

International Workshop

**Re-Appropriating World Market Production:
Commodity Chains in the Project of Postcolonial Development
(1920-2000)**

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List of Abstracts

**University of Bern/Switzerland
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National Development and the Global Copper Commodity Chain: Looking Back at the Limits of the 1960s Nationalisation Agenda

The copper commodity chain includes three important steps: mining cupriferous ores, smelting them and refining them into standardised pure copper. Because copper does not need to be refined close to the mines, in the early decades most refining was done in industrially advanced countries. This became a major concern for developing countries like the Democratic Republic of Congo, Zambia, Chile or Peru in the 1960s. Many copper producing countries had the idea to turn their high quality deposits into a source of national wealth by ending exports at the semi-refined stage and by taking control over production out of the hands of foreign capital. Meanwhile, copper consuming countries and copper producing multinational firms feared that these projects of nationalisation and industrialisation would affect world market prices and supply and take control over the copper industry out of their hands. Similar concerns were prominent in academia whereas the developmental agenda of industrialisation was strongly supported by divisions of the United Nations such as UNCTAD and UNIDO. With the neoliberal agenda of the late 1970s these developmental discussions moved down on the agenda both inside and outside academia. Rising international demand for copper in the 1990s brought the question of control over the copper commodity chain back onto the agenda.

This paper examines the evolution of the copper commodity chain's geographical connections throughout the long twentieth century and has two particular concerns. First, an investigation of geographical patterns of specialisation in the first half of the 20th century facilitates our understanding of why these patterns triggered nationalisation programs and particularly local processing and industrialisation by the end of the 1960s. Secondly, the evolution of specialisation patterns since the 1960s enables us to evaluate the limits of these programs' contribution to national economic development in copper producing countries.

Special attention will be given to the diverging evolution of the copper in Congo and Chile. While Congo is often presented as a country "cursed" by its resources, Chile often is portrayed as the counterexample to the "curse". This dilemma can be explained by an analysis of the different political structures on which experiments of nationalisation were built and which determined the aftermath of the 1980s and 1990s. Monitoring institutions controlling the copper industry in Chile were remarkably stable during socialism, neoliberalism and third-way politics. This guaranteed an important leverage over the national copper economy and foreign influence. In Congo instead, economic policies and developmental strategies were bogged down by external influences and internal patrimonial structures maintaining power. These cases suggest that successful development is indeed dependent on strong institutions. But their strength can only be explained by understanding their genesis within the framework of globalising copper commodity chains in a competitive capitalist world-economy.

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Footwear for Liberation, Footwear for the Nation: War, Economic Policy, Plastic Sandals, and Public Discourse in Eritrea

Only very few studies about the Eritrean economy have been made in the last four decades. Due to the military and political situation, research has been seriously restricted. Economic data and indicators are either inexistent or unavailable for the territory that constitutes present day Eritrea for the time before and after independence in 1991. Although, the land was under Ethiopian "occupation" since the 1950s, the Eritrean Popular Liberation Front gained control over substantial parts of what was to become Eritrea in 1991 already in the 1970s and established an economic policy along socialist lines.

Against this difficult background, this paper aims to outline some specific aspects of the political and economic history of Eritrea. As Eritrea was colonised by its neighbour Ethiopia and struggled for liberation from an African country, its path to independence differs from most countries. Instead of embarking on the rather unfruitful effort of trying to outline the economic policy of a state that has been ruled under a state of emergency since independence, this paper focuses on one commodity that has held a central role in the past four decades, sandals.

As in many other African countries, sandals are the population's main footwear. Plastic sandals were among the few commodities produced in the first "Eritrean industrial park" run underground by the EPLF guerilla during the liberation struggle against Ethiopian occupation (1960-1991). Narratives about Eritrean freedom fighters repairing their sandals again and again are widespread. After independence, sandal production was integrated into the state-led economy and is today portrayed as self sustaining despite the obvious lack of chemical industry. Both production technology and fashion style have stayed the same throughout the last forty years. Plastic sandals have thus become a symbol of continuity and there are numerous stories speculating on their origin. Furthermore, they are central to political imagination.

