Afterword

Moral Economy in Context

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In her Introduction to this volume, Lale Yalçın-Heckmann reviews the concept of moral economy and presents some of the ways in which the various contributors' chapters relate to it. Here I want to do something different, step back from that concept and those chapters and consider them in a broader intellectual context. That is what I call economism, which has two elements that resemble each other. One is the prevailing common understanding of the economy; the other is neoclassical microeconomics, the dominant model in academic economics and government departments concerned with economic policy.

Over forty years ago, Louis Dumont's *From Mandeville to Marx* appeared (1977), its main concern being stated in its subtitle, *The Genesis and Triumph of Economic Ideology*. Dumont argued that this ideology had come to dominate the West's understandings of itself and of how the world really is beneath surface appearances. For him, the core of the ideology is that people are first and foremost individuals who are autonomous, in the sense that they exist prior to the relations in which they may become involved, as well as being self-regarding in the sense that they seek their own well-being and will co-operate with others only if it is in their interests to do so.

This view underlies two of the formative works of English political and social thought, Hobbes's *Leviathan*, which appeared in 1656, and Mandeville's *Fable of the Bees*, which appeared in 1714. For both, the state of nature is populated by Dumont's autonomous, self-regarding individuals. This view of humanity is expressed by Adam Smith, the best candidate for the title of Founder of Economics, in *The Wealth of Nations*. There, he says (1976 [1776]: 18): 'It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest.' In the *Communist Manifesto*, Marx and Engels (1948 [1848]: 11) argue that this view especially characterizes capitalism, which 'has drowned the most heavenly ecstasies of religious fervour, of chivalrous enthusiasm, of philistine sentimentalism, in the icy water of egotistical calculation.'

Economism

It is a long time since Marx and Engels wrote, and even longer since Smith and the others did so. However, the view I have described, that of the self-regarding and autonomous individual, has flourished to become the prevailing view of people and their activities in academic economics and popular thought. I want to describe some key features of it, in part because they help illustrate how deeply seated it is in people's view of the economy, and indeed of life in general, and why it is difficult to challenge. In doing so, I distinguish between a core or basic economism and an elaborated one, which includes important concepts from academic economics.

In economism, the autonomous, self-regarding individual is cast as the rational economic actor. Such people have desires and limited resources, and they survey the things on offer in terms of which desires they can satisfy and how much they cost, which is to say how much of their limited resources they would have to give up to get them. The actors then buy the objects that offer the greatest satisfaction for the least cost, or indeed may decide that none of those objects is worth the cost and walk away. In technical terms, this is called maximizing utility, an object's utility being its ability to satisfy an actor's desire. I want to elaborate on this simple sketch.

This view sees those actors in terms of transactions, which commonly bring to mind markets. Market transactions have two parties, and, in principle, economism applies to both – that is, to the person who brings onions to market and has a desire for money as much as the person who brings money and a desire for food. However, in practice, the focus is on the buyers; Smith, after all, illustrated his argument with how we get our dinner from the butcher, the brewer and the baker. An appropriate and common image is someone in a supermarket aisle or on a website confronted with a variety of items on offer, each with a price attached. This image may seem intuitive, but it is too restricted, for the economic rationality of economism turns out to extend far beyond markets.

Marshall Sahlins (1996: 395) pointed out one way in which economism extends beyond markets and even market societies when he said that a central element of Judeo-Christian thought is 'that what life is all about is the search for satisfaction'. The idea that people are possessed by desires and seek to satisfy them, then, seems to have been ubiquitous in Judeo-Christian culture for a very long time. Lionel Robbins, a British economist whose work is part of elaborated economism, identified a different way in which the latter extends beyond markets. He argued that rational economic action exists throughout life in general, for people make economic decisions whenever they decide how to allocate their limited resources among alternative ends. It turns out that they do that in pretty much all areas of their lives. As he (Robbins 1945 [1932]: 26) put it: 'The distribution of time between prayer and good works has its economic aspect equally with the distribution of time between orgies and slumber.'

