

Turning Callon the right way up

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Abstract

This paper argues that, contrary to his own claims, Callon's work amounts to a defence of the economists' model of a framed and abstracted market against empirical evidence that contemporary exchange rarely if ever works according to the laws of the market. I start with an example from an Indian village, which shows how other societies also try to frame particular genres of exchange to protect themselves from other varieties of exchange. But both there and within capitalism the frame is precisely a moral system of how exchange ought to be carried out. I then use the example of car purchasing to suggest the highly entangled world of actual exchange within capitalism both between the exchange partners and also between consumers and commerce more generally. Indeed, the actual case studies in Callon's *The Laws of the Markets* seem to support this conclusion rather than the model put forward in his own introduction and conclusion. These studies, as others cited here, suggest the centrality of entanglements also for higher-level exchanges, such as stock markets and corporate take-overs, and not just for shoppers or other individual actors. As an alternative to Callon I briefly summarize an argument published elsewhere, called 'virtualism', in which I examine the increasing ability of economists and other agents of abstract models such as audit and consultancy to transform the world into closer approximations of their theories and models. I suggest this provides a more fruitful way of understanding the growth and power of abstraction in the contemporary economy.

Keywords: markets; virtualism; Callon; anthropology; Jajmani system; economics.

Introduction

This paper is intended as a critique of the introduction and conclusion to *The Laws of the Market* by Michel Callon (1998). I shall argue that, while I entirely concur with his initial warning that economists tend not to study economies, but

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rather attempt to project their models onto economics, Callon ends up ignoring this initial premise, and treating the economic model of the market as though it were core to actual economies rather than a projection of economists. It follows that trying to represent Callon is not entirely straightforward because I believe there are several contradictions and inconsistencies in his presentation. In particular, he tends to say very different things in comments on the papers in the collection than when he presents his own theory, for the very good reason that those substantive cases do not on the whole support his theory. As a result, although I want to spend most of this paper dismantling the theory that Callon has produced, there are many elements within his paper that I would wish to agree with, including the overall frame and rationale. Not surprisingly I would argue that, when it comes to the initial premise about the way economists construct rather than study economics, my own theory of 'virtualism' (Miller 1998) provides a more logical and consistent consideration of the implications of this observation. In my conclusion I shall move from the negative to the positive and argue that a theory of virtualism and a concept of value can achieve what Callon sets out as his aim but fails to accomplish.

I shall argue that, contrary to his own understanding and representation of what he is trying to accomplish, the theory that Callon produces is in most major respects a defence of the economists' view of the world and a rejection of the evidence of how actual economies operate as available to anthropologists and sociologists. Despite his assertions, Callon in practice rejects an increasing amount of anthropological evidence found in books such as *Contesting Markets* (Dilley 1992) and *The Meanings of the Market* (Carrier 1997), which argue for the market as an ideological model rather than an empirical core to economic activity. Instead, Callon writes from the basis of an economists' vision, which has at its heart the assumption that most transactions within the capitalist world are indeed market transactions and that his task is to understand the mechanisms that allow them to work as markets. As a result, Callon follows the economists in mistaking a representation of economic life for its practice. In contrast, I shall present a concept of virtualism that confronts the extraordinary power of this act of representation to reconstitute the world in its image, and tries to account for this.

A journey to a village in North India

I hope the reader will forgive what may seem a rather esoteric route into this critique of Callon. I shall below address his more familiar concerns, such as in his examples of the purchase of a car or a company acquisition. But, before I do so, I first want to take you on a journey to a quite different situation, concerned with the provisioning of pottery in an Indian village. I shall start with a summary of an article that appeared in *The Journal of Anthropological Research* (Miller 1986) and was taken from my PhD research on the pottery and potters of a village in North India.

In that paper I addressed what I took to be a local version of what has become a classic anthropological category used in the ethnographic study of Indian villages. This is known as the *Jajmani* system (see Dumont 1972: ch. 4). The *Jajmani* system is usually taken to be the system of mutual obligations between patrons and clients which creates the exchange of services in an Indian village, where the patron figure is quintessentially a large landowner and the client someone performing a service for them or providing labour, in return for some of the agricultural produce of the land. The classic act within the *Jajmani* system takes place at the threshing floor when the new harvest is distributed by the landlord among the many clients that have served him over the course of the year. My particular study, however, suggested a more general system of mutual provisioning which included most bilateral relationships between households of exchange in the village and not just the relationship to the major landholders.