In line with the postcolonial elite's economic strategy, the sandals are used as a symbol of nation-building because their endurance is the embodiment of what is necessary to progress. Besides this "mild shoe fetishism" in Eritrean nationalism, the plastic sandal is a commodity that allows Eritreans not only to walk but also to turn the nation-building metaphor upside down and identify the sandals as symbols of poverty and the enduring failure of governmental economic policy. Furthermore, two notions of the commodity chains along which the sandals came to Eritrea either identify them with the source of a socialist economic policy of Cuban root or with an Asian style liberalism of Hongkong origin. As I will further show, these are also comments on the fact that the present day economic policies are perceived as puzzling and inconsistent by the population. The sandals thus in public discourse embody another quality, which refers to the fact that today almost the entire Eritrean economy is run by the state and/or is "privately-owned" by high-ranked party members.

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Settler Colonists, Agrarian Entrepreneurs and the Permissive State. Aspects of the Political Economy of Hill Produce in Wayanad, South India, 1920 – 1998

This paper focuses on the agrarian history of Hill Produce (a summary term for spices like pepper, ginger, vanilla and other cash crops like areca nut, coffee and tea) in the south Indian district of Wayanad (Kerala). The paper builds on my recent work on causes of farmers' suicides in Wayanad that became epidemic after the turn of the present century. One cause of the rampant agrarian crisis is the nature of agriculture in Wayanad: it is the biggest earner of foreign currency in Kerala, hence exclusively relying on mono cropping of export commodities which in turn makes it highly dependent on the increasingly volatile world market prices. Many commentators see the causes of the present agrarian crisis in India in the mono cropping of export commodities (Hill Produce), combined with an excessive overuse of pesticides and chemical fertilizers. Many would argue, that the turn to the capitalisation and chemicalisation and world market orientation of Kerala's agriculture is a fairly recent phenomenon, rampant only in the post-liberalisation period of neoliberal globalisation. I would argue, however, that the turn to capitalist farming is much older and in fact ingrained in the history of settlement of Wayanad.

From the 1920 onwards, the hitherto uncultivated forests of this hilly area attracted large numbers of Syrian Christian settler-migrants from the then princely state of Travancore who were from the outset entrepreneurially minded. They had prior experiences with high profits from agricultural products and individual ownership of their ancestral lands in Travancore. As soon as these migrants had secured subsistence in Wayanad, they shifted to the monocropping of spices. Particularly in the 1980s, pepper and vanilla brought unprecedented wealth to Wayanad. This boom period was followed, however, by the double crash of world-market prices and productivity (due to disease and overly chemicalised soil).

All this happened within the context of shifting development agendas of the colonial and postcolonial state who were both complicit in complex and ambiguous ways in the agrarian transformation of Wayanad: Divergent land settlements in British Malabar and the Princely State of Travancore, had made large tracts of forest available in the hilly regions of Malabar (Wayanad) and built pressure on small holders in Travancore. After independence the Indian state started a "colony scheme", granting forestland to Ex-servicemen of the British Indian Army and the "grow more food program" which both seriously affected Wayanad. Furthermore, the state policies towards illegal occupation of state forestland by Christian settlers were highly permissive.

My paper shows how Wayanad's agrarian entrepreneurs have actively reshaped the political ecology of Wayanad, clearing (state) forests, dispossessing Adivasis, and inserting Wayanad as a prime producer of Hill Produce in a global commodity chain. As a consequence I argue that the term "farmer" – as employed in 'farmer suicide' – is in need of specification and rethinking in the light of Wayanad's specific history, ecology and political economy because most "farmers" are more of the type that Eric Wolf has termed "agrarian entrepreneurs" than ordinary "peasants".