Given what I have drawn from Sahlins and Robbins, the triumph of economic ideology that Dumont described seems absolute. From what Sahlins said, it seems that a central element of our culture is that we think that people have one attribute of the economic view, namely desires and the belief that it is important to satisfy them. From what Robbins said, it seems that all those who make decisions about how to spend their time, energy, money, attention or anything else of which they do not have an infinite supply have another attribute of that view, for they are allocating their scarce resources among alternative ends.

To see how self-evident and all-encompassing this view is, at least in its elaborated form, consider a woman who is sleeping. When the alarm goes off at seven in the morning and she decides to hit the snooze button and sleep for another quarter hour, she is pursuing satisfaction, as Sahlins suggests. Further, her decision is about the allocation of a scarce resource, time, between being asleep and being awake. Moreover, that decision is rational because she concluded that the extra sleep would produce more satisfaction than would having another fifteen minutes awake during the day. If she did not conclude that, she would not have done what she did, namely hit the snooze button. This is what economists call a revealed preference, to which I return below.

Gary Becker spent his academic career extending the core economistic model to more and more realms of life (e.g. Becker 1957, 1991). He is one of the two Americans who received both a Nobel–Swedish Central Bank prize for economics, in 1992, and the Presidential Medal of Freedom, in 2007 (the other was Milton Friedman, in 1976 and 1988). The prize citation referred specifically to his extension of the applicability of the model: 'for having extended the domain of microeconomic analysis to a wide range of human behaviour and interaction, including nonmarket behaviour' (Nobel Prize Organization 1992).

Thus it is that Hobbes's, Mandeville's and Smith's basic ideas about what people are like turns into economism, a potent common view of the world that sees people deciding what they want to do when the alarm goes off in the morning, when they are in the supermarket or when they are awakened from their slumber and invited to an orgy. As our sleeping woman illustrates, in its elaborated form this view is comprehensive, seeming to cover everything and, in the process, perhaps covering nothing. One way the view could be defended against this criticism is by treating it as a language, a way of talking about things, rather than a guide to action and policy.

Consider again the sleeping woman and the snooze button. We can describe her in economism's language, but, a defender might say, that is not all there is to it, for guides to action and policy not dictated by economism or the sleeping woman's desires are possible. That is, if we consider what that woman needed to do during the day and knew that she needed to do it, we might conclude that she would have done better to get up than to sleep longer. However, the elaborated form of economism undercuts this defence. That is because it is resolutely liberal, holding that people's likes are their own and cannot be challenged. Neoclassical economists do not make a principled, explicit case for this liberalism, nor do they say why it is good. Rather, they hold that what they call preferences, people's likes, are to be taken as given and as going beyond the scope of their model.

Because achieving or acquiring people's preferences, whatever they may be, increases their satisfaction, this is simply presumed to be good. In *The Economist*, at the time a resolutely economistic magazine, this view was expressed in an article casually, without the writer seeming to feel the need to elaborate or explain: 'Forcing consumers to pay double for . . . their choice or buy something else, hardly makes them better off' (Car Wars 1995). By that logic, I am better off with an automobile that pollutes heavily, eating adulterated foods or filling my study with assault rifles and hand grenades, if they are what I want.

This recalls an aspect of economism in both its basic and elaborated forms that I have mentioned already: that people are fundamentally autonomous and self-regarding. Seeking to maximize their satisfaction, they will deal with each other in terms of their own interests and the utility of what they might transact with each other. As Smith (1976 [1776]: 18) put it, the logic is: 'Give me that which I want, and you shall have this which you want.' One corollary of this is that their dealings are impersonal, devoid of personal affection or sentiment. This is as it should be because personal sentiment can only cloud the assessment of cost and utility, which hinders maximization. So, people need to transact at arm's length, which means not being linked or related to each other in anything but the transaction at hand.

In terms of firms, we are told that those that do not act in this way will be less successful than those that do, and so be driven out of business by their competitors. This explains the economistic objection to family firms, companies that draw on family connections for capital and labour rather than securing them impersonally in the market (Chandler 1977). Another way in which firms can fail to transact at arm's length is less obvious: letting the history of their dealings with each other affect their judgement. So, a baker who bought 500 kg of soft flour from a supplier may be satisfied with the flour and the price but should not let his or her judgement be clouded by that when the time comes to place another order. Rather, the baker should consider a variety of suppliers, their wares and prices.