In my study I examined the system by which the six households of potters (all of them of the potter's caste) distribute their pottery to the remaining 259 households of their village. The potters produced around fifty different kinds of pottery. The most important distributions took place at key religious festivals such as *divali* and *akhartij*. Each potter had come to a verbal agreement with a selection of the village households for the supply of pots for that year. As a result, at these festivals every household would obtain the requisite pots, which were mainly for water storage. The same number and type of pot was given to every household in the village irrespective of wealth or status. If these were surplus to current requirements the client simply threw out the old ones and replaced them with the new ones. Potters would also supply their client household with a much greater range of pots as required by particular life-cycle events such as marriage and funerals. Most pots that are given first with respect to some religious or formal occasion are then used for more mundane functional purposes. In general this results in an oversupply of pots with regard to the needs of most villagers.

In return the potters would gain either a reciprocal service such as hair-cutting or carpentry or grain provision either directly from a landholder or indirectly from the grain that a labourer had obtained from the landowner. While the supply of pots did not relate to household wealth, the grain and services obtained were approximately according to the ability of the client to pay. There were two levels of this relationship. In the first, clients would obtain pottery from that particular potter only through these ritualized contexts of provision, and there was no strong obligation for particular bilateral agreements to be maintained. In some cases, however, the relationship was of a stronger variety with the sense of a long-term mutual commitment between patron and client, which might last for generations. In such cases the potter in question would supply a wider range of functional pots to that client as need arose. In the case of the weaker link, if the client's pot broke or they needed a cooking pot that was not given on such ritual occasions, they obtained these from the local marketplace. Since six potters were rather too many for this size of village all of them also sold pots at the marketplace, mainly to people from surrounding villages less blessed with potters. Obviously demographic considerations come

into play, and there are times when the village is short of active potters and has to purchase more from markets as well as times, such as in my study, when the village is rich in potters and the relationships of mutual obligation tend to extend beyond the basic categories of ritualized provision. Given high child morality rates, keeping a balance between under- and over-supply of potters to any particular village is itself problematic.

My interpretation of this evidence was as follows. All the potters were of the potter's caste and, as orthodox Hindus, believed strongly in the concept of *dharma*, which implied that in being potters they are acting according to their predestined and natural duty. On the whole then all households of the village preferred to act as far as possible in a manner that made their actions also expressions of their religious and moral principles. As such an ideal is constructed whereby pottery provision takes no account of market relations, needs or supply, but appears as a ritualized expression of the religiously ordained and moral relationship between any two households. The world they live in, however, is full of fortuitous and pragmatic considerations. A pot might break and the household cannot wait till the next religious festival in order to obtain a replacement, or for a period the potter's families might die out and there is a dearth of local potters until a new family is attracted in. For such purposes a marketplace exists, where people can buy and sell pots, that does not of itself provide any sense of moral or religious fulfilment, but satisfies the requirements of each agent to produce and to buy pots.

In many such cases there is a tendency by anthropologists, and even more by less scholarly commentators, to see systems such as the Jajmani as ancient and embedded orders that are challenged and ultimately replaced by forms of alienated exchange that we think of as market transactions. But in this case I would argue against any such assumption. The village I worked in was next to an archaeological excavation of its own ancestral site which demonstrated that coins were in wide circulation two millennia ago: indeed, the local town was an important mint at that time. So monetary and non-monetarized exchange have coexisted for a very considerable period even at the level of such small villages. Indeed my evidence suggests – not an antagonism – but mutual support between these systems. In effect, we can see the Jajmani system as an ideal form of exchange, which expresses the moral and ideological aspirations of the participants. It is able to work largely because its participants establish a 'frame', with the understanding that within this frame transactions will take place according to those principles. In practice, this frame can operate only by separating out what we might call certain externalities, for example, pragmatic considerations of demography and fortuitous breakage. Fortunately another system of transaction exists which can as it were 'mop up' these overflowing externalities, a system we might call market exchange. My observations would not be particularly unusual, in as much as the idea that the market was often merely the periphery to the major forms of exchange was noted within the work of Polanyi and those who followed him (indeed, I am conscious that much of my subsequent disagreement with Callon in this paper replays the substantivist critique of

formalism in the history of anthropology (Polanyi 1944; Polanyi *et al.* 1957)). The difference is that I shall assert a similar argument for the capitalist world.

