interest on loans without production or exchange, is one of the oldest forms of capitalism. The separation of the money circuit from reality is hardly new. Yet there are changes now taking place which deserve a distinctive label and 'virtual capitalism' is the best on offer.

The point of 'virtualism'[10] is abstraction, a function of the shift to ever more inclusive levels of exchange, to the world market as principal point of reference for economic activity. But reliance on more abstract forms of communication carries with it the potential for real persons to be involved with each other at distance in very concrete ways. The idea of 'virtual reality' expresses this double movement: machines whose complexity their users cannot possibly understand and live experiences 'as good as' real. It is the same with money. Capitalism has become virtual in two main senses: the shift from material production (agriculture and manufacturing) to information services; and the corresponding detachment of the circulation of money from production and trade. This in turn is an aspect of the digital revolution. What would constitute an anthropology of all this?[11]

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[10] James Carrier and Daniel Miller 1998 *Virtualism: a new political economy*, Berg, Oxford (1998).

[11] Notes towards an anthropology of the internet, *Horizontes Antropologicos* 10. 2: 15-40 (2004).

Daniel Miller and Don Slater have good news for traditional ethnographers: the internet does not make any difference.[12] In *The Internet: an ethnographic approach*, their Trinidad monograph, they rightly argue that cyberspace should not be treated as a separate sphere of social activity; but, instead of exploring the dialectic of virtual and real experience, they reduce the former to the latter, claiming that what matters is the location of internet users in everyday life, where they can be studied by ethnographers, of course. This leads them to ignore business-to-business exchange altogether and to approach e-commerce just through business-customer interaction on websites. In defiance of fifty years debate about the race and class composition of creole society, they assert the unity of 'Trinidadians' as a national group in order to generalize from a small sample of households.

If we would make a better world, rather than just contemplate it, we must learn to think creatively in terms that both reflect reality and reach out for imagined possibilities. Virtual means as good as real. The word 'real' connotes something genuine, authentic, serious. 'Reality' is present, in terms of both time and space; and its opposite is imagined connection at distance, something as old as story-telling, but now given a new impetus by the internet. Already the experience of near synchrony at distance, the compression of time and space, is altering our conceptions of social relations, of place and movement.

I have been impressed by Martin Heidegger's late metaphysics.[13] He says that 'world' is an abstract metaphysical category for each of us and its dialectical counterpart is 'solitude', the isolated individual. Every human subject makes a world of their own whose centre is the self. The world opens up only when we recognize ourselves as finite individuals, and this leads us to 'finitude', the concrete specifics of time and place in which we necessarily live. So 'world' is relative both to an abstract version of subjectivity and, more important, to our particularity in the world (seen as position and movement in time and space).

The internet is often represented as a self-sufficient universe with its own distinctive characteristics, as when Castells writes of the rise of a new ideal type, 'network society'.[14] The idea that each of us lives alone (solitude) in a world largely of our own making seems to be more real when we go online.

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[12] Daniel Miller and Don Slater *The Internet: an ethnographic approach*. Berg, Oxford (2001).

[13] Martin Heidegger, *The Fundamental Concepts of Metaphysics: World, Finitude, Solitude*. Indiana U.P., Bloomington (1983 [1930]).

[14] Manuel Castells 1996 *The Information Age: Economy, Society and Culture. Vol. 1: The rise of network society*, Blackwell, Oxford (1996).

But both terms are imagined and reciprocal; they are equally abstract and untenable as an object of inquiry. We approach them from where we actually live, as Miller and Slater say. Therefore it cannot be satisfactory to study the social forms of the internet independently of what people bring to it from elsewhere. This social life of people off-line is an invisible presence when they are on-line. We must, however, grant some autonomy to 'virtual reality'. Would we dream of reducing literature to the circumstances of readers? And this is Heidegger's point. 'World' and 'solitude' may be artificial abstractions, but they do affect how we behave in 'finitude'.