Firms, even large ones with the resources to evaluate a range of possible suppliers and counterparties, do not always, or even often, act in this way. Ronald Dore and Mark Granovetter showed that firms might start out dispassionately assessing each other and transacting at arm's length but that they tend to change. Dore (1983: 479) claimed that their relationships 'become regulated by criteria of fairness', while Granovetter (1985: 490) argued that they end up carrying 'strong expectations of trust and abstention from opportunism'. Findings such as these would seem to challenge the economistic view.

An important elaboration of basic economism, something called the new institutional economics (the NIE), came to the rescue. This is associated mostly with Ronald Coase (1937, 1960), who received the Nobel–Swedish Central Bank prize in economics in 1991, and Oliver Williamson (1975), who received the prize in 2009.

The NIE starts out from the basic economistic view that people are autonomous, maximizing actors who decide what to do based on what different things cost and on the benefits or satisfactions they would give them. It extends that view, however, by saying that more costs are involved than just the obvious one, money. Those other costs are called transaction costs, which I take to include what are called information costs. Those costs may not be monetary, but they are real nonetheless. So, a man who wants to buy sheets for his bed in the most rational way has to consider not just the sheets and their money cost. In addition, he needs to make the effort to learn about different kinds of sheets: the material used to make them, the sorts of weave, the nature of the hemming and so on. But there is more to it than this. He also needs to learn what stores offer sheets, how reliable they are, how they deal with customers and their return policies. In addition, if he wants to go to the store to make the purchase, he needs to know where the store is located, which means how much time and money it would take to get there and get home again.

The point the NIE makes has some important implications. One is that it may be rational to act in ways that appear irrational in the core economistic view, in which people should compare all the costs and benefits of different possible purchases, like different sheets, or courses of action, like prayer or good works. However, that does not mean that those who do not do this are irrational. Rather, they may have made the rational (which need not be the same as correct) judgement that the cost of gathering more of the requisite information is so high that it is not worth doing.

Another implication is simpler, but it has more profound intellectual consequences. I said that transacting repeatedly with the same counterparty may be rational because the knowledge gained in the first transaction reduces our uncertainty about that counterparty, and that in turn reduces the advantage we would expect to gain by spending the resources necessary to evaluate other possible counterparties. So, our baker who is satisfied with the price and quality of that 500 kg of soft flour and with the service and behaviour of the supplier might well be rational in deciding that the transaction costs of looking for alternative suppliers would be too high and simply deal again with the same supplier.

The intellectual consequence of this is that it allows us to take what appear to be the social and moral aspects of relationships and reduce them to the calculation of autonomous and unrelated individuals. Accordingly, Dore's 'criteria of fairness' and Granovetter's 'trust and abstention from opportunism' do not mark the development of social relationships between firms. Instead, they reflect the fact that experience has taught a firm enough about how its counterparty behaves for the firm to decide that what it would learn from a search for a new counterparty would not be worth the transaction costs. Fairness and trust, then, are not properties of a developing social relationship. Rather they are a way of keeping transaction costs down – Marx and Engels's icy water of egotistical calculation.

I said that economism is difficult to challenge, particularly in its elaborated form. The NIE shows how empirical findings, like Dore's and Granovetter's, that appear to challenge economism in its basic form can be subsumed by it and turned into demonstrations of its strength, as well as being the justification for two Nobel–Swedish Central Bank prizes, plus that Presidential Medal of Freedom.

In what I have said so far, I have regularly presented stylized images of people, like the baker needing more soft flour and the woman confronting her alarm clock. Those simplified images of people and their thoughts and actions lack texture, but this is appropriate when considering economism. That is because the more prestigious branches of the discipline of economics, as well as much popular economistic thought, have a distinct air of deduction (see Blaug 2003; Rivzi 2003). That is, they assume that people have a limited number of simple attributes, like maximization, preferences and limited resources, and then deduce how they would act in certain situations.