The degree to which the Jajmani system can contain itself, and the degree to which it is beset by overflowing externalities will vary according to factors such as demography. As a result we can see that the market system does not threaten the Jajmani system, rather it is vital to its continuity. By mopping up the overflowing externalities it prevents the Jajmani system being challenged by pragmatic factors. One of the problems of ritual systems in general (see Keane 1997) is precisely the degree to which they tend to formalize relationships and thus have difficulty dealing with the diversity of fortuitous circumstance. So this is a context in which everyone wishes to feel that their economic transactions are also expressions of their larger sense of 'being', i.e. ideally potters transact as potters and landowners as landowners because they are born to that role. Transactions are ritualized as formal exchanges that draw attention to this ideal congruence of being and practice. The ideal is protected by the coexistence of another system which can mop up the externalities that might otherwise come to threaten it.

Indeed, it could even be argued that it was the development of a market-like system some two thousand years ago that allowed such a ritual system as the Jajmani to come into being and survive for the intervening period, although this is pure speculation on my part. Even more speculative but, apropos my disagreement with Callon, it may be that the relative absence of market systems within the capitalist world at the sites where we are told to expect them may be in part because we also lack such a more formal frame that would permit the market system to exist only outside the play of more contextualized exchange.

To conclude – we can see in many places today, as in the past, systems of exchange that may attempt as far as possible to ensure that all economic transactions take place within a particular moral framework, and this frame will grow or contract according to how favourable external circumstances are to its maintenance. Furthermore, anthropology has been misused to suggest that there is a new system that has arisen based on fully alienable objects, exchanged between strangers and based on rights to property as against previous forms of exchange which were inevitably 'gift' like. Recently one of those writers cited in support of such a split has strongly argued against this misuse of anthropology (Gregory 1982, 1997). Even in Melanesia people exchanged with strangers in commodity-like barter goods such as salt, feathers and shells in entirely alienable conditions with no sense of continued property rights or gift-like aspects. Indeed Gell (1992) argued that they did so precisely because they enjoyed the freedoms that such abstracted commodity-like exchange allowed them. So the idea that only the market produces such conditions is an illusion. Rather as with the Jajmani system, both our society and others have a mixture of forms of exchange which play off more or less abstracted genres.

By this point I think the title of my paper will have become a great deal clearer. In many respects the article I wrote about potters in an Indian village appears to develop a model of economic transaction that is similar to that of Callon.

Callon's work presupposes that most people who, by default, live within capitalism have to act within models according to which transactions should properly take place, in a manner idealized as the market system. If India was dominated by a priestly caste called the Brahmins, whose primary function it was to reproduce the ideological foundations of systems such as the Jajmani as a set of beliefs, then we can certainly see a correspondence with capitalist society in which there exists a priestly caste of economists whose task is precisely to reproduce and proclaim the inevitability and morality of their own ideal model of transactions. If, however, Indian villagers want to make their practices accord with such precepts they need to construct a frame within which they are able to act accordingly and to externalize that which would have challenged this system. In practice there are always circumstances that create overflows that Brahmins and potters might attempt to incorporate but, if they incorporate too much, these could actually challenge the formal system and the 'rational' behind the ritual process.

So we see in the village a fluctuation between two versions of the Jajmani relationship, one more formalized and inclusive than the other. Similarly, according to Callon, in our society we create frames within which actors can appear to be performing calculative and rational actions. He argues largely from a kind of Foucauldian position for the establishment of a given frame that determines what can be enacted within that frame. I would argue, however, that this requires economic actors to be socialized into its assumptions and that, despite appearances, there is a considerable normative and moral foundation to this socialization into market norms, i.e. that these are experienced as the 'proper' way to transact in a market. All sorts of overflowing externalities exist, however, that might challenge this ideal form of rational transaction. In some cases the priestly economists may attempt to quantify these and incorporate them, transforming them from messy externality to a properly quantified and then incorporated element under consideration. But, if the priests go too far, they in fact threaten the market order of the transaction itself since it becomes more obvious that the frame of the transaction that preserves its appearance as decontextualized act is in fact artificial. So, just as the Jajmani system is ultimately supported and not opposed by the external market system, so for Callon the market system exists in symbiotic support with that which we come to agree must lie outside it, that is to say externalities.