Immanuel Kant believed that human co-operation in society requires us to rely on personal judgement moderated by common sense, as shared intelligence and taste. This common sense is generated in everyday life, by social experience with an aesthetic dimension (good food, talk and company). Copernicus solved the problem of the movement of the heavenly bodies by having the spectator revolve while they were at rest, instead of them revolve around the spectator. Kant extended this into metaphysics. In his preface to *The Critique of Pure Reason*,[15] he writes, "Hitherto it has been assumed that all our knowledge must conform to objects… (but what) if objects must conform to our knowledge?" In order to understand the world, we begin not with the empirical existence of objects, but with the reasoning embedded in experience and all our judgments. That is, the world is inside each of us as much as it is out there. One definition of 'world' is 'all that relates to or affects the life of a person'. Our task is to bring the two poles together as subjective individuals who share the object world along with the rest of humanity.[16]

The 19th and 20th centuries, in identifying society with the state, constitute a counter-revolution against Kant's Copernican revolution. It was only consummated after the First World War. The result was a separation of the personal from the impersonal, the subject from the object, humanism from science. It is why most people have never heard of Kant's seminal contribution to anthropology.[17] The decline of national capitalism in the face of the digital revolution offers a chance to reverse this.

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[15] Immmanuel Kant, *Critique of Pure Reason* (Norman Kemp Smith), Google Books (1781).

[16] *Studying World Society as a Vocation*, Goldsmiths Anthropology Research Papers No.9. Anthropology Department, Goldsmiths, London (2003).

[17] Immanuel Kant, *Anthropology from a Pragmatic Point of View*, Cambridge U.P., Cambridge (2006 [1798]).

In *The Memory Bank*,[18] I argued that the cheapening of the cost of information transfers as a result of the digital revolution makes it possible for much more about individuals to enter into commercial transactions that were until recently largely impersonal. This repersonalization of the economy has its counterpart in many aspects of contemporary social life, not just in the forms of money and exchange. It involves a new idea of the person based on digital abstractions as much as on more concrete forms of individuality. The customized interactions that most academics now have with Amazon and other suppliers, at the same time personal and remote, reflect this trend.

One consequence of the use of new technologies in teaching is that learning can now be much more individualized and ecumenical at the same time; and this juxtaposition of self and the world poses a threat to the traditions of the academic guild. Here then is one source of a renewed emphasis on subjectivity. It all adds up to a radical revision of conventional attitudes to subject-object relations, grounds for us to reconsider the positivist dogmas on which so many university disciplines are based, including scientific ethnography. Learning anthropology would be impossible if we were not, each of us, human beings in the first place. Anthropologists who once could rely on public ignorance as support for their exotic tales must now cope with mass mobility and communications. What can our expertise offer that is not delivered more effectively through novels and films, journalism or tourism? The rhetoric and reality of markets now encourage individuals to choose the means of their own Enlightenment. Perhaps we are on the verge of a new paradigm for anthropology, reflecting the social and technological changes epitomized by the internet.

Anthropology in the world revolution[19]

Michael Wesch, then an assistant professor of cultural anthropology and well-known for his inspiring YouTube lectures and documentary shorts, received over a hundred applications from around the world for his graduate course in 'digital ethnography'.[20] But no such course exists. Millions have seen his creations on YouTube and want more of it. The world is changing all around us and

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[18] *The Memory Bank: Money in an unequal world,* Profile, London, http://thememorybank.co.uk/book/.

[19] An anthropologist in the world revolution, *Anthropology Today* 25.6 24-25 (2009).

[20] http://www.cnn.com/2009/TECH/10/22/digital.anthropology/index.html. Search YouTube for 'Michael Wesch' and click on: 'An anthropological introduction to YouTube', over 1 million views; 'A portal to media literacy', *only* 100,000 views, but the strongest intellectually; 'A vision of students today', 3.5 million views; 'The machine is us/ing us', 10 million views.

anthropologists must try to keep up, not just because we study this world, but because our students live in it and they are rapidly leaving their teachers behind.

The new communications technologies are blurring the boundaries of our disciplines, transforming the content of education, spawning new genres and sites of research, demanding fresh intellectual strategies. Anthropology as a discipline has not yet grasped the potential of this new world. We need to think again about its scope, reach and impact, about the audiences we wish to address and how.

We are living through the first stages of a world revolution as far-reaching as the invention of agriculture. It is a machine revolution: the convergence of telephones, television and computers in a digital system. It is a social revolution, the formation of a world society with means of communication adequate at last to expressing universal ideas. It is a financial revolution, the detachment of the money circuit from production, linked to the West's loss of control over the world economy. It is an existential revolution, transforming what it means to be human and how each of us relates to the rest of humanity. It will make everything we have done so far seem like the prehistory of our discipline.