This can lead to what look like circular arguments. I mentioned an aspect of this in passing when talking about the woman and the alarm clock. She decided to hit the snooze button; in economism we presume that she considered the alternatives and decided to satisfy her preference for sleep. We have no way of knowing how she arrived at her decision or even what her preferences were, so we cannot know if she in fact behaved in ways that the economistic model assumes. However, when I first presented her, I invoked the idea of revealed preference, another elaboration of the basic form. To put it crudely, this says that of course sleep was the preference she was maximizing, as revealed by the fact that she hit the snooze button. So, anything that people do can be seen to reflect a preference being maximized, even if we have no knowledge of it, so that the economistic model is satisfied and seen to be justified.

That circularity is a logical reason to worry about the air of deduction in economism. There is also a more empirical reason – that its simplifying assumptions result in models that seem to bear little resemblance to real people. Milton Friedman, whom I said won the Nobel–Swedish Central Bank prize in 1976, rebutted this worry. He said that the question is not whether the resulting models are unrecognizable caricatures of human beings. Rather, it is whether those simplified models produce predictions that are accurate enough for the purposes at hand, and he held that they are. In his view (1953: 224), 'A theory cannot be tested by the "realism" of its "assumptions".' Rather, we need to consider whether or not it 'yields valid and meaningful (i.e. not truistic) predictions about phenomena' (1953: 213; see also Hodgson 1988: 28–35; Milonakis and Fine 2009: 230–36).

Economy

I turn now to economic activity as perceived by those whose orientation is less shaped by economism's presuppositions. The activity at issue is people's actions and interactions that are part of market transactions, of the production of utilities or of both. This field is narrower than the way in which elaborated economism sees that activity, which I said is concerned with a form of reasoning it assumes underlies people's actions of all sorts.

Those whose perceptions concern me are the contributors to this volume, whose view of economic activity echoes that of economic anthropology generally. I think this view is also close to the way ordinary people think about the actions they undertake and see around them when they approach those activities as ordinary rather than as 'economic activity' or 'the economy'; when, that is, they see things free from the need to interpret them in economistic terms. Because what the contributors describe is surveyed in

Yalçın-Heckmann's Introduction I shall deal with it only briefly, attending especially to the ways in which it departs from the economistic view.

One way it does so is that it reveals little sign of an impersonal market in which people deal with each other at arm's length. Thus, in her description of employment relations in a city in Myanmar, Laura Hornig describes something that looks more like a social dance than an economistic market in which people buy and sell labour power. Rather, employers and employees want different things, and an important aspect of their relationship is working out what these desires mean in practice and how they will or will not be met. Luca Szücs describes something similar in a firm that runs three small tobacco shops in a Hungarian city. There, the relationship between owner and workers and among the latter is pervaded by an ethos of mutual support. Such support can be demanding, so it is not unlimited. Even so, the ethos is there.

Detelina Tocheva's description of people from a declining village in Bulgaria extends the study of mutuality to an activity that is economic but not commercial, namely building houses. They are built with pooled communal labour, which is a common feature of village societies. Tocheva shows that mutuality is not a constant, having changed because of the changing context of the village she describes. As it lost population and young people migrated elsewhere for paid jobs, the 'we' among whom mutuality exists changed from the village as a whole to the network of kin and friends centred on the person whose house is being built.

When she describes changes in the 'we' of pooled labour in Bulgaria, Tocheva shows that different sorts of relationship can underlie mutuality. In a discussion of how different people set up manufacturing firms in Palghar, on the west coast of India, Sudeshna Chaki shows those differences in a different context. This is most obvious among families that had migrated to Bombay during the colonial era, became merchants and in a succeeding generation moved to Palghar and became manufacturers. Among these people, caste and community membership eased their entry into Bombay commercial life, with the hostels funded as an act of charity by merchants from their home areas and with the informal networks and friendships people formed with others of their community.

Chaki, like Tocheva, shows the importance of kin and community links in economic activities. Ceren Deniz, in her study of a factory in Çorum, a town in Turkey, shows how those links can be more fragile and contentious than one might think. That is because they were seen as the basis of claims to a job in the factory. This seems to have encouraged people to claim a closer relationship to the boss, Cemal Bey, than might be justified, and it is understandable that, faced with this, he would be sceptical of assertions of those links and the claims based on them.

