

# **The 7th Annual Stockholm Anthropology Roundtable**

## ***Brokers and the Shaping of Transnational Markets***

**Stockholm University, September 16-17, 2011**

Kungstener, Aula Magna

### **Friday, September 16**

**9.00 – 9.20 Welcome coffee/tea**

**9.20 – 9.40 Introductory remarks**

*Beppe Karlsson* (Chair, Department of Social Anthropology)

*Christina Garsten & Johan Lindquist* (Organizers)

**9.40 – 11.30 Session One**

*Janine Wedel* (George Mason University)

*Alexandra Ouroussoff* (Brunel University)

Chair: *Johan Lindquist*

**11.30 – 13.00 Lunch at The Faculty Club**

**13.00 – 15.00 Session Two**

*Daniel Seabra Lopes* (Technical University of Lisbon)

*Yuval Millo* (London School of Economics)

Chair: *Christina Garsten*

**15.00 – 15.30 Coffee/tea**

**15.30 – 17.30 Session Three**

*Caitlin Zaloom* (New York University)

*Gustav Peebles* (The New School for Social Research)

Chair: *Staffan Löfving*

**19.30 Dinner, Eyubi Kök & Bar, Döbelnsgatan 45**

## **Saturday, September 17**

**9.30 – 10.00 Coffee/tea**

**10.00 – 12.00 Session Four**

*Daniel Hoffman* (University of Washington)

*Joshua Barker* (Brunel University)

Chair: *Helena Wulff*

**12.00 – 13.15 Lunch**

**13.15 – 15.00 Session Five**

*Noel Salazar* (University of Leuven)

*Filippo Osella* (University of Sussex)

Chair: *Eva-Maria Hardtmann*

**15.00 – 15.30 Coffee/tea**

**15.30 – 17.00 Session Six**

**Concluding Discussion**

*Christina Garsten*

*Johan Lindquist*

Chair: *Beppe Karlsson*

**19.00 Dinner, Restaurang Pelikan, Blekingegatan 40**

# **Stockholm Anthropology Roundtable**

## ***Brokers and the Shaping of Transnational Markets***

The Roundtable aims to highlight and discuss the significance of brokers in facilitating social connections, establishing borders, and shaping contemporary transnational markets. The broker is a classic figure in the history of social anthropology, most notably through the influential work of Eric Wolf and Clifford Geertz, who highlighted the role of cultural and political brokers in mediating between the village and the metropole in the early post-colonial era. In more recent years, the broker has largely disappeared from anthropology as an object of analytical concern, although certainly remaining present in empirical terms.

In this Roundtable, we suggest that there is great potential in returning to the broker as a figure of analytical concern. Moving beyond dichotomies such as those between village and nation, or local and global, we suggest that the broker is an ethnographic and methodological starting point for conceptualizing transnational markets and economies. As such, we understand the position of the broker as an entry-point into broader systems of brokerage, which cannot be conceptualized a priori. Operating at the “interfaces” of different world-views and knowledge systems, the importance of brokers in negotiating roles, relationships, and representations in interlinked and networked social realities merits further attention.

## **Participants**

1. Yuval Millo
2. Caitlin Zaloom
3. Janine Wedel
4. Noel Salazar
5. Danny Hoffman
6. Joshua Barker
7. Alexandra Ouroussoff
8. Daniel Lopes
9. Filippo Osella
10. Gustav Peebles
11. Johan Lindquist
12. Christina Garsten
13. Helena Wulff
14. Ulf Hannerz
15. Shahram Khosravi
16. Beppe Karlsson
17. Mattias Löfving
18. Renita Thedvall
19. Gudrun Dahl
20. Lotta Björklund Larsen
21. Patrick Aspers
22. Örjan Bartholdson
23. Mats Utas
24. Paulina Mihailova
25. Ulrik Jennische
26. Philip Malmgren
27. Maple Razsa
28. Fernanda Soto
29. Chris Coulter
30. Eva-Maria Hardtmann
31. Per Ståhlberg
32. Mark Graham

