INFORMAL AND EVERYDAY MARKETS: HISTORIES OF BUSINESS AND ENTREPRENEURSHIP IN INDIA SINCE THE NINETEENTH CENTURY

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The history of business in modern South Asia has traditionally focused on large-scale Indian firms and corporations in an attempt to study the contribution of big capital to the historical development of the sub-continent. At the same time, social history has tended to narrate the worlds of small-scale actors on South Asian markets from the perspective of labor or regimes of production, especially when concerning artisanal populations. The international workshop “Informal and Everyday Markets: Histories of Business and Entrepreneurship in India since the Nineteenth Century” attempted to supplement this focus of the historiographical discourse by debating a business history of the informal and the local as well as the everyday worlds of small-scale entrepreneurs: a social history of South Asian markets.

The interdisciplinary workshop identified inter-personal, often ‘below the radar’ practices of small-scale entrepreneurs as constitutive of actual markets — as opposed to the market — in modern South Asia and proceeded to discuss regimes of market governance outside of or parallel to statutory regulations of economic behavior in various spatial and historical settings. After an introductory note by Ingo Köhler (Göttingen) that outlined the intention of the workshop and situated the discussion within larger debates on the evolution of capitalism in the Global South, the first panel discussed the relationship of informality, trust and risk in South Asian financial markets. Ritu Birla (Toronto) set the tone for the ensuing discussion with her paper on the futures contract, showcasing the embedment of speculation in both colonial and post-colonial Indian governmentalities and local conceptions of licit and illicit market behavior. Sadan Jha and
Nishpriha Thakur (Surat) followed with an ethnographic analysis of Chauta Bazaar in Surat which identified the history of small-scale businesses as a quasi-commodity used (among others) in generating trust between entrepreneurs and customers and therefore as a legitimizing entity shaping social and economic dynamics of a market. Sebastian Schwecke (Göttingen) concluded the first panel with a discussion of the changing characteristics of informal financial transactions in late colonial and contemporary Banaras, defined by the disappearance of a statutory framework for these financial practices and a corresponding emergence of distinct economies governed primarily by conceptions of reputation. Following the first panel, Claude Markovits (Paris) discussed the constitutive character of informal business relations and entrepreneurial networks in market relations in his special lecture. Here Markovits referred to debates on the embedment of markets in social institutions, arguing with Geertz that informal markets could not be understood as unregulated markets, but their regulatory mechanisms were not of a legal nature and illustrated this argument with two case studies on entrepreneurial networks involving the management of inheritance affairs outside British India by Shikarpuri traders and their role in intelligence gathering.

The second panel discussed the efforts and impacts of state regulation on informal aspects of market governance. Ritajyoti Bandyopadhyay (Calcutta) discussed the adaptation of street vendors and hawkers to state attempts to regulate their operation on public space and traced the ways in which street vendors were navigating a world changing due to the impacts of legal discourses while, in turn, affecting the direction of legal discourses through their collective action and everyday practices. Sujeet George (Calcutta) followed Bandyopadhyay’s paper with a discussion on the regulation of the salt trade in colonial western India, especially focusing on the ways in which the everyday practices of local business life uneasily entered the colonial logic of order and governance, while pointing out how the everyday practices of the salt trade themselves affected the negotiations of the shifting sign posts of profitability under changing rationalities of market governance. Concluding the second panel, Koyel Lahiri (Calcutta) returned to the subject of street vending in Calcutta, contrasting colonial legislative discourses on the identification of hawkers with contemporary socio-political activism by hawkers’ unions and ongoing legal discourses and analysing the hawkers’ management of a complex terrain defined simultaneously by legal and social practices.
Following the debate on regulations of the informal, the third panel concentrated on the histories of markets as distinct spatial entities. Saumyashree Ghosh (Calcutta) opened the discussion with a paper on the history of railway trading marts in colonial Bengal, deciphering the morphology of a new business landscape introduced by the arrival of the railway in eastern India and the shaping of these new markets by the interaction of two different forms of capital — big capital in the form of the railway and local, commercial capital. Anwesha Ghosh (Toronto) followed with a study of the establishment of the New Market in Calcutta as a model marketplace catering to the consumption patterns of Europeans in the colonial metropolis, though remaining embedded in a web of illicit entanglements characteristic of ‘traditional’ business practices that shaped markets as social institutions for the exchange of goods. Lucy Norris (Berlin) concluded the panel with a study of the working of second-hand clothing markets operating below the radar in liminal quasi-regulatory spaces that simultaneously function at different scales — the formal, informal, and black economies — and illustrating the fuzzy character of dualistic distinctions between these categories.

The fourth panel carried on the focus on local economies, but centered on the observation of local forms and varieties of capitalism. Suresh Bhagavatula (Bangalore) opened the discussion with a paper on the handloom industry in Andhra Pradesh, emphasizing the entrepreneurial tenacity of artisans and artisanal small-scale capitalists (master weavers) to subsist as an underlying reason for the survival of the industry in contrast to depictions that trace this survival to interventionist efforts by the state. Yugank Goyal (Rotterdam) followed up the discussion with a study on institutions of trade credit in the footwear industry of Agra, delineating how market relations and social hierarchies kept alive informal financial arrangements embedded in social relations and institutions that extract surplus but also enhance trust and regulate economic behavior. Stefan Tetzlaff (Göttingen) concluded the discussion with a paper on the worlds of small-scale entrepreneurs in road transport, focusing on the navigation of economic vagaries and opportunities for entrepreneurs in an emerging branch of small-scale business. Following the fourth panel, Douglas E. Haynes (Dartmouth) in his keynote lecture outlined the potential of the overlap between economic and social history as a social history of markets and market governance with a study of market relations
of small-scale textile manufacturers in western India from the perspectives of both business and labor history.

In the sixth panel the focus of the debate shifted from the embedment of markets and economic actors in society to the social embedment of goods and commodities through constructions of consumer identity. V. Kalyan Shankar (Pune) opened the discussion with a reconstruction of the social history of the television market in Pune, contrasting the efforts to create brands by licensed companies with the evolution of the generic image of television sets and the role of the secondary and informal industry of television maintenance and retail. Jason Petrulis (Colgate) followed up the discussion on the embedment of commodities with his paper on the hair market in modern India, depicting how markets produce sites of liminality where objects can take on multiple identities. Following Panel 6, Barbara Harriss-White (Oxford) in her special lecture outlined the explanatory value of the concept of local capitalisms to our understanding of development and clusters of development through an analysis of the local food-grains economies in post-colonial northern Tamil Nadu, depicting local capitalism as a building block in which the state and state-led regulation constitute vital elements but informal activities, in turn, penetrate corporations and the state itself.

Concluding the workshop, the seventh panel introduced the study of transnational actors and their management of the social embedment of South Asian markets into the discussion. Christina Lubinski (Copenhagen) analyzed the management of notions of (German and common European) racial superiority in a context defined by competitive advantages due to non-British foreign origins of economic actors in her study on the recruiting practices of German multinationals in colonial India, illustrating how perceptions of Otherness in both the country of origin and the local target markets defined changing business practices. Concluding the panel, Raman Mahadevan (Chennai) argued for an introduction of social history perspectives into the study of foreign trade, typically dominated by quantitative analyses, in his depiction of the IG Farben subsidiary Havero in the dye market of British India.

Together the papers showed the potential of a business history of the informal. All papers paid special attention to the informality of economic transactions and to the inter-personal characteristics of markets instead of their abstract nature. They thus shed light on
markets in practice and offered conceptual ideas of how to integrate markets’ cultural and social embeddedness, informal exchanges, everyday interactions and illegitimate or illegal market activities.

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