Oswald Spengler observes [21] that the world historical moment you are born into does not need you; it will carry on with or without you. But still he offers a challenge to his readers "Do you have the courage to embrace it?" So too with this revolution: you can engage with it or you can hide from it. And every person's trajectory is particular to them, even if some common outlines can be glimpsed as the revolution unfolds.

I still love the fluency of email. Then I discovered desk-top publishing and produced beautiful pamphlets. Next I started a mailing list, the *amateur anthropological association* that flourished for a couple of years. *Prickly Pear Pamphlets* and the *small-triple-a* each expressed what I wanted from the medium in their own way. The point was to embrace the new technologies and to discover at first hand the opportunities they offered.

In the mid-90s, the World Wide Web was making the internet more visual, personal and interactive. But the digital revolution is not a linear development. Everyone enters it with their own bundle of assets and liabilities at a particular moment in time. The technology evolves, so that early users may be too adapted to older techniques, while latecomers can make more creative use of less

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[21] Oswald Spengler, *The Decline of the West*, Oxford U.P., Oxford (1991 [1918]).

demanding software. The society made by the machine revolution is a river and you never step into the same river twice.

I became more self-conscious about my role as a network entrepreneur. What could I offer the young geeks who helped me if my enterprises had no money or prestige? I worked on the value added by the network which had to be cool or hot or both at once! I asked myself what about us future generations will be interested in. The answer was, obviously enough, the digital revolution. We are like the primitive digging-stick operators whose scratching inaugurated the agricultural revolution. They hadn't a clue that it would all end up as Chinese civilization. Nor do we know where this thing is going. But our stumbling steps into this new world will have significance for those who come later. So I wrote *The Memory Bank*, a book about the implications of the digital revolution for forms of money and exchange.

My next engagement with the internet was a personal website. It was intended as a vehicle for promoting my book, but it became a shop window for my occasional writings. What I really want to join is the social media revolution and Web 2.0. I love Twitter where I project myself as an editor. I meet an interesting class of anthropologists there. And I hone my subediting skills on the 140-space limit. Social bookmarking really turns me on.[22] Classification of knowledge was hitherto done by experts and every piece of information had its unique place in a folder somewhere. Now tagging makes it possible for anyone to leave a mark on something they like or consider useful and you can find their guidance with sophisticated software. The people are generating the categories; and even a search engine like Google is becoming obsolete because its millions of hits are less attuned to the user's own profile.

Insertion into all this has sharpened my appreciation of the sociology involved. Twitter divides people into followers and followed. I recall that when the Latins invented 'society' to describe their aspirations for collective order, the word they used had as its root *sekw-*, meaning to follow. The new social networks are personal and unequal; they often have a commercial feel. But it would pay us to use and understand what is going on. For some time now I have studied alternative approaches to money, especially the community currency system known as LETS,[23] and they have not yet found

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[22] David Weinberger, *Everything is Miscellaneous: The power of the new digital disorder*, Holt, New York (2008).

[23] Richesse commune: construire une démocratie économique à l'aide des monnaies communautaires, in Jérôme Blanc (ed) *Exclusion et liens financiers* – "Monnaies sociales" Economica, Paris, 135-152 (2006).

the right combination of social and technical principles to help them take off. Twitter would be an ideal platform for complementary currencies.

Between social networks and academia: anthropology online

An unanticipated chain of events led to the launch of the *Open Anthropology Cooperative* in 2009.[24] Some friends began discussing an anthropology network on Twitter. The talk moved to my website for discussion at greater length. Someone suggested trying Ning and I jumped in. An administrative team drawn from the launching group supervised the OAC's explosive growth. We now have over 20,000 members from an amazing diversity of backgrounds, divided between Facebook and Ning. They include faculty, postgraduate students, undergraduates and outsiders to the profession. Over half our 500 visitors a day come from the US, Britain, Canada and France (mostly me), followed by: Portugal, Germany, Brazil, Georgia, Italy, Greece, Australia, Switzerland, India, Netherlands, Sweden, Turkey, Norway, Mexico, Spain and New Zealand. We have well over a hundred discussion groups (some of them in Spanish, Portuguese, German, Italian, Russian and Norwegian), blogs, a forum, a wiki repository, the OAC Press, a seminar series and personal pages in all their variety. Anyone can start anything on the OAC and many of them do! Our members vigorously defend their independence from bureaucratic interference, but we have managed to get some minimal rules generally accepted.