In formal terms then there seems to be a great deal in common between my argument on the Jajmani system and Callon on the capitalist system. We both write in terms of frames, and externalities. Unfortunately however, my article turns that of Callon upside down. For Callon, what lies within the frame is the market system, indeed it is the frame that helps define and preserve it as a market system. In my case – by direct contrast – what lies inside the frame is a ritual system, which is supported and defined by its opposition to that which lies outside the frame, which is the market system. If I were to agree with Callon that capitalist society puts the market in a frame in the way that Indian potters place the Jajmani system in its frame, then our papers would be distinct but

compatible. But I do not believe this. I want to argue that Callon really is upside down, and I shall do this by arguing that, in capitalist society also, what lies within the frame is *not* the market system as an actual practice, but on the contrary a ritualized expression of an ideology of the market, in other words something much more like the Jajmani system. The confusion is that this ritual and ideological system in the case of capitalism is actually called the market. To understand this we have to do what Callon set out to do but does not achieve, which is to radically separate out the market as a ritual and ideological system constructed by economists and the actual practice of economies. In short, the frame of the market studied by Callon is a moral and ideological system whose intention is to create the normative conditions for exchange rather than a description of practice.

Sophie buys a car

In order to separate out the market conceptually from economics, we are confronted by a major empirical question. If we are setting actual economies against the world presented by economists what can we say about such actual 'market' economies? What basis do we have for arguing that they are not what economists suppose? Let us start with an example as given by Callon. That is the purchase of a motorcar. For Callon, this is an example of a market transaction, but one that can exist as a market transaction only because of a series of what he terms (following Thomas 1991) disentanglements. This involves the freeing of the three protagonists, buyer, seller and the car itself, from any further ties that would prevent the alienable transfer of property rights, although he notes here and more strongly elsewhere that there are always new entanglements and overflows that are thereby produced or cannot be entirely eliminated.

So the question we have to ask is: would a typical case of the purchase of a car be properly represented as a disentanglement and thus a market transaction? Callon is much more open about wearing his economist's hat in his conclusion than in his introduction to the volume, and it is in the conclusion that he presents most clearly what is indeed a major instrument within the modern economists' toolkit, that is the concept of the externality. Indeed, if we consider the way most economists use that term with respect to the purchase of a car (something Callon does not himself do) I think a stronger case could be made for Callon's argument than he himself provides. There is a huge literature on the externalities of the car. The point made in this literature is that the price of the car and the negotiations between the buyer and the seller are completely disentangled from most of the proper costs of that car, which instead have become externalities. Indeed the anti-car lobby is incensed by this state of affairs. They note that the true cost of the car could include paying for the massive infrastructure of roads and their regulation, for the costs of medical bills for those harmed by the car and for the cleaning up of the environment polluted by not only the use of the car but also during its manufacture. None of these costs is born by the

individual purchasing the car, but rather they are taken over by the State and thus by all tax payers (see Davis 1992/3; Holtz Kay 1997). This is a primary example of what economists mean by externalities; that is costs that are set outside the frame of the transaction. Indeed Porter (1999) provides a whole litany of such arguments ranging from auto disposal to global warming and only just avoids trying to calculate the costs of illegitimate babies conceived in cars (ibid.: 187)! His premise is that 'almost all our automobile problems arise from the car's generation of external costs, when we get into our cars, we are prepared to pay the private costs of driving. But we ignore the external costs which, when added to the private costs make the social cost of driving extremely high' (ibid.: 3: for a discussion of the concept of externalities applied to the car see Miller 2001: 12–17).

So Callon could have had a powerful supportive argument for the concept of externalities as applied to the car in particular. But even if we were to grant (as I think we should) to the environmentalists that all that they proclaim has been externalized out of the frame of the actual purchase of a car, does this make that purchase a model of a disembedded market transaction? I want now to imagine that the purchase is the subject of ethnographic observation. While I know of no such ethnography of car purchase, I have carried out a more general ethnography of shopping and I propose to extrapolate from my ethnography on the basis that a car would be similar to many of the commodities whose purchase I closely observed. So let us imagine the case of Sophie buying a Renault. What are the factors that determine Sophie's selection of this car and the price she is prepared to pay for it?