In her description of small shops in a city in Denmark, Anne-Erita Berta addresses a different topic, namely what it is that motivates the shopkeepers. She argues that they want to do good. This is not, however, simply the expression of a set of personal values. Rather, they seek the esteem of their customers, as is manifest in their social interactions with them, esteem that validates both what they are producing and the notion of the good that they hold. An entrepreneur driven by a more purely personal notion of the good is a woman in the clothing industry in a town in Russia, described by Daria Tereshina. This woman's idea of the good was to produce textiles and clothing that she thought were of good design and quality. However, she found that there was too little demand for such products, so she effectively split her firm in two. The main part produced conventional work on contract to larger firms, which generated the income that allowed her to run the smaller part of the firm, which designed and produced display models of the sorts of clothes that satisfied her sense of good clothing but made a loss.

The chapters I have mentioned thus far are concerned with people's values and interpersonal relationships as they appear in economic activities of different sorts. The remaining chapter is Ivan Rajković's study of the workers and ex-workers in an automobile factory in Serbia that fell on hard times and ended up being run by a public–private partnership. Rajković says that workers saw the factory not simply as an economic entity but as a socio-economic one. They had expectations, based on their previous experience, of the obligations the factory and its owning partners had to the workers and saw that those obligations were not being met. As Rajković notes, this repeats, in only slightly modified form, what E.P. Thompson (1971) said of the English crowd. They knew that their economic activities were economic, but equally they held that transactors had obligations to each other, obligations to which economism's autonomous, self-regarding actors are indifferent. And just as the developing market in grain in England was indifferent to the crowd's social expectations, so the new corporate entity was indifferent to the social expectations of these Serbian workers.

Economy and Economism

I have touched on only some of what is reported in the descriptions of various economic activities in the chapters in this volume. I have touched on enough, however, to show that the world they portray is different from Smith's market actors engaging in material transactions to get their supper from the butcher, the brewer and the baker.

For one thing, even where sheer monetary gain is important, as it is in Tereshina's description of the Russian woman in the clothing trade, it is not necessarily people's ultimate goal. For that woman, money was a means to an end, namely designing and making clothes of high quality that consumed rather than produced money. In that respect, she resembles the Danish petty entrepreneurs that Berta describes. They needed the money, and to get it they needed to have satisfied customers. However, their work was an expression of their values, which were affirmed by their having satisfied customers.

Another feature of the core economistic view is that economic actors focus on the exchange of objects in the transaction at hand. However, the chapters in this volume show that there can be much more than that to economic activity. Those Danish petty entrepreneurs and the Russian woman in the clothing trade illustrate this, for their activity is shaped by the broader values they hold. In a similar way, the workers and employers in Myanmar that Hornig describes are trading money for labour power but in doing so are concerned with much more than just the cash nexus. Their dealings with each other involve tacit negotiation of who owes what rights and responsibilities to whom: respect, fair treatment, loyalty and support. The same is true of the Serbian workers that Rajković describes. The conversion of what had been a state enterprise into a public–private partnership brought to the surface what the workers saw as a social contract, made visible when the new enterprise pursued a set of new and more purely commercial practices.

The last feature of the basic economistic view I consider here is that transactors deal with each other impersonally, approaching transactions in terms of what's in it for them and not of their possible relationships with each other. If the contributions to this collection are any indication, this is the least defensible element of that view, and I need mention it only briefly. In Szücs's Hungarian tobacco shops, the owner and the workers are in an enterprise where mutuality and respect, while not unlimited, are important features of the employment relationship. Chaki shows how kin and community are important to those with commercial backgrounds as they set themselves up as manufacturers in Palghar. For Cemal Bey, co-owner of the Turkish factory that Deniz describes, kin and their demands are a regular feature of his job, and indeed kin appear to pervade his company. And obviously, the people Tocheva describes who collaborate to build houses are linked by ties of kinship and friendship.

From what I have drawn from these chapters, it appears that the basic economistic view does not accord with the actual economic activities of a lot of people. It is worth considering why this difference between the view and the activities exists.