How do we transform anthropology into a more publicly engaged discipline in the broader world? The OAC's founders proposed to do this through new media, open technology, cooperation, public outreach and a passion for anthropology. If the old way was not working, we would try something different. We hoped to establish a universal medium capable of expressing the unlimited potential of an anthropology that ought to be universal, but often is not. What concerns us is not that we have failed to revolutionize anthropology, but that we might fall into the same lethargy afflicting academic anthropology everywhere. Have we, too, simply reverted to the anthropologists' safe zone: observing, participating, collecting more and more data, but not putting it to any useful purpose? It is hard to place the OAC within the wider movement for a more engaged anthropology, since the project has just begun.

Participation in today's ongoing technological revolution is both passive and active. We are all affected by the Internet's impact on academic life, whether we choose to join in every day, occasionally as needed, or to ignore it. The Internet and social media are powerful tools precisely

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[24] Francine Barone and Keith Hart, The Open Anthropology Cooperative: Towards an online public anthropology, in Sarah Pink and Simone Abram (eds) *Media, Anthropology and Public Engagement*, Berghahn, Oxford (2015).

because anyone with access can take some kind of action with little effort. Blogging, communicating via social media and producing freely accessible publications online is still relegated by universities to the status of a hobby, not significant work. This is a serious impediment to moving the network forward.

University departments are slow to adopt new technologies for learning and teaching, and even slower to train their students to make the best of the technological revolution. This is sad for a discipline as global in its reach as anthropology. It also leaves great gaps in technical capacity between people of various ages and academic backgrounds. The profession has been slow to take up promising developments in the new media because they do not fit traditional models.

The OAC has shown me that anthropologists may after all be adaptable *bricoleurs* online, piecing together various technologies for chatting, learning, teaching and sharing. The sheer volume of contributions to the OAC is difficult to keep up with. Still, there is a struggle to break through established academic prejudices about online publication and interaction. Regular contributors are a tiny fraction of our membership. Some still hesitate to participate openly in our forums since we ban the use of pseudonyms and everything is indexed by Google forever. There is general reluctance to relinquish control over representations of oneself online, especially in a semi-academic milieu like the OAC. Anthropologists do not easily let their guard down. Perhaps it is related to our formation as apprentice fieldworkers. The protective behavior we learned then is at odds with opening anthropology to the public. The online seminar series most closely recreates an acceptable academic mode of production and its value system. This is also the site's most popular feature, drawing the most traffic from members and online visitors.

The OAC aspires to be a transparent academic community and as such we encourage informal chat alongside formal debate with other anthropologists and across disciplines. This makes the experience hard to categorize, especially given the dominance of academics in our membership. The OAC network is an anomaly in an otherwise tidy classification system, offering a sad reminder of how anthropology has become an exclusively academic practice, which treats online and academic conversation as mutually exclusive. The OAC is a compromised public island seeking to avoid academic bureaucracy, yet largely populated by its victims.

How effectively do anthropologists use technology, even those who acknowledge its usefulness, not just for teaching, but to change the public face of anthropology? How accessible are anthropologists? Why are we are so rarely approached by the outside world? As a discipline, we are only comfortable talking amongst ourselves. Perhaps we don't know what anthropologists really have to say. There is a direct parallel between where anthropology is today and why the OAC keeps

hitting a wall. The OAC started out focusing on the social and technical constraints of the platform and soon confronted the cultural intransigence of its object, anthropology.

There are significant differences between social networks and academic networks, involving return on time investment, volunteer labor and long-term objectives, not to mention power relations and status hierarchies transferred online from the universities. Much social web activity need not concern itself with aims, intentions or long-term goals. It can keep ticking over until boredom or newness -- whichever comes first -- force change. Academic networks do not work the same way. The OAC mixes them together.

Playing around on Twitter or keeping in touch on Facebook are not like what goes on at the OAC. Twitter is fleeting and impermanent, while Facebook is an intimate gathering of friends and family. Being an active member of the OAC takes more time commitment, at least some critical thought, and the expectation of pointed exchange. We have added site features that lower the barrier to participation (such as share buttons, a Twitter tab and RSS feeds), but the returns are quite low. Content uploaded without any requirement of reciprocity (e.g. sharing a video, "liking" something, listing an event) is incidental to the OAC's most successful activities.