Sophie is recently divorced and, while she has kept possession of the family house, her ex-husband kept the car. Her income is now much restricted so the Renault will be a small one. This is an important decision for her, one of the most significant purchases she has made for a while. For one thing she is suddenly redefining her image as an individual as against being a 'partner' in a relationship. So the aesthetics and the image of the car are important as a decision about her outward appearance, and many of her friends are very stylish. She is quite proud of that element of nationalism that leads her towards buying a French car, with a confidence bolstered by recent victories in football. So she is clear that she wants a Renault as opposed to say a Fiat or Toyota. Also the car is becoming ever more important to her since her two children are growing to an age where much of her parenting consists of chauffeuring them around to friends and activities, so the car must function well to facilitate her daily responsibilities (Maxwell 2001). Also she has realized that car journeys are actually the main time when she listens to loud music so the sound system in the car is perhaps more important than the hi-fi in her home (Bull 2001). Sophie is also (to an admittedly rather mild degree) a bit of an environmentalist so that some of the 'costs' of the car, which are normally regarded as externalities, are internal to her equation. She wants an efficient engine principally to save her own petrol costs but also she is happy that this is for the sake of the earth as well as for the sake of her budget.

Price of course enters into these complex simultaneous equations. Indeed, she remembers that her ex-husband, as a rising businessman who needed his clients to have confidence in his credit, actually bought a more expensive BMW precisely because people would thereby know how much money he had (actually this evokes one of the reasons they divorced). But price is relative to all these other factors. She wants to be thrifty but not 'cheap'. In effect, price is part of a much larger constellation of factors that are not usually quantifiable. In many ways it is better to recognize that, through the practices of such considerations, price loses its mere quantity form and takes on a more qualitative sense of what I shall call value, which makes it more commensurable with all these other considerations that could also be termed values. The move from price to value is something I shall return to in the conclusion of this paper.

Looked at from Sophie's point of view, we find that in this important act of purchase, many elements that might otherwise be kept apart – aesthetics, parenting, thrift, sense of autonomy, environmentalism and so forth – all have to be brought together. Indeed, so far from seeing this as a moment of disentanglement we are closer to Jean Paul Sartre's (1976) conceptualization of a moment of aesthetic totalization, in which everything – from past suffering to possible future pleasure, from all her social relationships to all the other economic possibilities that are contingent upon this particularly large purchase – come together in this choice of a particular style and the weighing up of a constellation of values. In everyday life such moments of totalization are rare, but for Sophie buying this car at this point in time has such a significance. It brings together so much that is normally kept apart that it makes the decision a very difficult one indeed: one that she has lost sleep over, and may thereafter come to regret or feel guilty about.

So much for the purchase, what of the sale? The sales assistant exudes commercial confidence. Indeed, his attempt to give Sophie confidence by assuring her on the basis of his experience and knowledge that she does not have to worry about all sorts of factors that had troubled her almost loses the sale since she sees this is the kind of male patronizing behaviour she is trying to divest herself of with her divorce. But actually the sales assistant has his own worries. He has a quota to make up, and he knows full well that the company has a surplus of this particular Renault and has offered a special commission on their sales. He also has some flexibility on the level of discount he can offer, and this is dependent upon his careful reading of Sophie: enough discount not to lose his sale, not so much as to lose his commission. These days jobs are not so safe that he might not also sweat a little over her decision.

So both purchaser and seller have their entanglements but perhaps these could be seen as autonomous worlds of consequence only to that precise moment of the sale as a nevertheless alienated moment. On reflection, however, the sales assistant does not come naked and abstracted to this moment. The relationship, so far from being reducible to the moment of the single encounter, has all the entanglements of an octopus at the moment when the prey is about to give up the struggle. The tentacles that were already thrown around Sophie

are the multitude of prior attempts by commerce to make her already envisage herself as the owner of this particular car. From the moment that the designers started working on the model to their final choice of colours, they were trying to have in mind Sophie and her kind. They invested heavily in marketing programmes based around their now famous advertising slogan. The multitude of ways this particular car tries to identify itself as against its competition has pre-empted some of the ways Sophie is trying simultaneously to associate a style with herself and to create some individual distinction from others around her. If Sophie buys this car it is in large measure because commerce has spent years forging the tentacles that would make this already in some sense 'Sophie's' car. Just as with Sophie and the sales assistant, the car itself is as much an aesthetic totalization of an extensive and imaginative labour force as it is a totalization of Sophie's relationships to the world.