One possible reason is the size of the entity or actor being described. It seems that conventional thought and what we see in the media, as well as much of academic economics, focuses on two sorts of entity. One is the autonomous individual, like the woman whose alarm went off at seven. She confronts things outside herself, like that alarm, but she is not seen to be in anything that looks like a relationship with them. Rather, she evaluates what they do and responds accordingly. That woman is a single autonomous actor, but masses of such individuals can be aggregated in notions like market demand. The other entity is the enterprise: companies, firms and the like. Most commonly these seem to be construed as large-scale versions of autonomous individuals, like Coca-Cola or Air France or Goldman Sachs, constructions indifferent to what goes on in the myriad small parts that make them up. Again, there can be aggregates of such entities, like the airline sector or Wall Street.

With a few exceptions, these chapters describe something different. They are concerned with small groups of people linked to each other in different ways, like petty entrepreneurs and their customers or employees, those who pool labour to build a house, or those who invoke kinship or shared locality of origin in their search for work. This focus makes it easier to discern the interactions and relationships that tend to be obscured by restricting attention to the singular entities that populate the conventional view.

A second possible reason refers more to common thought about economic activity than it does to academic economics. As I have mentioned already, that common thought echoes Smith's reference to getting our supper from the butcher and the rest, for it tends to focus on buying. This is understandable, for the common experience of most people in Western Europe and North America, if not the whole world, is that of going to the shops and getting things. In this respect, people are not only buyers but also what is called price-takers: they confront prices that are given and not subject to negotiation. People in those societies, at least those who have jobs, are also sellers, but those who work for pay do not seem to think of themselves as sellers of their labour power in the way that small bakers think of themselves as selling bread. Much of this volume, however, is concerned with individual people or small entrepreneurs who are selling something and who are likely to be aware of the fluidity of and variation among those whom they confront in their economic activities.

The last possible reason I want to mention concerns anthropological technique, particularly fieldwork. I said that academic economics commonly posits actors with certain attributes and deduces how they would act in one or another hypothetical situation. Less prestigious branches of economics do have their empirical side, dealing with data produced by governments and trade bodies and by companies in their accounts. However, these data have two important limitations. One is that they reflect and reproduce the analytical frame of those who produce it and so are difficult to use by those who want to ask questions that reflect a different frame. The other is that they do not normally concern themselves with the processes that lead to the state of affairs they describe. It is true that the relatively new field of behavioural economics (e.g. Tversky and Kahneman 1974) is less deductive and more concerned with process than is mainstream economics, but it relies on experiments, which by their nature reflect the analytical frame of the researchers.

Anthropology, on the other hand, has historically been based on extended fieldwork. We go into the field with analytical frames in mind, but fieldwork exposes us to more of the complexities and contradictions of people's lives than the experiments of behavioural economics or the aggregate data produced by governments and the rest. To illustrate: Sevim, the receptionist whom Deniz mentioned, may have related 'what happened yesterday' to someone visiting from the Turkish Ministry of Labour or the Ministry of Industry and Commerce, but this would be unlikely to affect the information that the visitor needed or the data and ministry publications that would result from the visit. Also, and perhaps more basically, when we go into the field, we do not observe people as individuals whose choices in the supermarket aisle we observe, whose answers to our prepared question we record or whose responses to our experiments we note. Rather, we see them in their daily lives. That means that we see them in their relations with others, with all the complexities this entails, complexities that economism seeks to exclude from what they are seeing when they approach the world.

Conclusion

From what I have said, it would seem that economism is fatally flawed because it populates the world with rational, autonomous, self-regarding maximizers who bear little resemblance to the people anthropologists see around them in their lives, or probably what anyone else sees for that matter. However, economism in its more elaborated form can defend itself, even if anthropologists are not likely to see that defence as persuasive.

It can defend itself by translating the complexity that we, and ordinary people, see into its own terms and logic. As I have already described, the new institutional economics translates trust and criteria of fairness into what people do to keep transaction costs down. Equally, those who seek to help others can be translated into individuals who are maximizing the pleasure they get from feeling virtuous. Seen in this way, charity is translated into just another individual preference no different analytically from detective fiction or, to recall Robbins, orgies. And as I said, the economistic perspective decrees that preferences are simply to be taken as given, not to be investigated or evaluated. Seen in this way, economism is, as I have noted from time to time, very well armoured conceptually, for, at the risk of parody, it comes down to arguing that people do what seems to them to be a good idea at the time. This armour, of course, makes it a truism, and hence trivial.