The OAC's more significant products -- especially the Press -- require investments of time and energy. They attract participants because they have a clear end-product or fit longstanding models of academic value. Academics change slowly, even if we would like to think that new modes of communication make a difference to how we live and work. This is why email has not imploded as the main means for transmitting academic information. Mailing lists are still popular because they are semi-closed/private and simple. They do one useful thing well enough to stick around. In the OAC's early days, Twitter was a big deal: a real paradigm shift that led to developing a new medium. No-one is that bothered to engage with Twitter now. We developed an OAC Facebook page, which has grown much faster than the parent site.

We need to streamline access to the most interesting content. We should probably concentrate on making better use of what we already have. The administrators do not constitute as strong a team as before and we need to attract more engaged interest. In short, it is one thing to propose a stronger, free and public-facing anthropology online, but achieving it is another matter.

We already know that fieldwork will never be the same again as a result of the digital revolution. But what can anthropologists, with our supposed expertise in social relations, do to help shape the future of our institutions? Our students, readers and the people we study will expect to be engaged through these new means of communication. For some this will be an uphill struggle. We must move from monologue to dialogue, from guild disciplines to the kind of lifetime self-learning that the

internet affords. The universities now lag behind their students in media literacy. The 'edupunk' movement, armed with user-friendly digital technologies, rejects the imposition of outdated software systems that universities have spent millions on. Anthropology has always been an anti-discipline, sitting uneasily with academic bureaucracy. We have a lot to gain, professionally and as human beings, from embracing this revolution.

From ethnography to social movement

This account has replicated the ethnographic model that dominates contemporary social anthropology. But that model was never intended to inform a movement to change the world. I have provided the ethnography; all we need now is the anthropology or a dose of social theory.

Contemporary anthropology reflects the world, but is not designed to change it. Anthropologists are conservative. After all, we spent the last century – a century of urbanization, war and the break-up of empires – seeking out isolated places to study as if they were outside modern history. Now, having realized that we are part of a world unified by transnational capitalism, we spend our time bemoaning the fate of the universities and our own irrelevance to public discourse. The Internet's growth has generated a strong counter-movement that a few anthropologists are taking seriously.[25] There have been some dramatic political responses to the world economic crisis in which the new media have played a marked role. Even anthropology may be affected by this development. The OAC has only played a flawed part in such a process.

The OAC was born as a reaction more than as a movement. Its slogan of being "open" turned out to be contradictory. The leadership we mustered to implement an abstract rejection of hierarchy became merely managerial and half-hearted. We preferred to maximize membership at the expense of making rules that might exclude people. People left anyway. We were always catching up, never ahead of the game. We failed to identify ideas that some members could believe in and work for, preferring to let a thousand flowers bloom, except that they did not. Ning's ethos hardly sustained revolutionary zeal; graduate students were a majority and writing a thesis left little time for building an alternative. Perhaps Web 2.0 makes it so easy to do your own thing that few see the point in joining other people's initiatives.

We have hardly used anthropology or social theory -- old and new -- to address the problems we faced. Max Weber's notion of "the routinization of charisma" certainly gets at some of these

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[25] Gabriella Coleman, *Codes of Freedom: The ethics and aesthetics of hacking*, Princeton U.P., Princeton (2012).

problems.[26] The OAC leadership was never charismatic and we rejected the notion of leadership in the first place. But we did aspire to a sort of collective charisma aimed at putting traditional authority at risk. We saw ourselves as a revolutionary movement. Weber argued that the power of a revolutionary challenge inevitably subsides. By "routinization" he meant that charismatic authority is replaced by bureaucracy or at least by a mixture of bureaucracy and traditional authority. Weber developed this typology because he was interested in understanding power with a view to using it.