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The (Dis-)Comfort of Global Commodity Chains: Colonial and Postcolonial New Deals for the Mauritian Economy

In 1959 Sir Hillary Blood, former governor of the British colony Mauritius, published an article in the London Times calling for “A New Deal for Mauritius“. Written in the language of an ethical colonialism that pretends to be foremost concerned with the well being of the colonised, this article paints a vivid picture of a population stricken by poverty, fertility, unemployment and the dependency on a single export commodity; sugar. According to Blood, the island badly needed a “New Deal” similar to the one the US government had set up as a tripartite agreement to tackle recession in the 1930s. But Mauritius had not always been trapped in this neo-Malthusian spiral of hyper-exponential population growth eating up the anyway scarce economic prosperity. In the 19th and early 20th century the island had been the largest producer of cane sugar in the British Empire and both slaves and contract workers had been imported to work the fields and mills of the mainly French plantocracy. Only when the island was severely hit by the global economic crisis of the early 1930s, did its advantageous position in the sugar commodity chain under preferential trading agreements within the Empire cease comforting Mauritian entrepreneurs. Efforts to diversify the sugar mono-crop economy succinctly followed. While many of these efforts were steered towards other agricultural goods like tea, the Aloe Fibre industry explicitly targeted the island’s integration into the sugar commodity chain as a source of revenue.

This paper looks at the emergence of a sector that had become Mauritius’ second largest industry as early as 1914 and that in the 1950s came to host the island’s first, constantly bankrupt and only true New Deal factory. This factory was first set up with financial support from the colonial *Mauritius Improvement and Development Fund* in 1932 to substitute Indian imports and to produce sacks from locally grown Aloe Fibres that should from now on carry Mauritian sugar around the world. Built on private and DIY-like endeavours by Franco-Mauritian individuals and unable to meet fierce Indian competition the factory went bankrupt in 1935 and was reopened in 1941 equipped with even more subsidies from the colonial government and under guarantee from the powerful Mauritius Sugar Syndicate that all produce would be bought for bagging Mauritian sugar. Although the Mauritius Government Sack Factory was constantly on the verge of bankruptcy and buyers like the British Sugar Company Tate & Lyle increasingly demanded unpacked sugar in bulk, the factory stayed in operation until the early 1970s. Like the factory’s unfortunate history, its closure in the early 1970s is symbolic of the ceaseless and useless efforts of both the colonial and postcolonial government to create an import-substitution based sector that would carry the island out of poverty and into the light of economic development. As the sugar industry flourished after Mauritius was integrated into the West Indian Sugar Protocol in 1825, the Mauritian economy diversified only with the foundation of an Export Processing Zone in 1970 and via heavy structural adjustment programmes under World Bank and International Monetary Fund leadership. The paper shows, that these instead provided the real “New Deals” for the island in the early 1980s and thus highlight the continuity of the uttermost world market dependency of this small island state.

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Rubber Commodity Chains, Race and Development Ideologies in Malaya

Rubber was a quintessential colonial commodity. Spread around the globe by imperial botanists seeking new sources of a material vital to Victorian engineering, rubber was produced by labourers transported from poorer parts of the empire, backed by London capital and cheap colonial grants, and finally regulated by restriction schemes intended to secure the value of shares in European planting companies. Post-colonial governments inherited an economy dominated by export agriculture, still tightly interconnected to Britain's imperial financial infrastructure through patterns of equity and land ownership, currency agreements and terms of trade. Before and after decolonisation, rubber was on the front line of anti-colonial politics, from the plantations targeted during the Emergency and the Confrontation, to the less familiar debates about nationalist attempts to ensure the profits of the trade. This paper argues not just for the importance of rubber in Malaysian politics, but emphasises that development policy more generally was at the forefront of nationalist attempts to imagine a postcolonial future.