If my parody has an element of truth, we confront a question: how is it that a conceptual approach that is either belied by experience or trivial is so influential and widespread? How do we account for the influence of an approach that, in fact, has long been criticized for its oversimplifications and occasional baleful consequences, such as the financial crisis of 2007–08 and the Great Recession that followed (for a recent example, see Earle et al. 2016)? I have no answer to this question, but I do have two suggestions about how we might begin to look for an answer.

The first suggestion is fairly straightforward, and it is cultural because it revolves around the rhetorical appeal of different sorts of arguments and conceptual frames: I suggest that arguments and frames that are simple are more appealing than those that are complex (Carrier 2009). The core of economism ignores the complexities of people's lives and activities that anthropologists see and contains only individuals who have desires and who act in ways that they think will produce the greatest satisfaction for the least cost given the alternatives. This appeal was expressed by John O'Sullivan, a British political commentator who ended up being an advisor to Margaret Thatcher, when he said that free-market thinking, a valued element of economism, 'provides clear, consistent and above all, simple solutions to the problems thrown up by society and the economy' (quoted in Cockett 1994: 194).

The second suggestion is more complex, and it is more institutional than the first because it revolves around how institutions promulgate views of the world and use them to claim authority. The institution at issue is the discipline of economics, which resembles economism in public discourse and the political realm. That discipline itself is powerful, in significant part because it asserts that there is a crucial but opaque realm of life called 'the economy' and that the discipline provides insights into that realm and how it works. Such claims are not unique to economics in its current neoclassical form, for they also existed when the older Keynesian approach was dominant. That realm is seen as a system that has properties of its own and must be nurtured to ensure prosperity and protected when things seem to be going wrong.

So, for instance, many governments ended up treating the crisis of 2007–08 as a crisis in the financial system, an important part of the economic system. In varying ways and with varying degrees of success, they threw massive amounts of money at the firms in that system, notably banks, and at markets important to it, notably the bond market. Banks and other firms in the sector were unstable, and to a substantial degree this was because a lot of loans that they had made to individuals, particularly in the form of mortgages, were looking distinctly problematic. One could have dealt with this in ways that were not clearly concerned with the system. Most obviously, governments could have thrown money at individuals and households, a significant proportion of which would have used it to help pay down those loans, which would have gone some way to stabilizing banks' financial positions. This was debated in the US at the time, but it was rejected, largely on the grounds that it would benefit people who had been reckless financially and so did not deserve support.

It is not just impoverished and indebted American households that can feel the unfortunate effects of a concern with the system rather than with the people who are part of it. One element of economists' portrayal of that system is the assertion that using money to create the greatest profit, called the rational allocation of capital, produces the most efficient economic system, which means the most productive economy, and so benefits everyone. Karen Ho (2012: 420) quotes a man in the financial sector who espoused this view in a way that shows the difference between concern for the system and concern for the people in it: 'Inefficiency requires reallocation of assets. That includes people, and that can be painful, especially if you are one of the people. But society as a whole is still, without question, better off.'

My final illustration of the importance of system in economic thought is the concern that transactions be visible rather than a private matter between the parties concerned. Generally, transactions in the financial markets are visible, but there are things called dark pools, in which transactions are private, and those pools are fairly large. Financial authorities worry about them for reasons related to the proper operation of the economic system. They hold that dark pools reduce people's ability to know the prevailing price of things. That in turn reduces the chances of a rational allocation of capital in the system as a whole, so that the economic system will not be as efficient as it should be. In an earlier era, people also wanted transactions to be visible, but for different reasons. In England through the eighteenth century, people worried that private transactions would affect those involved. According to Alan Everitt (1967: 571), making transactions visible 'afforded at least a measure of protection to both consumer and tradesman. The fact that transactions became the common talk of the town discouraged, if it did not prevent, wholesale cozenage.'

I have suggested two ideas we might pursue if we want to understand the strength of economistic thought, one more cultural, the other more institutional. Accounting for that strength has been important for as long as the thought and the discipline of economics have been able to ignore criticism from outside the gates. If my suggestions are reasonable, then economism will be able to ignore the implicit criticism contained in this volume and in economic anthropology more generally. This would be unfortunate, but I fear it is likely.

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