Indeed, in my previous ethnography of the workings of large-scale business organizations which included companies built on the basis of car sales (Miller 1997), one of the most forceful points to emerge was the way in which the culture of business strips out most of what might otherwise be called economic considerations. It is difficult to attribute market failure to any one element of the commodity. It might have been the product, but it might have been the advertising campaign, each can blame the other. In any case how does an executive justify a particular advertising campaign as a cost? As Slater (2002) has noted in his study of advertising, it is not just that this is a 'culture industry'; rather, most industries have to engage in highly qualitative and entangled judgments about looks and style and image and 'feel' out of which they may, if they have the right sense of the 'street', make a profit. The way to profitability is not through disentanglement, but through further entanglement. That is to say, the better a business reflects the totalizing moment of purchase by acknowledging the rich mixture of factors that consumers are looking for, the more they are likely to succeed. The problem is whether business could ever be entangled enough to reflect the totalizing acts of the purchaser. While the car salesman may remain a stranger to Sophie, as is the case with exchange in so many non-market systems historically, the commercial system behind this transaction has to become deeply entangled with people such as Sophie, and each is constantly influencing the actions and expectations of the other. So the anthropologist would be better following Polanyi's focus upon the embedded notion of the market than Callon's (or for that matter Slater's in this collection) image of a framed and thereby isolated encounter.

Fishing for markets upstream

What if we move still higher upstream to areas such as the stock market or major utility industries? Here we reach one of the central questions to be posed of Callon's book: do the actual case studies support his own model of how markets work? I would say clearly not. Zelizer, whose discussion comes closest to my

world of ordinary shoppers, shows clearly that consumers refuse to allow money to operate as merely a sign of the market, but embed it in all sorts of entangled and parochial concepts of plural monies. Abolofia approaches the stock market as a cultural formation, which includes a strong element of what might be called fluctuation, although it is probably more like fashion in the ways in which people are expected to behave, with a strong sense of local status and peer approval. Indeed, in a classic account of one of the biggest leverage buy outs in history (Burrough and Helyar 1990) or an insider's account of the development of the derivatives and other high finance markets (Lewis 1989), we find that high finance is largely concerned with personalities, private perks and little interest groups, prestige, imagination, almost anything but what might be called a market. Similarly in Granovetter and McGuire's excellent account of the development of the electricity industry it is quickly clear that relationships are not peripheralized in the determination of events but actually lie right at the centre of that process of determination: 'we conclude that the electric utility industry was born not of Benthamite equations or optimizing rationality, but longstanding friendships, similar experiences, common dependencies, corporate interlocks and active creation of new social relations' (1998: 166–7). In short to understand how markets operate requires the historical and ethnographic study of entanglements, since neither the players involved nor us as academics are faced by a market situation characterized by disentanglements, unless we choose to portray things that way in order to better fit the models of economics.

The difference between the world imagined by Callon the economist and the vision of ethnographically informed anthropology could hardly be greater. This is precisely why Callon's book is called *The Laws of the Markets* while the important recent contributions by anthropology have been given titles such as *Contesting Markets* (Dilley 1992) and *The Meanings of the Market* (Carrier 1997). The collected papers in *Contesting Markets* demonstrate that, even when it comes to simple matters of price, anthropologists have had an astonishingly hard time finding anything that bears much relation to a framed and isolated market, while *Meanings of the Market* is concerned with how the ideological stance of the market has developed irrespective of the former finding. What the anthropological literature has striven for in recent times is also a critique of any simple dualism of commodity markets and other forms of exchange. Bourdieu (1977) and more recently Gregory (1997) have argued that within gift exchange we find considerable use of calculation – often quite fine calculation – of strategy and interests with respect to inalienable goods and the nature of relationships. As my earlier Jajmani case confirms, the systems that might have been defined as the opposite of market systems not only employ calculation of interests (both Jajmans and clients do this quite explicitly) but also construct frames in order to help these work within more pragmatic and limited arenas of calculation. But these do so within highly entangled relationships, as I would argue happens within capitalist transactions.

This would also be true of my own ethnography of business practice in Trinidad (Miller 1997). During a year in which I was working inside companies

