ABSTRACT
This article examines the relevance of Bronislaw Malinowski’s research among the Trobriand Islanders to the current economic crisis of excess unemployment. It reviews how Malinowski considered the Kula exchange of sea shells to be outside the Trobriand subsistence economy. Relying considerably on an analysis by Marvin Harris, I point to how Malinowski used a concept of culture which subsumes the entire social system, i.e., a symbolic expression explains social structure and adaptation. Even though Malinowski considered the Kula ring to be without economic relevance, his ethnographic data were used by the economist Karl Polanyi to demonstrate that an economy is not independent of social structure, i.e., that the assumption of a free market is false. I argue that a psychological reductionist concept of culture can be used by the very wealthy to rationalize opposition to Keynesian fiscal and monetary economic policies which, in fact, have a good record of reducing unemployment.

KEY WORDS: Malinowski, Keynes, unemployment, concepts of culture

INTRODUCTION
Recently the Chairman of the Federal Reserve Board announced the Committee would continue to buy as many bonds as needed, i.e., print money. (This is a simplified way of stating, “quantitative easing as long as the unemployment rate remains 6.5% and inflation 1-2 years out is projected to be under 2.5%, and longer-term inflation expectations remained well—anchored,” Board of Governors 2012.) Such a governmental policy decision was a clear endorsement of Keynesian economic theory that explains unemployment as the result of not enough money being in the hands of consumers, i.e., a deviation of employment from its natural rate (Krugman 2009b). In times like these, I think back on the Kula ring of island trade described by Bronislaw Malinowski in Argonauts of the Western Pacific, which provides to this day one of the most detailed ethnographic descriptions of an economic system that operated on principles of tribal kinship, redistribution, and reciprocity, i.e., without money. Yet, even though the Kula ring was a system of exchange of valuable items (itself a definition of “money”), heirlooms of shells and jewelry of immense value to their holders, Malinowski insisted that the Kula ring was not a market, but rather concerned only with religious rituals and kinship reciprocity. Even some economists of his day accepted his description on face value and the implications of social solidarity implied (Polanyi 1944: 52-53).

But, co-existing with the Kula ring of exchanges was a subsistence economy, a system by which the Trobrianders produced and distributed products/goods (food, boats, household technology) and services (oceanic transportation, house construction, magic specialization). Therefore, one has to question why Malinowski did not look for ways that the Kula impacted subsistence activities.

MALINOWSKI AND KULA RING INTERPRETATIONS
I therefore have found it curious that Malinowski, in his description of the Kula ring, managed to ignore the great economic theories of his day that explained markets in terms of supply and demand. This omission appears related to how he conceived of culture. Malinowski used a concept of culture similar to one used by some scholars today, where society begins and ends with symbolic expression, i.e., culture is not a separate domain of society, as with the structural-functionalism of Durkheim and Radcliffe-Brown. (Social structure and technological-environmental adaptations are the other components stressed by structural-functionalists, as Harris [1968: 517] notes.)

Central to this essay, for Malinowski, the Kula ring had high psychological sentiment that had no relationship to economic or subsistence activity. For him, the Kula ring was not a market, but rather concerned only with religious rituals and kinship reciprocity. Yet, it is hard to believe that the Kula shells did not have exchange value, that they were not in some sense a form of money. An economist might have considered if their existence placed limits on subsistence activities in a manner similar to the way in which depletion of gold reserves in gold standard capitalist countries causes unemployment. In other words, an economist looking at the Kula ring might have looked for the possibility of a functional, systemic connection among subsistence activities and the Kula ring trade.

Ironically, Malinowski’s ethnographic descriptions of Trobriand subsistence activity provided evidence which the economist Karl Polanyi used to demonstrate the “embeddedness” of an economy within society. Polanyi’s economic theory states that economics and society share a
common institutional social structure, i.e., there is not a free, independent, self-regulating market. People’s survival needs, social institutions, and cognitive/emotional minds are just as important to economic choices as any marketplace. So, even though Malinowski’s Kula ring represents an economy-free zone, his description of Trobriand institutional life does not. This discourse contributed greatly to Polanyi’s economic theories which today are used to challenge neo-liberal economic, free market doctrines, these linked by many economists to high unemployment rates and bank failures (see Polanyi 1944: 35-58).

Why did Malinowski seemingly have no need of economics, which while not equal to the hard sciences in terms of predictive/explanatory power, at least aspires to be a science, engaging in a search for regularities and lawful relationships among variables. The answer lies in his view of culture, or for that matter, in his vision of anthropology, one not unlike the current anti-scientism prevalent in some anthropological thought, a vision that embraces “relativism, quixotism, and psychological reductionism” (Harris 1968: 553). So, he would have been unlikely to bring to field research a comparative approach which would have aided the search for regularities and cause-and-effect relationships.

THE SITUATION TODAY

This brings us full circle to the current opposition in the U.S. and Europe among the very wealthy to fiscal and monetary policies advocated by top economists which can ameliorate high unemployment and the human suffering it brings (Krugman 2009a; Stiglitz 2003; Surowiecki 2012). The wealthy oppose both fiscal action by Congress to spend more money on government programs for the unemployed, and Keynesian monetary policies that worked in the Great Depression of the 1930s and other lesser recessions. An explanation of the Kula ring of trade as due to mystical, psychic needs of tribe and clan, symbolic expressions disconnected from the actual system of production and distribution of goods and services, would be quite acceptable for Tea Party Republicans with their mystical faith in free markets and seeming indifference to high unemployment. The wealthiest two percent can afford a lot of sea shells.

Of what relevance today is Malinowski’s ethnography of the Trobriand people for applied anthropology? If applied anthropology is to offer solutions to human problems its practitioners must provide theories or explanations that extend beyond interpretation and are capable of validation. The fallacy of inductivism (Deutsch 1997: 70), i.e., the notion that collecting a series of observations will eventually yield a hypothesis, is often used as a research methodology for cross-cultural analysis. While Malinowski’s functionalism, conceived within a symbolic concept of culture, is an inadequate theory for applied anthropology, his ethnographic methods are sound. Malinowski’s field research provided evidence that an economy is embedded within a society; therefore free, independent markets do not exist, and his research is complemented by economic theories that have been validated and used for policies that reduce excess unemployment.

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