But why stick with the classics? Perhaps we should be more open to the people who currently shape social media. Most progressive intellectuals have a twentieth-century baggage that inhibits learning from the successful exponents of Web 2.0. To take one example, Seth Godin is a mega-blogger whose self-promoting excess would make most people cringe. He has a little book about *Tribes*.[27] You may not have noticed that many people out there use anthropologists' traditional label (which we have largely abandoned) to describe the social forms that they see emerging online:

> A tribe is a group of people connected to one another, to a leader and to an idea. A group needs two things to be a tribe: a shared interest and a way to communicate. Tribes need leadership. Sometimes one person leads, sometimes more. People want connection and growth and something new. They want change. You can't have a tribe without a leader. A movement is the work of many people, all connected, all seeking something better. The new tools of the Net make it easier than ever to make a movement. Tribes need faith, belief in an idea and a community. Management is about manipulating resources to get a known job done. Leadership is about creating a change you believe in. A tribe grows by transforming a shared interest into a passionate goal and desire for change; by providing tools to tighten communications between members; by gaining new members. The first two are more important than the last. You need a story of who we are and what future we are building, connections between leaders and the tribe and something for members to do with each other. A crowd is a tribe without leaders or communication. Participating isn't leading. Leaders are generous (Godin 2008).

Most academic anthropologists would dismiss this as muddled hype, a misappropriation of "our" concepts. But something important is happening to how leaders and followers are conceived and portrayed in society today. When the Latins decided it did not pay to be a disorganized rabble, they formed themselves into "tribes", three named groups, killed a cow and "dis*trib*uted" the meat among themselves in a ritual.[28] They then made *ad hoc* alliances with neighbours for mutual protection and called it *societas*. These words share the root of *sekw-*, meaning to follow. Whoever

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[26] Max Weber, The routinization of charisma, in G. Roth and C. Wittich (eds) *Economy and Society*, University of California Press, Berkeley, 246-249 (1978).

[27] Seth Godin, *Tribes: We need you to lead us*, Piatkus, US online (2008).

[28] See reference in Note 16.

was attacked would assume *de facto* leadership and the rest would follow them, but such leadership was temporary and contingent. The idea of society as a bounded hierarchy synonymous with a state was a medieval French invention. If we are now living in the "network society",[29] it seems to be one where "followers" and "friends" play a major part. These relations are often ephemeral. Maybe we should think a bit more about the implications of all this for anthropology and the academy.

Anthropologists suffer from an inability to catch up with a changing world while they meticulously document it. We are losing control of our master-concepts like culture to other disciplines and even to web moguls who are not afraid to engage with popular media.[30] We do have something to offer the general public. It is just that we are terrible at communicating it. We all know this.

This very real PR problem carries over to the OAC, where we have had difficulty formulating a clear identity or public face. This is reflected in our failure to post a coherent statement of purpose. Anthropologists are often confounded when interacting with the world outside academia. The OAC has failed to reverse this trend and reinforces it by producing little that might attract general audiences. Fear of marketing our expertise, of "branding" anthropology or seeking out media attention fatally undermines an innovative project that once promised so much. Our web-based activities closely resemble office-based politics in this respect. The OAC began as a public-facing anthropological experiment and ended up being by and for academics, with similar prejudices and hierarchical constraints to those in the universities.

Tom Boellstorff has written a penetrating assessment of digital anthropology's potential.[31] Unusually, he gives definition to its object, theory and method. All contemporary anthropology is digital, he says; but digital anthropology is a technique and thus only indirectly an object of study. In order to distinguish it from 'online' anthropology, he develops the volume editors' dialectical concept of the 'digital' as the gap between the virtual and the actual, which parallel online and offline. This pair are co-constituted as indexical relations by the virtual and the actual. Boellstorff makes indexicality, drawing on Peirce's signs, his big theoretical. He denies that the line between the virtual and the actual are becoming blurred (negative dialectic). His chief method is participant observation, the universal technique of ethnographic fieldwork; but he argues that digital anthropology can take this

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[29] See reference in Note 14.

[30] Joana Breidenbach and Pal Nyiri, *Seeing Culture Everywhere: From genocide to consumer habits*, University of Washington Press, Seattle (2010).

[31] Tom Boellstorff Rethinking digital anthropology, in Heather Horst and Daniel Miller (eds) *Digital Anthropology*, Berg, New York (2012).

further since it involves self-conscious construction of identities to a greater degree that in normal fieldwork.

I have traced my thinking on the dialectics of realism from the informal economy to the world of social media today. The latter is more open-ended and I cannot claim to have squared any circles yet. But entering fully into the world of the internet provides a way of taking engagement with informal sociality further than I could fifty years ago or in the decades since.