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THE SYMPOSIUM

QUESTION: "What does economic anthropology contribute to the understanding of the economics of peace and conflict?"

Financialization, Solidarity, and Conflict

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An important way in which economic anthropology contributes to the understanding of peace and conflict is by understanding how financialization transforms solidarity. Financialization, meaning the integration of financial products and services into everyday life, changes solidarity among neighbors, within communities, and among kin, as well as solidarity that is connected to citizenship. One of the best-known examples of finance affecting solidarity is the Grameen Bank. Established in the 1970s, the bank provided credit to poor rural women in Bangladesh. The bank set up solidarity groups where women became collectively responsible for each other's loans, which had to ensure that the loans were paid back. In 2006, the bank and its founder, Muhammad Yunus, were awarded the Nobel Peace Prize for using microcredit and solidarity groups to strengthen peace. Anthropological research, however, revealed that these solidarity mechanisms were not as peaceful as the Nobel Peace Prize suggested. Rahman (1999, 72) found that when a member failed to meet her financial obligations, "peers in the loan center may decide to take the defaulter's saleable household item or personal assets and sell or mortgage them out to collect the instalment." Rahman (1999, 2001), as well as others (e.g., Schuler, Hashemi, and Badal 1998), had already revealed how men, who were not allowed to participate in the solidarity groups, would—sometimes violently—take the money from female members. Offering finance through solidarity groups led to exclusion from the community, violence against women, deeper gender inequalities, and augmented social injustices.

Economic anthropology contributes to a thorough understanding of how financial products and services transform social relations. Ethnographies show why solidarity is not only, or not always, harmonious and peaceful. Solidarity is instead charged with power struggles and conflicts that have far-reaching consequences when financial products and services become part of solidarity, for example, when it starts playing a role in the delivery of credit, insurance, cash transfer programs, or welfare benefits. Following Rorty's (1989) philosophical approach to solidarity, it becomes apparent that solidarity is inherently conflict ridden and that very specific types of conflicts emerge when solidarity becomes financialized (see Bähre 2020). These conflicts are about the boundaries of solidarity, hierarchies *within* solidarity groups, and part of ideological conformity.

Solidarity, also when it is financialized, inevitably marks boundaries between insiders and outsiders. Becoming an insider or outsider has important consequences for entitlement, personhood, and social identities, which in turn can lead to conflicts that contest these boundaries. Shipton's (1989, 2007, 2010) ethnographies on the Luo in Kenya examine how policymakers assumed that certain forms of solidarity and collective identities would facilitate the provision of credit, which, against their expectations, provoked fierce conflicts within and between communities. In a very different context, Pedroso de Lima (2016) shows how austerity measures excluded people from the Portuguese welfare state and gave rise to social and moral tensions that were intrinsic to gendered informal care arrangements. These conflicts emerge when financialization alters the boundaries of insiders and outsiders that shape entitlements and responsibilities.

The second set of questions that I derive from Rorty's (1989) pragmatic philosophy addresses how financialization changes hierarchies within solidarity. Solidarity within communities, households, and kinship networks is not free of hierarchical relations, and financialization affects these hierarchies. In some situations, these hierarchies might be accepted, but this can also lead to conflicts. There has been extensive ethnographic research on how financialization impacts gendered hierarchies in particular (Corboz 2013; Kusimba 2018; Molyneux and Thompson 2011). Cookson (2018) analyzes how the World Bank's conditional cash transfer programs in rural Peru amount to a hidden cost for mothers. These programs aim toward social inclusion, but Cookson reveals how they augment gender inequalities by relying on women leaders. The ideology of care that was part of these programs translated into mothers having to do unpaid labor while narratives about motherhood augmented social injustices. A wide range of ethnographies show how financial services and products transform solidarity groups, alleviating people from certain inequalities but simultaneously subjugating them to new inequalities (Green 2015; Guérin 2014; James 2014).

The third set of questions concerns how financialization of solidarity affects ideological conformity. To what extent does financialization affect the ideological conformity that is intrinsic to solidarity? How loyal does one have to be to ideologies and identities, and can financialization end up limiting freedoms? Elyachar (2002, 2005) shows how financialization in Egypt sets out to promote citizenship rights and inclusion, but NGOs instead turn into "low-cost Pinkertons" (Elyachar 2002, 498) that discipline citizens. Ellison (2014) found that private health insurance in Tanzania promoted new forms of biological citizenship that translated socialist ideologies into market ideologies. Economic anthropology sets out to understand how finance introduces or shapes certain ideologies and when and how such ideologies become part of conflicts or give rise to new types of conflicts. Financialization can put loyalties under pressure, lead to other kinds of loyalties, or require people to conform to values and moralities in new ways.

These are only a few of the many ethnographies that shed light on how financial products and services affect solidarity. These solidarities can be affected by the state, such as is the case with cash transfer grants or national health insurance, but also by companies exploring new financial markets. The kinds of financialization that I briefly touch upon here differ greatly, but they all show how the financialization of solidarity raises these three types of conflicts. Economic anthropology can thus show why solidarity might seem harmonious and peaceful but is simultaneously charged with conflicts and tensions that can lead to violence. As everyday life becomes increasingly financialized, we need to comprehend when and how such conflicts emerge and how the peaceful and violent dynamics of solidarity and finance are closely connected.

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