such as McCann Ericksen, Lever Brothers and Coca-Cola I came across no instance of decision making that appeared to follow Callon's model of disentanglement in order to determine a price on strict market principles. On the contrary, my experience was similar to that of Slater (2002) that decisions were constantly embroiled in larger cultural concerns and indeed I felt the more successful companies were those trying to become still more entangled in the 'street culture' of consumers. On the other hand, there were instances of something much closer to my Indian example, that is an attempt to frame market principles in such a way that decisions were taken according to ideological determinants that were cut off from actual commercial imperatives. An example was the decision by advertising companies to support de-regulation of the media. The executives concerned had clearly learned from their business studies that de-regulation was the right path, and their political and ideological stance forced them to publicly support the break-up of the government-owned media control. De-regulation was, however, obviously going to be detrimental to their interests since they could in the past charge high prices for placing advertisements based on a known captive audience, while de-regulation led to a dominance of foreign programming to which they could not attach local advertising. In this case (though it is not typical), it was pure ideology rather than self-interest that led the way. On a much bigger scale, I have reported in some detail how the entire Trinidad economy was put under pressure by the increasing power of economists' models, known as structural adjustment, in which most of Trinidadian commerce's actual business success was put at risk by economists determined to remove all local practices as 'distortions' of their ideal model of how economies should operate (see Miller 1997: 35–57).

This was the experience that led me to develop ideas that were published within an edited collection, *Virtualism* (Carrier and Miller 1998; Miller 1998), which came out at roughly the same time as *The Laws of the Markets*. The starting points of the arguments of these two works are almost identical. I argued that it was time we stopped thinking of economics as the study of economies. Instead, what needed to be emphasized was the degree to which economics and other abstract models were managing to accrue such power that they were able to transform actual economic practices, making them accord more with these same models. In other words, if Callon is ever to be correct, it will be because the economists he represents are gaining such considerable power that they can transform the world to fit their theories. Instead of regarding much of what matters to people just as externalities, bodies such as the IMF and World Bank have treated them as 'distortions' and have insisted that governments remove them if they want to be given loans within the tradition of structural adjustment. I argued further that this was part of a much larger transformation in the political economy within which economists were simply one case among others. One also had to take into account the astonishing rise of management consultancy in the private sector and auditing in the public sector, which were also trying to quantify and disentangle the world in order to make everything accord with their abstract principles according to how cost efficiency might be obtained.

But I would not suggest that the result has been the development of actual disembedded markets within the frame of practice. An example of why we need to avoid such a conclusion should be clear to us as academics. One of my primary examples of a virtualism that is parallel to that of economics is the rise of auditing, including the application of auditing to universities. Auditing attempts to create a Callon-like frame within which interactions can be quantified and assessed and all other aspects of education removed as externalities. I am, for example, expected to fill out work time sheets which specify the exact spent on an EU post-doctoral student and this will very likely be audited. But what most academics do is in effect hire a new level of bureaucracy to keep the audit off their backs. So my reaction is to ask a secretary to find out how such forms 'should' be filled out, and the correct number of hours a post-doctoral student is supposed to be working, and to fill the form out based on that information, thereby keeping this other bureaucracy from interfering and thus destroying the actual relationships upon which their academic work depends, a relationship in which it is quite impossible to divide time into work and non-work. Similarly, private businesses hire management consultants to create 'as if' scenarios according to market principles, and therefore argue that they have proceeded legitimately even if actual business success depends upon the highly entangled understanding of which groups might purchase the goods and services in question and why. The problem is that such is the ideological stranglehold held by the concept of the market that it is ever harder to acknowledge the reality of the economic practice and refuse the beguiling myth that Callon is telling us. The virtualist institutions of economists, audit and management consultants all create a culture of audit and assessment that has to pretend that economic action consists of creating frames within which market-like transactions can be conducted, since the rest of the world is rendered an externality. But we have to ensure that we do not mistake that culture of representation with ordinary economic or for that matter educational practice.

As Polanyi noted, and I tried to exemplify in my discussion of the Jajmani system, it was previously common to regard the market as peripheral to the embedded nature of transactions. In the Jajmani system we find an ideology that actually valorizes the notion that transactions ought to totalize the moral universe of the actors. It is the market itself that is regarded as outside the primary frame, necessary for things to work practically, but nevertheless a tiresome extra that is best taken out of the frame of economic life and used only as much as it needs to be. What I have argued in this paper is that what has changed is the ideology not the practice of economic life. Today everybody around us is trying to insist that what lies within the frame are market transactions and it is the moral economy that has been externalized. But whether we examine the simple purchase of goods in shops, or institutions such as the stock market, or company acquisitions and mergers, we find that in practice we remain closer to the Jajmani system. Although we may have many transactions in which the worlds of the purchaser and the seller have relatively few direct relationships, each works best by acts of entanglement. In the case of the buyer these

commonly amount to aesthetic totalization; in business, although much of domestic life may be separated off, transactions turn out to be more about gaining a reputation, since the precise determination of what creates a profit is often highly elusive. Much of commerce consists of each player trying to second guess the entanglements of the other. How can we sell the car as though it was already part of the purchaser's life? How can we determine whether this used car seller is different from the stereotype we carry of the dishonesty of used car sellers in general? Is the main factor behind the purchase of a recently privatized company the desire by the businessman in question to gain a knighthood in the Queen's honour's list and so forth?