Governmental regulation of the ownership and organisation of rubber production was as old as the industry itself. Colonial governments initially used scientific and economic policy to encourage the coexistence of Western-owned, Fordist factory-style plantations alongside Malay rubber smallholdings. The colonial state withdrew support from smallholders as the market collapsed in the 1920s, before returning to a two-track policy as the focus shifted to suppressing communism and supporting Malay-led nationalist movements. Thus, debates about the 'identification of race with economic role', as the New Economic Policy of the postcolonial state termed it, were rooted in the Malay economic politics of the 1930s, as divisions emerged between those who wished to restructure society to strengthen Malay village life, and those who wished to ensure a more equal share for Malays in the fruits of industrialisation and commercial agriculture.

For the Malay nationalist leader Mustapha Hussain, teaching at the government-run Serdang Agricultural School in the 1930s provided an opportunity to challenge both the direction of policy and the loyalties of the Malay agronomists being trained to carry it out. Still, Mustapha shared with his British colleagues an emphasis on Malay village life as the basis of society, and a willingness to consider Chinese smallholders economically anomalous, better marginalised by government than supported. The early postcolonial state however endeavoured to reorder rubber production in reaction to changing ideas about the relationship between development and race and focused on altering the commodity chains in order to bring smallholder rubber to market as a way of enhancing the position of all rural poor. As the focus of policy, however, moved toward transforming the economic status of the *bumiputera*, attention shifted from rubber smallholders toward entrenching ethnic Malays at the heart of agribusiness.

In this paper I investigate particularly the reception of colonial 'knowledge' in development politics, and argue that colonial views of race and economics cast a long shadow. The case study of rubber shows how the attitudes of anti-colonial movements and later post-colonial governments to commodity production have evolved in line with shifting development strategies and the shifting political economy of race in Malaysia.

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Steel to Mould the Nation: Nehru's Vision of Postcolonial Development, India in the World Economy and the Rourkela Steel Plant

What development regime would be the most viable to lead India into a prosperous future was a matter of serious debate already before independence. Would a return to allegedly 'traditional' Indian village republics and a rejection of the developmental path of European civilization promise the maintenance of national sovereignty, or would India have to turn to large-scale industrialization? It is well known that Mahatma Gandhi was strongly in favour of the former proposition whereas Nehru championed the latter. Nehru regarded fast establishment of heavy industries as the only way to maintain India's independence. A country neglecting its industrial development would not be able to raise standards of productivity, would remain poor and would inevitably fall prey to the aggressive expansionism of the industrialized world. In consequence, this perception of world politics and the workings of the world economy and respective global commodity chains made industrialisation inevitable. If India did not industrialize in the long run there would be only a nominal political independence - economically the country would be dominated by foreign capitalist enterprises. Thus, India needed to become economically self sustaining at least in some core industries and promote a policy of import-substitution in order to detach the Indian economy from dependence on the legacy of colonial order. Two commodities were regarded as crucial in this endeavour as they initiate production chains on which all future industrial progress would be founded: electricity and steel. Furthermore, a truly progressive socio-economic order had to be built on Nehru's concepts of secularism and socialism. Modern industry was to embody this vision and had therefore to be located in the public sector provoking an inevitable and irrevocable modernization of Indian society ridden by regional imbalances, stark inequalities and by divisions of caste, ethnicity and religion. My paper delineates Nehruvian visions of industrial progress (and the necessary economic strategies) in light of India's first public sector steel plant in Rourkela, Orissa. I will highlight the role West German capitalist enterprises played in the phases of planning, construction and establishment of the Rourkela Steel Plant and the effects this joint Indian-German project of import-substitution led development had on local relations in production. Further emphasis is given to the long-standing contest over the land on which the steel plant and the workers' township were to be erected. Particularly the latter contest reveals tensions inherent to the nation-building project Nehruvian India embarked on after independence and sheds light on the crucial position of the peasantry, its land and tenancy rights, its position the overall modernization project and particularly the postcolonial state's policy to establish a steel industry and an educated workforce for the factories.