## **Abstracts**

**Janine R. Wedel**

### **New pillars of power: The rise of shadow elites**

The rise of a new type of **flexible broker** is a signature feature of our era. **Shadow elites** are the chief protagonists in a new system of power and influence that debuted with the privatization of government, the diffusion of global authority, and new information technologies over the past several decades. The influence of these **power brokers** resides not so much in institutions (unlike, say, the government, military, and corporate pillars of Mills's *The Power Elite* 50 years ago), but in social networks that operate in and around and connect them. Today the power brokers themselves—the shadow elites—are the pillars of power. Less stable, less visible, more peripatetic, and more global in reach than their power-broker forebears, these unannounced players leapfrog rules and borders. Operating in fields from finance to foreign policy, shadow elites *test both* the rules of democratic states (accountability) and of the free market (competition). Because their very influence comes from their ability to blend and blur boundaries of all kinds—official and private, bureaucratic and market, global and local—research that focuses on one or the other sphere, rather than the players that straddle them, misses the point. Research that starts with conventional social science frameworks such as “state” versus “private,” “top-down versus bottom-up,” and “centralized” versus “decentralized” obfuscates, rather than illuminates, the real drivers of influence. To elucidate processes of power, influence, and governing in the new era, we must go back to basics. A focus on (1) players' roles and sponsors (both individual and organizational) and (2) social networks and sponsors is the appropriate starting point.

**Alexandra Ouroussoff**

### **Risky illusions: Who runs the global economy?**

A fundamental change in values internal to the international investment community has transformed the global economic landscape. These values are derived from a concept of productive capital that is incompatible with principles of market competition. This

observation - the result of ethnographic fieldwork in corporations and Wall Street financial institutions - stands in sharp contrast to the standard view that the last four decades have seen an unmitigated strengthening and expansion of market the principle. Fieldwork reveals that credit rating agencies, far from being passive information service providers, are the power brokers for investors' values. As such, they constitute a powerful instrument in the transformation towards an economic dynamic that privileges capital consolidation over and above market competition.

**Daniel Seabra Lopes**

### **Inscriptions and standards as mediators: Action at a distance in contemporary credit markets**

This communication intends to discuss the mediating role of inscriptions (such as numbers and codes), standards (such as the stabilized notions of 'principal', 'interest' and 'term') and technological devices combining both (such as average credit simulators). In a sense, the three may be considered as mere concepts and tools supporting the relationships between different actors that compose the credit market (individual customers, businesses and firms, retail banks, investment banks, auditors, regulators, etc.). However, it seems obvious that inscriptions and standards do more than just "assist" these actors, as if totally conditioned by the latter's interests. In fact, the interests of customers, firms, banks, etc. are in many ways constrained by assumptions of inscriptions and standards. By instantaneously establishing what is left out of discussion, as well as what can be discussed and in what terms, inscriptions and standards seem to operate a "synthetic" form of mediation. Notwithstanding this, certain inscriptions and standards may also be viewed as possessing an ambivalent character, in that they seem to point in two directions at once, or to combine two types of worlds in one single output (like Wolf's Janus-like brokers). Both effects of synthesis and ambivalence may lead to a reappraisal of the concept of "action at a distance" — particularly in regard to its spatial and temporal implications — as applied to financial markets.

## **Yuval Millo**

### **The organization of liquidity**

In the past five years, financial markets have gone through dramatic changes, including the introduction of new trading technologies, new forms of governance and a rapid push towards globalization. Most importantly, these trends are associated with the downfall in the human intermediary and, in particular, with the decline of the once all-important “specialists” – the provider of liquidity to the market. We examine these changes primarily with ethnography of the New York Stock Exchange (NYSE) during two periods of fieldwork, 2003 and 2008-2010, supplemented by archival research, and interviews with dozens of central figures in the Exchange, regulatory bodies, technology companies and competing institutions. Our analysis questions the widely-held belief that technological changes and globalization are the main causes behind the demise of human traders in contemporary financial exchanges. Instead, by analyzing exchanges as organizations, we argue that the transformation that financial markets have undergone is an outcome of a ‘folding’ process, where social mechanisms were recreated in a technological environment. Discussing our findings, we offer a first step towards developing a sociological theory of electronic financial exchanges and, more generally, a theory for a society dominated by automated algorithms.

## **Caitlin Zaloom**

### **The expert as broker: How personal finance mediates and makes markets**

Experts, associated with mastery over particular domains of knowledge and their specific techniques, often appear at junctures between fields of knowledge and action. I will argue that experts mediate between **distinct orders of value**, offering logics of commensuration that allow action across boundaries. The broker, then, can be a productive metaphor for reconceptualizing expertise. The profession of personal financial advice in the United States today demonstrates expert brokerage on two distinct levels. In the first, personal finance experts create scales of commensuration between the divergent value domains of finance and family. In the second, personal finance experts model behaviors and create conceptual channels that connect the finances of American middle class household with the global financial system. Together, personal finance experts offer modulations of affect, definitions of

responsibility, visions of the future, and actionable plans to suture family aspirations for prosperity and security to the mechanisms of investment and insurance. Examining personal finance experts as brokers can illuminate the ties that bind global socio-technical systems to individuals and households.