If anything, the problem for the contemporary capitalist economy is that (as with the Jajmani system) actual economic agents are trying to keep the market as an externality, outside the frame of transaction. This is because the simplifications of disentanglements expected of market transaction actually make transaction less efficient and not more. This is what I am constantly trying to do in my professional life: keep simplistic auditing criteria away from the frame of actual transactions with students. Business agents as human beings are capable of quite effective assessments of value, the true basis for transaction, which are denied when we try and pretend this is merely an assessment of price. Whether it is a question of deciding whether to invest in a new dot com company or deciding if a brand name still has street credibility, the assessment of value in business is all about trying to bridge the gap between quantitative elements and the qualitative assessment that must be involved in understanding the very units such as brand names or the cachet of being on the Internet. Indeed, Callon is quite wrong to think that embedded exchanges are somehow less calculative than market transactions. Embedded exchanges generally require more and more complex calculations. For Callon 'Once organized and hence locked-in, the market becomes calculable by agents' (1998: 50). What anthropologists from Mauss through Bourdieu have argued (contrary to Callon's representation of them: *ibid.*: 13) is that gift-like transactions are highly calculative of the advantages that could accrue to those that give gifts. But what they require is the much more complex sense of value that the assessment of advantage in embedded contexts requires. By contrast, the main difference that constitutes a market is not that they are more calculative but that they pretend that such calculation is relatively simple, because they reduce the concept of value to a quantitative instrument. Callon confuses the simplification of calculation to numbers with the practice of calculation. What makes Callon the quintessential economist is that he too attempts to reduce value to price by seeing value as that which overflows the frame, instead of seeing it as that which constitutes ordinary transactions.

Conclusion

In talking to a number of colleagues I have found considerable desire to support Callon's case (Slater in this collection being an obvious example). I discern the

following reason. I think they feel there has been a decade or more of relativists such as anthropologists trying in effect to show how 'clever' they are by finding examples in which the market does not operate at the heart of some institution where it is purported to lie. Callon's work is seen as a kind of common-sense response that at least we should acknowledge that for all these cultural entanglements and relativistic critiques we do finally live within a capitalist system that is dominated by the market, and now finally someone has had the good sense to admit to this and try and think about what is entailed when people actually do operate by market principles.

Ultimately I would rest my case against Callon at least as much on empirical grounds as on theoretical grounds. I can certainly see why what he writes seems like a necessary injection of common sense against an unduly 'florid' critique of market logics, but I would argue that this is actually a misconception. It is simply that we are so saturated with the ideology of market transactions that we feel that surely somewhere this must have a clear foundation in everyday life. It does not. There are distinct practices in capitalist societies but these rarely if at all assume the form presumed for them by market theory and economists. As the empirical study of everyday transactions in, for example, shopping or derivatives markets develops, I think it becomes clearer that people hardly ever engage in this act of framing. Their primary consideration is rather their larger sense of value, which incorporates those on whose behalf they make purchases in the case of shopping, or the status relation to peers and career prospects within a firm for derivatives traders. As insider accounts, high-quality journalism and ethnographic material penetrate the worlds of high finance, mergers and acquisitions and everyday business practice, once again it is becoming more and more apparent that in practice business does not operate on disentangled market lines.

A possible analogy is to think of Callon as presenting to us the bare bones of transactions. He hacks off the flesh to show the relative solidity of the market principles inside. But skeletons are not agents, they are the dead, remnants left when that which gives agency is stripped away. We can theorize such bare bones academically but that is not how economies or economic agents operate. As actors they are always burdened by flesh and life and relationships. Instead, as argued in *Virtualism*, we can find in practice an increasing tendency for market ideology to gain the power to remove all other externalities as distortions. This is an actual and growing phenomenon in the world that we really ought to be paying attention to instead of false grails of inherent market logics. Perhaps the sale of strawberries in one part of France does actually represent a market, but most attempts to locate markets have been and I predict will continue to be (if you will forgive the pun) rather 'fruitless' investigations.

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