## **Gustav Peebles**

### **Rebrokering: Protecting markets from collapse**

If brokers are market actors who bring together buyers and sellers, how might we think about the market actors who re-broker deals that have come under duress? Those who, having witnessed the sociability of market relations turn sour, must convince buyer and seller to return to the table? As such, these brokers have to convince the debtor to part with more money rather than abscond to another jurisdiction, while they also must convince the creditor to accept substantial losses instead of turning to the vengeful threat of imprisonment. In the historical record, we have excellent sources from British history that illuminate this branch of brokering, in the form of lawyers and the operators of infamous “sponging houses.” More and more, as the international reform efforts of the 19<sup>th</sup> century sought to remake the world of credit and debt legislation, these brokers disappeared, replaced by a new state apparatus that could supposedly re-broker lost deals in a more fair and judicious manner, separate from the supposedly wily and conniving ways of the brokers. In the process, many states themselves moved more and more into the role of brokering.

## **Danny Hoffman**

### **Mobilization & militancy on the Sierra Leone / Liberia Border: Brokering the labors of violence**

Deep in the rainforests of the Sierra Leone / Liberia border, young men from around the region are gathered for work in one of the most volatile economies in modern Africa. From here fighters were recruited for both countries’ recent civil wars, and parties ranging from the US State Department to the Sierra Leonean and Liberian governments to the miners themselves fear that it could happen again. The questions I ask in this presentation are who, at this historical moment, has access to this pool of violent labor? What resources must they



mobilize to redeploy these youth from the labor of mining to the labor of war? I suggest that what we see now is a new economy of violence, an economy in which brokering the labor of violence is no longer a question of ideology or cultural patronage but of wage labor and cash.

**Joshua Barker**

### **Slum brokers in Indonesia**

By necessity, the broker is a janus-faced figure, always situated on a border and looking in two directions at once. Brokers exploit borders, and help to constitute them, but they also help to define for ‘outsiders’ what the domains they broker represent. They are thus important crafters of social imaginaries, while also themselves serving as symbols of the imaginaries they have crafted. For anthropologists, broker figures can thus be a fruitful sites for analysis, since changes in the image that brokers project can be taken to be symptomatic of broader shifts in social relationships. In this portion of the workshop, I discuss one face of the changing figure of the slum broker in Bandung, Indonesia. Once a broker of violence and criminality, the slum broker has morphed into a broker of votes, informal economies, and the power of ‘the people’. What can this shift tell us about the changing status of the slum in broader Indonesian and global contexts?

**Noel Salazar**

### **Tour guides as “brokers”: Analytical notes and queries**

Tour guides, especially those operating in cultural tourism, are widely believed to be textbook examples of brokerage: they facilitate encounters between “hosts” and “guests”, protect the local “backstage” from tourist intrusion, and partially act as “mechanics of glocalization”. The benefits they reap from their intermediary roles go far beyond the purely economic (e.g. commissions and tips) and include, among others, the accumulation of cultural capital. Ethnographic fieldwork in Indonesia and Tanzania has revealed that none of the attributed middleman guiding functions is uncontested and that guides mediate not only sociocultural differences but also the interests and imaginings of a variety of tourism stakeholders. Analyzing tour guide discourses and practices is key to understanding the rapidly changing

dynamics of transnational tourism, one of the world's largest industries, and raises important questions about anthropological brokerage too.

**Filippo Osella**

### **Migration, networks and connectedness across the Indian Ocean**

In my presentation I discuss migrants' networks in Kerala and the Gulf countries of West Asia, focusing on relationships between Indian and Arab approaches to making connections. I discuss the ubiquity of practices of connectedness in Indian society, from extended family networks through to the well-known figure of the dalal, or broker, go-between; I also trace ways in which Indian networking styles articulate with the Gulf phenomenon of *wasta*, or advantage via social connection. This pushes me to critique the abstraction of much social science literature on social networks and connectedness, raising questions about normativity, legitimacy and morality. The ethnography I discuss, then, collapses oppositions drawn between patronage and networking - marked in the literature, respectively, as illicit, "primordial" and licit, "modern" forms of social connectivity, but in practice working in analogous ways. Re-thinking these networks of patronage and favours in terms of their specific histories and operation, suggests that they act as a form of 'soft power' that eventually works towards the maintenance and protection under a global capitalist regime of privilege for a minority.